Laurens County, Georgia

Annual Financial Report

For the Year Ended
June 30, 2013

LAURENS COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2013

Issued by: Scott Bourassa, Finance Officer
under Authority of the Board of Commissioners

LAURENS COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2013

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Financial Section

TJS Deemer Dana LLP
CERTIFIED PUBLIC ACCOUNTANTS

tjsdd.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Laurens County, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activity, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Laurens County, Georgia as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of Laurens County, Georgia for the year ended June 30, 2012 were audited by TJS & Company, LLC, independent accountants, whose partners merged with TJS Deemer Dana LLP on January 1, 2014. TJS & Company, LLC's report dated January 10, 2013, expressed an unmodified opinion on those statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Laurens County Public Health Center or the Dublin - Laurens County Development Authority, both of which are major component units, which statements reflect assets constituting 4 percent and 16 percent, respectively, of total assets at June 30, 2013, and revenues constituting 7 percent and 17 percent, respectively, of total revenues for the year then ended. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Laurens County Public Health Center and the Dublin - Laurens County Development Authority, are based on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activity, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Laurens County, Georgia, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 to 10 and 52 to 55 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Laurens County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules listed

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated February 13, 2014, on our consideration of Laurens County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Laurens County, Georgia's internal control over financial reporting and compliance.

Very truly yours,

TJS DeemerDana LLP

Dublin, Georgia

February 13, 2014

Management's Discussion and Analysis

LAURENS COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Laurens County, Georgia, we offer readers of our financial statements this narrative overview and analysis of the financial activities of Laurens County for the fiscal year ended June 30, 2013. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

Financial Highlights

Key financial highlights for FY13 are as follows:

The County's combined net position totaled $44.4 million. Of this amount, unrestricted net position of $4.0 million may be used to meet the government's ongoing obligations to citizens and creditors.

Combined revenue totaled $35.7 million of which governmental activities totaled $34.6 million.

Overall expenses totaled $37.1 million of which governmental activities totaled $36 million.

Overall the net change in fund balance was an increase of $11.5 million which was caused by the issuance of bonds in the amount of $11.7 million in the SPLOST ending June 30, 2018. The bonds will be paid off with future SPLOST Funds. The net change in the general fund balance was a decrease of $42,438.

As of June 30, 2013, the County's General Fund reported an unassigned fund balance of $3.7 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Laurens County, Georgia's basic financial statements. The County's basic financial statements consist of the following elements:

Government-wide Financial Statements

Government-wide financial statements provide both long-term and short-term information about the County's overall financial condition. Changes in the County's financial position may be measured over time by increases and decreases in the Statement of Net Position. Information on how the County's net position changed during the fiscal year is presented in the Statement of Activities.

Fund Financial Statements

Fund financial statements focus on individual parts of the County, reporting the County's operations in more detail than the government-wide financial statements. Fund financial statements include the statements for governmental, proprietary, and fiduciary funds. Financial statements for the County's component units are also presented.

Notes to the Financial Statements

Notes to the financial statements provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements.

Refer to Note 1 to the financial statements for more detailed information on the elements of the financial statements. Table 1 below summarizes the major features of the basic financial statements.

Table 1: Major Features of the Basic Financial Statements

	Government-wide Financial Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire State government (except fiduciary funds) and the County's component units	Activities of the County that are not proprietary or fiduciary	Activities of the County that are operated similar to private business	Instances in which the County is the trustee or agent for someone else's resources
Required financial statements	Statement of net position Statement of activities	Balance sheet Statement of revenues, expenditures, and changes in fund balances	Statement of net position Statement of revenues, expenditures, and changes in net position Statement of cash flows	Statement of fiduciary assets and liabilities Statement of changes in fiduciary assets and liabilities
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year Expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Condensed Statement of Net Position

Table 2 below presents the County's condensed statement of net position as of June 30, 2013 and 2012.

Table 2: Condensed Statement of Net Position

	Governmental Activites		Business-Type Activities	
	2013	2012	2013	2012
Assets				
Current and other assets	$ 23,751,388	$ 11,077,541	$ 217,116	$ 116,199
Capital assets	35,255,210	37,035,905	372,150	419,037
Total assets	59,006,598	48,113,446	589,266	535,236
Liabilities				
Other liabilities	5,235,017	1,975,438	45,059	27,349
Long-term liabilities	9,917,815	829,002	-	-
Total liabilities	15,152,832	2,804,440	45,059	27,349
Net Position				
Net investment in capital assets	23,536,208	36,138,945	372,150	419,037
Restricted	16,484,059	11,518,273	-	-
Unrestricted	3,833,499	(2,348,212)	172,057	88,850
Total net position	$ 43,853,766	$ 45,309,006	$ 544,207	$ 507,887

The largest component of the County's net position is it's investment in capital assets (e.g. land, infrastructure, buildings, equipment, and others), less any related debt outstanding that was needed to acquire or construct the assets. The County uses these capital assets to provide services to the citizens and businesses in the County; consequently, the net position is not available for future spending. Restricted net position represent resources that are subject to external restrictions, constitutional provisions, or enabling legislation on how they can be used. The remaining portion of net position is unrestricted, which can be used to finance government operations.

Condensed Statement of Activities

Table 3 below presents the County's condensed statement of activities for the fiscal years ended June 30, 2013 and 2012. Over time, increases and decreases in net position measure whether the County's financial position is improving or deteriorating.

Table 3: Condensed Statement of Activities

	Governmental Activities		Business-Type Activities	
	2013	2012	2013	2012
Revenues				
Program revenues:				
Charges for services	$ 10,572,051	$ 9,878,180	$ 608,256	$ 625,876
Operating grants and contributions	468,165	648,945	-	-
Capital grants and contributions	47,303	198,265	36,320	-
General revenues:				
Property taxes	7,958,796	7,449,259	-	-
Other taxes	14,965,371	14,826,065	504,715	478,445
Other revenues	914,340	(15,375)	242	244
Total Revenues	34,926,026	32,985,339	1,149,533	1,104,565
Expenses				
General government	11,167,199	11,898,285	-	-
Judicial	3,525,141	3,360,154	-	-
Public safety	12,134,301	11,450,456	-	-
Public works	4,693,687	4,522,779	-	-
Health and welfare	264,157	242,167	-	-
Conservation and natural resources	1,080,419	1,070,753	-	-
Housing and development	3,229,763	1,555,201	-	-
Interest on long-term debt	286,599	224,317	-	-
Sanitation	-	-	1,113,213	1,104,362
Total Expenses	36,381,266	34,324,112	1,113,213	1,104,362
Increase (decrease) in net position before gain (loss) and transfers	(1,455,240)	(1,338,773)	36,320	203
Gain (loss) on sale of capital assets	-	(8,270)	-	-
Transfers	-	-	-	507,684
Change in net position	(1,455,240)	(1,347,043)	36,320	507,887
Beginning net position	45,309,006	46,656,049	507,887	-
Restatement of Prior Year Net Position	-	-	-	-
Ending net position	$ 43,853,766	$ 45,309,006	$ 544,207	$ 507,887

During the fiscal year ending June 30, 2013, the net position of the government activities decreased $1,455,240 or 3.21%. Total revenues for 2013 increased by $1,940,687 or 5.88%. The increase was due to several factors. Charges for services increased $693,871 or 7.02%, which was mainly due to an increase in charges in public safety. Operating and capital grants slightly decreased due to grants being completed and no new grants were obtained to take their place. Other revenues increased $929,715 due to the County transferring $507,684 to establish Sanitation Enterprise Fund in the prior year. There was also a greater gain on disposal of capital assets in FY 2013 than in the prior year.

Total expenses for 2013 increased by $2,057,154 or 5.99%. The main reason for the increases in expenses in 2013 was due to an increase in expenditures of public safety which included capital assets purchased from the SPLOST Fund and additional expenditures for economic development in the SPLOST funds.

Approximately 23% of the County's revenues came from property taxes and approximately 42.85% came from other taxes. Approximately 30.27% of the County's revenues came from charges for services and approximately 4.09% came from grants and other revenues. Although a majority of the County's expenses are financed by property taxes and other taxes, the County continues to rely heavily on revenues from charges for services to fund its budget. The County's expenses cover a range of services with 33.35% related to public safety, 12.90% related to public works, 31% related to general government activities which includes the tax commissioner and tax assessor, and 9.69% related to judicial activities. Although total expenses have increased, there has only been a minor shift in the allocation of resources.

Program Expenses and Revenues for Governmental Activities

Table 4 below presents program expenses and revenues for governmental activities for the fiscal year ended June 30, 2013 and 2012.

Table 4: Program Expenses and Revenues for Governmental Activities

	2013		
Programs	Program Expenses	Program Revenues	Net Program Expenses (Revenues)(b)
General government	$ 11,167,199	$ 3,967,285	$ 7,199,914
Judicial	3,525,141	2,694,194	830,947
Public safety	12,134,301	4,257,700	7,876,601
Public works	4,693,687	102,084	4,591,603
Health and welfare	264,157	66,256	197,901
Conservation and natural resources	1,080,419	-	1,080,419
Intergovernmetnal payments	3,229,763	-	3,229,763
Interest on long-term debt	286,599	-	286,599
Totals	$ 36,381,266	$ 11,087,519	$ 25,293,747

	2012		
Programs	Program Expenses	Program Revenues	Net Program Expenses (Revenues)(b)
General government	$ 11,898,285	$ 3,603,696	$ 8,294,589
Judicial	3,360,154	2,948,837	411,317
Public safety	11,450,456	3,786,489	7,663,967
Public works	4,522,779	305,994	4,216,785
Health and welfare	242,167	80,374	161,793
Conservation and natural resources	1,070,753	-	1,070,753
Intergovernmetnal payments	1,555,201	-	1,555,201
Interest on long-term debt	224,317	-	224,317
Totals	$ 34,324,112	$ 10,725,390	$ 23,598,722

(b) Net program expenses are mainly supported by taxes

Program revenues are allocated based on which program collects the revenue. Therefore, judicial program expenses are more adequately covered by charges for services due to the allocation of traffic fines issued by public safety, but collected by Probate Court. Overall, program revenues were not sufficient to cover program expenses for governmental activities. The net program expenses of these governmental activities were therefore supported by general revenues, mainly taxes.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

As of the close of the fiscal year, the County's governmental funds reported a combined ending fund balance of $20,359,880 with $154,597 reported as non-spendable, $16,484,059 reported as restricted, and $3,721,224 of unassigned fund balance.

The General Fund is the operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was $3,721,224 and total fund balance was $3,835,673. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance to total fund expenditures. Unassigned fund balance represents 19.75% of total General Fund expenditures, while total fund balance represents 20.35%. The net change in the General Fund's fund balance for the fiscal year ended June 30, 2013, was a decrease of $42,438 or 1.09%. The reason for the decrease in the fund balance was mainly due to increases in medical claim expenditures from the insurance fund which increased the transfers out.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the fiscal year, the County may revise the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; 3) increases in appropriations that become necessary to maintain services. The fiscal year ended June 30, 2013 budget was not amended.

The actual operating revenues of the General Fund did exceed the final budgeted amounts by $291,043. The major factor contributing to the favorable variance was due to increase in taxes and other revenue by $472,820 and $147,806, respectively. The favorable revenue variances were offset by unfavorable balance variance in fines and forfeitures of $407,647.

The actual operating expenditures of the General Fund had a favorable variance in relation to the final budgeted amounts by $618,662. The main reason for the favorable variance was due the County managing their expenditures with regard to the budget established. Unfortunately, the County did have to transfer out $853,845 more than budgeted due to higher health insurance costs than anticipated.

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

At June 30, 2013, the County reported $35,255,210 in capital assets for governmental activities. Major capital asset transactions during the year were several paving and resurfacing projects. Also, equipment was purchased for emergency management, sheriff department as well as public works. Refer to Note III-D to the financial statements for additional information on capital assets

At June 30, 2013, the County reported no capital lease debt. Refer to Note III-G to the financial statements for additional information on capital leases. During the fiscal year ending June 30, 2013, the County issued $10,890,000 in General Obligation Sales Tax Bonds for various economic development projects of the County. As of June 30, 2013, the principal balance on the bonds was $10,890,000.

The County has also entered into an intergovernmental agreement with the Laurens County Public Facilities Authority, a component unit, to finance the installation of an air conditioning system in the courthouse, construction of EMA/EMS building, construction of t-hangers, road construction, and construction of mental health buildings. Refer to Note III-G to the financial statements for additional information on the long-term debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

As with the rest of the State of Georgia, Laurens County's economic climate for FY 2013 has been a very slow recovery. Revenues such as sales tax appear to have leveled off and are slowly creeping up. Even with the lower levels of taxes, the Special Local Option Sales Tax continues to assist the County in funding much needed capital outlay projects such as resurfacing infrastructure and purchasing needed equipment for public safety and public works. Laurens County industry has declined due to lay-offs at major industries. However, none of the industries has closed and they continue to operate. Fortunately, Laurens County has obtained two new industries that will provide jobs in the next few years. The economic outlook for FY 2014 appears to be looking toward a slow recovery out of the recession. It is expected that the tax digest will slightly increase and that sales tax is anticipated to increase only slightly during FY 2014. However, Laurens County is actively working on bringing industry to this area. The outlook for new industry would look good, except for the uncertainty of what the Federal Government plans are for the economy.

The development of the FY 2014 budget was challenging. Although the County has added new industry, their economic impact will not be felt for a couple of more years. Also, the County is still in a slow economic recovery. The slow recovery is compounded by the inability of the Federal Government to make meaningful decisions that will avoid another recession. Also with the new healthcare legislation taking effect in 2013, businesses will continue to be looking to reduce costs which could mean a sluggish economy. The property tax digest increasing slightly has impacted the County's ability to maintain existing service levels without a tax increase. The FY 2014 general fund budget represents an increase over the FY 2013 general fund budget. The millage rate and other charges for services were not increased for FY 2014.

Difficult choices have been made as the FY 2014 budget was developed, and it represents a balance between available resources and needs. This balance was achieved using the objectives and priorities established by the Board of Commissioners.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. Questions about this report or requests for additional financial information may be addressed to:

Laurens County Finance Department
117 East Jackson Street
P.O. Box 2011
Dublin, Georgia 31040
Telephone: (478) 272-4755

Basic Financial Statements

LAURENS COUNTY, GEORGIA

Exhibit 1

STATEMENT OF NET POSITION
JUNE 30, 2013

	Primary Government			Component Units			
	Governmental Activities	Business - type Activity	Total	Solid Waste Management Authority	Public Facilities Authority	Development Authority	Public Health Center
Assets							
Cash and cash equivalents	$ 19,617,314	$ 191,076	$ 19,808,390	$ 1,217,873	$ 321,039	$ 1,359,147	$ 1,933,382
Certificates of deposit	-	-	-	-	-	1,583,136	1,065,518
Receivables, net of allowances for uncollectible:							
Taxes	497,577	-	497,577	-	-	-	-
Accounts	1,186,085	99,403	1,285,488	108,321	-	-	153,742
Due from other governments	1,488,522	-	1,488,522	-	-	-	415,757
Note	-	-	-	-	-	712,000	-
Accrued interest receivable	462	-	462	3,747	-	613	-
Prepaid expenditures	154,597	4,579	159,176	8,225	-	-	-
Internal balances	77,942	(77,942)	-	-	-	-	-
Advances to component units	16,889	-	16,889	-	-	-	-
Note receivable to component unit	712,000	-	712,000	-	-	-	-
Advances to primary government	-	-	-	-	829,002	-	-
Capital assets:							
Land and other non-depreciable assets	3,882,381	105,934	3,988,315	288,824	-	4,169,701	-
Other capital assets, net of depreciation	31,372,829	266,216	31,639,045	2,140,583	-	6,002,192	221,361
Utility deposits	-	-	-	-	-	150	-
Restricted cash - post closure care costs	-	-	-	3,408,566	-	-	-
Total assets	59,006,598	589,266	59,595,864	7,176,139	1,150,041	13,826,939	3,789,760
Liabilities							
Accounts payable	1,127,512	39,973	1,167,485	51,456	-	205,000	83,375
Bank overdraft	854	-	854	-	-	-	-
Accrued expenses	102,560	5,086	107,646	17,244	13,588	1,726	-
Due to other governments	-	-	-	-	-	-	246,248
Accrued interest payable	-	-	-	-	-	23,309	-
Post employment benefits payable	53,267		53,267	-	-	-	-
Premium on bonds payable	721,708		721,708	-	-	-	-
Compensated absences payable - current	482,812	-	482,812	13,140	-	-	61,757
Advances from primary government	-	-	-	16,889	-	-	-
Note payable to primary government	-	-	-	-	-	712,000	-
Unearned revenue	945,117	-	945,117	-	-	-	-
Long-term obligations:							
Due within one year	1,801,187	-	1,801,187	176,823	154,000	2,320,913	-
Due in more than one year	9,917,815	-	9,917,815	7,433,556	1,170,000	592,956	247,028
Total liabilities	15,152,832	45,059	15,197,891	7,709,108	1,337,588	3,855,904	638,408
Net Position							
Net investment in capital assets	23,536,208	372,150	23,908,358	1,693,980	-	7,258,024	221,361
Restricted for:							
Special programs	9,284,059	-	9,284,059	-	-	-	-
Capital activity and debt service	-	-	-	-	-	2,584,913	-
Economic development	7,200,000	-	7,200,000	-	-	-	-
Contributions Conference Center	-	-	-	-	-	16,500	-
Post closure care costs	-	-	-	3,408,566	-	-	-
Prior year program income fund	-	-	-	-	-	-	707,036
Unrestricted	3,833,499	172,057	4,005,556	(5,635,515)	(187,547)	111,598	2,222,955
Total net position	$ 43,853,766	$ 544,207	$ 44,397,973	$ (532,969)	$ (187,547)	$ 9,971,035	$ 3,151,352

The Accompanying Notes to the Financial Statements are an integral part of this statement

LAURENS COUNTY, GEORGIA

EXHIBIT 2

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Changes in Net Position: Primary Government: Governmental Activities	Changes in Net Position: Primary Government: Business - type Activity	Changes in Net Position: Primary Government: Total	Component Units: Solid Waste Management Authority	Component Units: Public Facilities Authority	Component Units: Development Authority	Component Units: Public Health Center
Primary Government											
Governmental Activities:											
General government	$ 11,167,199	$ 3,844,574	$ 86,994	$ 35,717	$ (7,199,914)	$ -	$ (7,199,914)	$ -	$ -	$ -	$ -
Judicial	3,525,141	2,569,405	124,789	-	(830,947)	-	(830,947)	-	-	-	-
Public safety	12,134,301	4,055,988	190,126	11,586	(7,876,601)	-	(7,876,601)	-	-	-	-
Public works	4,693,687	102,084	-	-	(4,591,603)	-	(4,591,603)	-	-	-	-
Health and welfare	264,157	-	66,256	-	(197,901)	-	(197,901)	-	-	-	-
Conservation of natural resources	1,080,419	-	-	-	(1,080,419)	-	(1,080,419)	-	-	-	-
Housing and development	3,229,763	-	-	-	(3,229,763)	-	(3,229,763)	-	-	-	-
Interest on long-term debt	286,599	-	-	-	(286,599)	-	(286,599)	-	-	-	-
Total governmental activities	36,381,266	10,572,051	468,165	47,303	(25,293,747)	-	(25,293,747)	-	-	-	-
Business - type Activity -											
Sanitation Fund	1,113,213	608,256	-	36,320	-	(468,637)	(468,637)				
Total primary government	37,494,479	11,180,307	468,165	83,623	(25,293,747)	(468,637)	(25,762,384)	-	-	-	-
Component Units											
Laurens County Solid Waste Management Authority	2,014,231	1,447,642	-	-	-	-	-	(566,589)	-	-	-
Laurens County Public Facilities Authority	56,803	-	-	-	-	-	-	-	(56,803)	-	-
Dublin-Laurens County Development Authority	1,454,074	-	175,000	550,000	-	-	-	-	-	(729,074)	-
Laurens County Public Health Center	8,074,205	1,079,750	6,452,972	-	-	-	-	-	-	-	(541,483)
Total component units	$ 11,599,313	$ 2,527,392	$ 6,627,972	$ 550,000	-	-	-	(566,589)	(56,803)	(729,074)	(541,483)
General revenues:											
Property taxes					7,958,796	-	7,958,796	-	-	-	-
Sales and other taxes					14,965,371	504,715	15,470,086	-	-	2,578,214	-
Licenses and permits					72,980	-	72,980	-	-	-	-
Intra/inter agency					-	-	-	-	-	-	773,626
Unrestricted investment earnings					168,877	242	169,119	18,681	35,852	8,777	-
Rent income					160,662	-	160,662	-	-	219,214	-
Other local funds					-	-	-	-	-	-	17,715
Miscellaneous					414,184	-	414,184	-	-	61,382	9,164
Gain on disposal of capital assets					97,637	-	97,637	-	-	-	-
Total general revenues and transfers					23,838,507	504,957	24,343,464	18,681	35,852	2,867,587	800,505
Change in net position					(1,455,240)	36,320	(1,418,920)	(547,908)	(20,951)	2,138,513	259,022
Net position - beginning					45,309,006	507,887	45,816,893	14,939	(166,596)	7,832,522	2,892,330
Net position - ending					$ 43,853,766	$ 544,207	$ 44,397,973	$ (532,969)	$ (187,547)	$ 9,971,035	$ 3,151,352

The Accompanying Notes to the Financial Statements are an integral part of this statement

LAURENS COUNTY, GEORGIA

EXHIBIT 3

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013

	General	Emergency Medical Services	SPLOST	FY 13 - 18 SPLOST	Permanent	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	$ 3,045,807	$ 104,514	$ 2,868,759	$ 6,197,613	$ 6,489,760	$ 884,124	$ 19,590,577
Receivables, net of allowances for uncollectibles:							
Taxes	497,577	-	-	-	-	-	497,577
Accounts	102,374	882,629	-	-	-	153,071	1,138,074
Note	-	-	-	-	712,000	-	712,000
Due from other governments	475,550	8,497	-	892,025	-	112,450	1,488,522
Due from other funds	591,708	-	-	-	-	-	591,708
Accrued interest receivable	-	-	-	-	-	462	462
Prepaid expenditures	114,449	23,448	-	14,016	-	2,684	154,597
Advances to component units	16,889	-	-	-	-	-	16,889
Total Assets	**$ 4,844,354**	**$ 1,019,088**	**$ 2,868,759**	**$ 7,103,654**	**$ 7,201,760**	**$ 1,152,791**	**$ 24,190,406**
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	$ 208,001	$ 15,992	$ 6,244	$ 580,948	$ -	$ 17,952	$ 829,137
Bank overdraft	-	-	-	-	-	854	854
Accrued expenses	50,715	36,864	-	1,764	-	13,217	102,560
Due to other funds	223,627	276,555	-	-	1,760	235,451	737,393
Deferred revenues	526,338	689,127	-	945,117	-	-	2,160,582
Total Liabilities	1,008,681	1,018,538	6,244	1,527,829	1,760	267,474	3,830,526
Fund Balances:							
Nonspendable for -							
Prepaid expenditures	114,449	23,448	-	14,016	-	2,684	154,597
Restricted for:							
Economic development	-	-	-	-	7,200,000	-	7,200,000
Special programs	-	(22,898)	2,862,515	5,561,809	-	882,633	9,284,059
Unassigned	3,721,224	-	-	-	-	-	3,721,224
Total Fund Balances	3,835,673	550	2,862,515	5,575,825	7,200,000	885,317	20,359,880
Total Liabilities and Fund Balances	**$ 4,844,354**	**$ 1,019,088**	**$ 2,868,759**	**$ 7,103,654**	**$ 7,201,760**	**$ 1,152,791**	**$ 24,190,406**

The Accompanying Notes to the Financial Statements are an integral part of this statement

LAURENS COUNTY, GEORGIA

EXHIBIT 4

RECONCILIATION OF NET POSITION –GOVERNMENTAL FUNDS IN THE STATEMENT OF NET POSITION TO TOTAL FUND BALANCE – GOVERNMENTAL FUNDS ON THE BALANCE SHEET FOR THE YEAR ENDED JUNE 30, 2013

Fund balance - total governmental funds	$ 20,359,880
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	35,255,210
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	1,215,465
Post employment benefits used in governmental activities are not financial resources and therefore are not reported in the funds.	(53,267)
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	
Advances from component units	(829,002)
Bonds payable	(10,890,000)
Premium on bonds payable	(721,708)
Compensated absences	(482,812)
Net position of governmental activities	$ 43,853,766

The Accompanying Notes to the Financial Statements are an integral part of this statement

LAURENS COUNTY, GEORGIA

EXHIBIT 5

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	General	Emergency Medical Services	SPLOST	FY 13 - 18 SPLOST	Permanent	Other Governmental Funds	Total Governmental Funds
Revenues:							
Taxes	$ 14,032,305	$ -	$ -	$ 8,440,003	$ -	$ 367,490	$ 22,839,798
Licenses and permits	72,980	-	-	-	-	-	72,980
Charges for services	1,647,734	1,908,417	-	-	-	1,014,707	4,570,858
Fines and forfeitures	2,342,353	-	-	-	-	217,405	2,559,758
Grant revenues	94,323	13,570	6,191	29,526	-	356,380	499,990
Contribution revenues	-	-	-	-	-	10,458	10,458
Interest income	5,627	252	3,098	1,922	161,198	1,767	173,864
Other revenues	331,466	20,102	5,323	214,046	-	3,908	574,845
Total Revenues	18,526,788	1,942,341	14,612	8,685,497	161,198	1,972,115	31,302,551
Expenditures:							
Current:							
General government	3,385,859	-	-	-	-	554,467	3,940,326
Judicial	2,758,951	-	-	-	-	257,925	3,016,876
Public safety	6,591,095	2,373,018	-	-	-	1,010,490	9,974,603
Public works	2,399,571	-	-	503,031	-	367,490	3,270,092
Health and welfare	165,666	-	-	-	-	-	165,666
Conservation and natural resources	1,080,419	-	-	-	-	-	1,080,419
Payments to other government agencies	-	-	-	3,020,853	-	-	3,020,853
Housing and development	156,537	-	-	3,073,226	-	-	3,229,763
Debt Service:							
Principal payments	56,187	-	11,771	-	-	-	67,958
Interest payments	61,983	-	-	343,971	-	-	405,954
Capital outlay	-	-	901,036	1,094,091	-	113,360	2,108,487
Total Expenditures	16,656,268	2,373,018	912,807	8,035,172	-	2,303,732	30,280,997
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,870,520	(430,677)	(898,195)	650,325	161,198	(331,617)	1,021,554
Other Financing Sources (Uses):							
Transfers in	161,198	430,677	-	-	-	366,260	958,135
Transfers out	(2,190,255)	-	-	-	(161,198)	-	(2,351,453)
Proceeds from issuance of bonds	-	-	-	11,731,063	-	-	11,731,063
Proceeds from sale of capital assets	116,099	-	-	-	-	-	116,099
Total other financing sources (uses)	(1,912,958)	430,677	-	11,731,063	(161,198)	366,260	10,453,844
Net Change in Fund Balances	(42,438)	-	(898,195)	12,381,388	-	34,643	11,475,398
Fund balances - beginning	3,878,111	550	3,760,710	(6,805,563)	7,200,000	850,674	8,884,482
Fund balances - ending	$ 3,835,673	$ 550	$ 2,862,515	$ 5,575,825	$ 7,200,000	$ 885,317	$ 20,359,880

The Accompanying Notes to the Financial Statements are an integral part of this statement

LAURENS COUNTY, GEORGIA

EXHIBIT 6

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, 2013

Net change in fund balances - Total Governmental Funds	$ 11,475,398
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays, reported as expenditures in governmental funds, are shown as capital assets in the Statement of Net Position as follows:	
Capital outlay and infrastructure, net of non-capitalized items	2,062,277
Depreciation expenses on governmental capital assets are included in the governmental activities column in the Statement of Net Position but are not shown in the governmental funds.	(3,831,831)
Issuance of long-term debt is reported as a revenue in the governmental funds, but as an increase in long-term liabilities in the Statement of Net Position:	
Bonds payable	(10,890,000)
Premium on bonds payable	(841,063)
In the Statement of Activities, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the assets disposed of.	(11,141)
Repayment of long-term debt is reported as an expenditure in the governmental funds, but as a reduction of long-term liabilities in the Statement of Net Position:	
Capital leases	11,771
Advance from component units	56,187
Revenues in the statement of activities that do not provide financial resources are not reported as revenues in the funds. The amount of deferred revenues recognized as revenue in the statement of activities changed as follows:	
Property taxes	84,369
Emergency Medical Services Ambulance Fees	327,347
Postemployment benefits are reported in the government-wide statement of activities, but but do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	(7,434)
Amortization on premium on bonds payable are reported in the government-wide statement of activities, but but do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	119,355
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds -	
Compensated absences	(10,475)
Change in Net Position of Governmental Activities	$ (1,455,240)

The Accompanying Notes to the Financial Statements are an integral part of this statement

LAURENS COUNTY, GEORGIA

EXHIBIT 7

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:				
Taxes	$ 13,559,485	$ 13,559,485	$ 14,032,305	$ 472,820
Licenses and permits	41,500	41,500	72,980	31,480
Grant revenues	90,920	90,920	94,323	3,403
Charges for services	1,601,580	1,601,580	1,647,734	46,154
Fines and forfeitures	2,750,000	2,750,000	2,342,353	(407,647)
Interest income	8,600	8,600	5,627	(2,973)
Miscellaneous revenues	183,660	183,660	331,466	147,806
Total Revenues	18,235,745	18,235,745	18,526,788	291,043
Expenditures:				
General government	3,304,220	3,304,220	3,385,859	(81,639)
Judicial	2,818,825	2,818,825	2,758,951	59,874
Public safety	6,787,500	6,787,500	6,591,095	196,405
Public works	2,824,885	2,824,885	2,399,571	425,314
Health and welfare	171,795	171,795	165,666	6,129
Conservation of natural resources	1,081,860	1,081,860	1,080,419	1,441
Housing and development	182,645	182,645	156,537	26,108
Debt service	103,200	103,200	118,170	(14,970)
Total Expenditures	17,274,930	17,274,930	16,656,268	618,662
Excess of Revenues Over Expenditures	960,815	960,815	1,870,520	909,705
Other Financing Sources (Uses):				
Proceeds from sale of capital assets	20,000	20,000	116,099	96,099
Transfers in	174,560	174,560	161,198	(13,362)
Transfers out	(1,336,410)	(1,336,410)	(2,190,255)	(853,845)
Total Other Financing Sources (Uses)	(1,141,850)	(1,141,850)	(1,912,958)	(771,108)
Deficiency of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	(181,035)	(181,035)	(42,438)	138,597
Fund Balance, Beginning	3,878,111	3,878,111	3,878,111	-
Fund Balance, Ending	$ 3,697,076	$ 3,697,076	$ 3,835,673	$ 138,597

The Accompanying Notes to the Financial Statements are an integral part of this statement

LAURENS COUNTY, GEORGIA

EXHIBIT 8

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2013

	Business - type Activity - Sanitation Fund	Governmental Activities - Internal Service Funds
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 191,076	$ 26,737
Accounts receivable, net of allowance for uncollectibles	99,403	48,011
Prepaid expenses	4,579	-
Due from other funds	-	223,627
Total current assets	295,058	298,375
Noncurrent Assets:		
Capital assets:		
Nondepreciable assets	105,934	-
Depreciable assets, net of depreciation	266,216	-
Total capital assets, net	372,150	-
Total Assets	667,208	298,375
LIABILITIES		
Accounts payable	39,973	298,375
Accrued expenses payable	5,086	-
Due to other funds	77,942	-
Total Liabilities	123,001	298,375
NET POSITION		
Net investment in capital assets	372,150	-
Unrestricted	172,057	-
Total Net Position	$ 544,207	$ -

The Accompanying Notes to the Financial Statements are an integral part of this statement

LAURENS COUNTY, GEORGIA

EXHIBIT 9

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Business - type Activity - Sanitation Fund	Governmental Activity - Internal Service Fund
Operating Revenues:		
Insurance premiums	$ -	$ 1,720,737
Refuse collection charges	603,374	-
Other income	4,882	-
Total operating revenues	608,256	1,720,737
Operating Expenses:		
Salaries	419,523	-
Employee benefits	46,213	-
Prison detail	39,500	-
Utilities	38,328	-
Repairs and maintenance	57,494	-
Rental expense	2,212	-
Depreciation expense	83,205	-
Gas and diesel	95,013	-
Supplies	3,965	-
Landfill dumping fees	317,281	-
Miscellaneous expenses	10,479	-
Reinsurance premiums	-	135,432
Employee insurance claims	-	2,978,656
Total operating expenses	1,113,213	3,114,088
Operating Loss	(504,957)	(1,393,351)
Non-operating Revenues:		
Interest income	242	33
Capital contribution	36,320	-
Insurance premium tax	504,715	-
Total non-operating revenues	541,277	33
Income (Loss) Before Transfers	36,320	(1,393,318)
Transfers -		
Transfers in	-	1,393,318
Change in Net Position	36,320	-
Total Net Position, Beginning	507,887	-
Total Net Position, Ending	$ 544,207	$ -

The Accompanying Notes to the Financial Statements are an integral part of this statement

LAURENS COUNTY, GEORGIA

EXHIBIT 10

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Business - Type Activity - Sanitation Fund	Governmental Activities - Internal Service Funds
Cash Flows from Operating Activities:		
Receipts from employees	$ -	$ 602,258
Receipts from customers and others	580,667	-
Receipts from primary government	-	1,044,406
Payments to employees	(465,736)	-
Payments to others	(39,500)	-
Payments to suppliers	(499,502)	-
Payments to insurance companies	-	(3,014,177)
Net cash used in operating activities	(424,071)	(1,367,513)
Cash Flows from Non-Capital and Related Financing Activities:		
Insurance premium tax	504,715	-
Transfers from the primary government	-	1,393,318
Net cash provided by non-capital and related financing activities	504,715	1,393,318
Cash Flows from Investing Activities -		
Interest income	242	33
Net increase in cash and cash equivalents	80,886	25,838
Balances - beginning of year	110,190	899
Balances - end of year	$ 191,076	$ 26,737
Reconciliation of operating loss to net cash used in Operating Activities:		
Operating loss	$ (504,957)	$ (1,393,351)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	83,205	-
Net change in assets and liabilities attributable to operations:		
Accounts receivable	(27,589)	(48,011)
Prepaid expenses	(2,180)	-
Accounts payable	12,626	147,922
Accrued expenses payable	5,086	-
Due to other funds	9,738	(74,073)
Net cash used in operating activities	$ (424,071)	$ (1,367,513)

The Accompanying Notes to the Financial Statements are an integral part of this statement

LAURENS COUNTY, GEORGIA

EXHIBIT 11

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2013

	Agency Funds
Assets:	
Cash	$ 1,291,434
Due from others	21,143
Total Assets	$ 1,312,577
Liabilities:	
Due to other governments	$ 554,356
Funds held in escrow	83,434
Other liabilities	674,787
Total Liabilities	$ 1,312,577

The Accompanying Notes to the Financial Statements are an integral part of this statement

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Laurens County, Georgia have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to Government units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements. The more significant accounting policies established in GAAP and used by the County are described below.

A. Reporting Entity

The County is a local municipality governed by an elected five-member board of commissioners. As required by generally accepted accounting principles, these financial statements present the Government and its component units, entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations. The component unit column in the government-wide financial statements (see note below for description) includes the financial data of the County's discretely presented component units. Each discretely presented component unit is reported in a separate column to emphasize it is legally separate from the County.

Component Units and Related Entities

Blended Component Units:

Alternative Dispute Resolution Program – The Alternative Dispute Resolution Program was created under the provisions of O.C.G.A. Section 15-23-1. The Alternative Dispute Resolution Program was established for the resolution of disputes in any method other than litigation. Under the provisions of this code each county must create a board consisting of the Chief Judge of the Superior Court of the circuit in which the county is located, the Senior Judge of the State Court, the Judge of the Probate Court, the Chief Magistrate, the Clerk of the Superior Court, and one practicing attorney appointed by other members of the board. The board has the power to provide for the collection of charges in each civil action or case filed in the superior, state, probate and magistrate courts; to manage, control and direct funding for the program and the expenditures made there from; to distribute the funding coming into the program in such a manner and subject to such terms and limitations as the board, in its discretion, shall determine will best meet the purpose of this code; to contract for the investment, pooling and expenditure of funds; to adopt such rules and regulations as may be necessary to manage the program; to exercise all other powers necessary for proper administration of the funding mechanism provided for in the code. A separate set of financial statements is not issued. This program is reported as a blended special revenue fund.

Discretely Presented Component Units:

Laurens County Public Facilities Authority - The Laurens County Public Facilities Authority was created by the Georgia General Assembly to serve as a building financing vehicle for the various governmental entities of the County. It is governed by a board comprised of two of the Government's elected officials with the remaining portion of the board appointed by the Government's elected council. The Authority's operations were audited in conjunction with the County audit and are shown in the government-wide financial statements. However, a separate set of financial statements is not issued.

Laurens County Solid Waste Management Authority - The Solid Waste Management Authority (SWMA) is responsible for maintaining the County's landfill. It serves all citizens of the County and is governed by a board comprised of three of the Government's elected officials with the remaining portion of the board appointed by the Government's elected council. The rates for user charges and bond issuance authorizations are approved by the Government's council and the legal liability for the Authority's debt remains with the Government. A separate set of financial statements has been issued. The Laurens County Solid Waste Management Authority is presented as a proprietary fund. The component unit maintains a June 30 fiscal year, and the financial statements as of and for the year ended June 30, 2013 are included in the reporting entity's 2013 financial statements. During the year ended June 30, 2013, the primary source of income for the Authority was user fees in the amount of $1,416,321.

Complete financial statements can be obtained at the entity's administrative office.

Laurens County Solid Waste Management Authority
Courthouse Square
P.O. Box 2011
Dublin, GA 31040

Laurens County Public Health Center - The Public Health Center is primarily responsible for providing basic medical care to the indigent citizens within Laurens County. The County Board of Commissioners appoints a majority of the governing body of the component unit. The Center's major assets consist of fixed assets. The County Commissioners have the authority to remove appointed members of the governing board at will and the power to exercise a legal claim to the Center's assets upon termination of existence. The component unit maintains a June 30 fiscal year and the financial statements as of and for the year ended June 30, 2013 are included in the reporting entity's 2013 financial statements. During the year ended June 30, 2013, the primary source of income for the Center was grant income in the amount of $5,016,116 received from the Georgia Department of Human Resources. At June 30, 2013, the liability to the County from the Center was $-0-.

Complete financial statements can be obtained at the entity's administrative office.

Laurens County Public Health Center
2121-B Bellevue Road
Dublin, GA 31021

Dublin-Laurens County Development Authority - The Dublin-Laurens County Development Authority was formed to promote the economic and industrial development in the Dublin-Laurens County, Georgia area. The County Board of Commissioners appoints a majority of the governing body of the component unit. The Authority's major assets consist of fixed assets. The County Commissioners have the authority to remove appointed members of the governing board at will and the power to exercise a legal claim to the Center's assets upon termination of existence.

During the year ended June 30, 2013, the County awarded operating grants to the Authority in the amount of $123,929.

Complete financial statements can be obtained at the entity's administrative office.

Dublin-Laurens County Development Authority
1200 Bellevue Avenue
Dublin, GA 31021

Related Organizations - The County Commissioners appoint a majority of the board members of the Department of Family and Children Services and the Laurens County Library. In 2013, the County appropriated operating grants to these agencies of $7,000 and $378,455, respectively.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* are supported by taxes and intergovernmental revenues and are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they will be collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Government considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period and other revenues to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The County reports the following major governmental funds:

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

The *Emergency Medical Service Fund* accounts for the activities of the County's ambulance service.

The *SPLOST Fund* accounts for the special purpose local option sales tax proceeds collected for the acquisition or construction of major capital projects.

The *FY 13 – 18 SPLOST Fund* accounts for the special purpose local option sales tax proceeds collected for the acquisition or construction of major capital projects and payment of County debt. During the year ended June 30, 2013, the fund name was changed from "2012 SPLOST Fund" to "FY 13 – 18 SPLOST Fund".

The *Permanent Fund* accounts for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the County's economic development programs.

The County reports the following major proprietary fund -

The *Sanitation Fund* accounts for the activities of the County's sanitation operations.

Additionally, the County reports the following fund types:

The *Internal Service Funds* account for the financing of goods or services provided by one department or division to other departments or agencies of the Government on a cost-reimbursement basis. The self-funded Employee Insurance Fund is accounted for as an Internal Service Fund.

The *Special Revenue Fund* accounts for revenue sources that are legally restricted to expenditure for specific purposes.

The *Capital Projects Fund* accounts for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

The *Agency Funds* are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the Government holds for others in an agency capacity.

GASB 34 eliminates the presentation of *Account Groups*, but provides for these records to be maintained and used to account for fixed assets and long-term liabilities that are not reflected on the balance sheet of Governmental type funds due to the current financial resources measurement focus that they use.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

Governmental activities have been consolidated in the government-wide financial statements. Total governmental funds have been combined with internal service balances and general fixed assets and long term liabilities. The effect of interfund activity has been removed from the government-wide financial statements. Due to/from other funds have been eliminated as well as operating transfers between funds. The net operating loss from internal service funds has been charged to the functional expense categories based on employee insurance claims submitted by department.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's internal service funds are employee payroll deductions and the County's matching contributions for employee health insurance. The principal operating revenue of the Hospital Authority is investment income.

Operating expenses for the internal service funds include the cost of employee health insurance and claims. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities and Net Assets or Equity

1. ***Deposits and Investments*** - Cash includes amounts in both interest-bearing and non-interest-bearing demand deposits. State statutes authorize the Government to invest in obligations of the U.S. Treasury, obligations of the State of Georgia or any other states, obligations fully insured or guaranteed by the United States government or governmental agency, Local Government Investment Pool, commercial paper, corporate bonds, obligation of other political subdivisions of the State of Georgia and repurchase agreements. Any bank deposit in excess of the total FDIC insured amount must be secured by an equivalent amount of State or U.S. obligations.

   Investments are recorded at cost or amortized cost plus accrued interest, which approximates market value. The reported value of the Local Government Investment Pool is the same as the fair value of the pool shares. For purposes of the statement of cash flows, the proprietary funds consider all highly liquid investments with maturity of three months or less when purchased to be cash equivalents.

2. ***Receivables and Payables*** - During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. The current portion of these interfund receivables and payables are classified as "due from other funds" or "due to other funds" in the governmental funds.

   Non-current portions of long-term interfund loans receivable/payable are reported as "advances to other funds" or "advances from other funds". Advances receivable in the Governmental funds are offset equally by a fund balance reserve account, which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation and are not expendable available financial resources.

   Property tax receivables are shown net of an allowance for uncollectibles. The property tax receivable allowance is equal to 17 percent of outstanding property taxes at June 30, 2013. Property taxes are levied as of January 1 on property values assessed as of the same date. The tax levy is usually billed on August 1.

3. ***Prepaid Items*** - For prepaid expenditures in the government-wide and fund financial statements, the County reports the expenditures during the benefiting period.

4. ***Restricted Assets*** – Certain assets, which include cash of the Laurens County Solid Waste Management Authority, are classified as restricted assets because their use is completely restricted to the payment of post-closure costs when the landfill is closed.

5. ***Capital Assets*** – Capital assets, which include property, plant equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the Government as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received.

   The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

   Major outlays for capital assets and improvements are capitalized as projects are constructed. GASB statement 37 prohibits the capitalization of interest on assets constructed for use in governmental activities. However, interest from debt not considered to be general long-term debt may be included as part of the cost of assets constructed for business-type activities. The total interest expense incurred by the County during the current fiscal year was $286,599. Of this amount, $0 was included as part of the cost of capital assets under construction in connection with public building construction projects.

   Property, plant and equipment of the primary government, as well as the component units, are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	40
Furniture and fixtures	10
Machinery and equipment	5
Vehicles	5
Infrastructure	10-30

6. ***Compensated Absences*** - It is the Government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the Government does not have a policy to pay any amounts when employees separate from service with the Government. All vacation pay is accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

7. ***Long-term Obligations*** - In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

8. ***Fund Equity*** – Laurens County, Georgia implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as of July 1, 2010. This new standard changed the overall definitions and classifications of governmental fund balances.

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

Fund Balance

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

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

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

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

Assigned – Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the County Commissioners can authorize a designee to assign fund balance.

Unassigned – Fund balances are reported as unassigned when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

The County uses restricted amounts to be spent first when both restricted and unrestricted fund balances are available, unless there are legal documents/contracts that prohibit the use of restricted fund balances, such as grant agreements that require a dollar match. Additionally, the County would then use committed, assigned and lastly unassigned amounts from the unrestricted fund balance when expending funds.

The County does not have a formal minimum fund balance policy; however, the Board of Commissioners address various targeted reserve positions and the Finance Department calculates targets and actual and reports the results to the Board of Commissioners on an annual basis.

Net Position

Net investment in capital assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that attributed to the acquisition, construction or improvement of the assets.

Restricted net position – This amount is restricted by external creditors, grantors, contributors or laws or regulations of other governments.

Unrestricted net position – This amount is all net position that do not meet the definition of "net investment in capital assets" or "restricted net position."

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

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgets and Budgetary Accounting

The annual budget is the financial plan for the operation of Laurens County, Georgia for the ensuing annual period. The budget process provides for a professional management approach to the establishment of priorities and the implementation of work programs while providing an orderly means for control and evaluation of the financial posture of the Government. Laurens County budgets are adopted on a basis generally consistent with GAAP; except that encumbrances are treated as budgeted expenditures in the year the commitment to purchase is incurred. Annual appropriated budgets are adopted for the general fund, the capital projects funds and the special revenue funds. All unencumbered appropriations lapse at fiscal year end. Project-length financial plans are adopted for all capital projects funds.

The Laurens County budget process begins in April with the department and agency heads submitting their departmental budgets. The County's finance department formulates and remits the budget to the budget committee, which is made up of all members of the Laurens County Commission. The County Administrator and Finance Director conduct budget hearings with all departments and agencies with any unresolved differences being presented to the Board of Commissioners. After review by the Commissioners, a final budget is approved when the budget resolution is adopted.

The County Finance Director is delegated the authority to transfer sums within departments. No increase in the departmental budget for the County may be made without the approval of the Board of Commissioners and amendment to the budget. Mid-year budget amendments are presented, where necessary, for adoption by the Commissioners. The general fund is subject to budgetary control on a department basis. During the year, the budget was amended by the method described above. During the year ended June 30, 2013, the County utilized General Fund prior year fund balance in the amount of $181,035.

Unencumbered appropriations in the annual operating budget lapse at fiscal year end while encumbered appropriations are paid from reserved fund balances. When the County's expenditures reach the authorization provided by the operating budget, the Board of Commissioners approves supplemental appropriations.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting--under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation--is utilized in the Governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the goods or services are yet to be received. There were no outstanding encumbrances as of June 30, 2013.

B. Budget/GAAP Reconciliation

Prior year encumbrances expended in the current year are not included in the current budget. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund (Exhibit 7) has been prepared on the basis described above.

The schedule below reconciles the fund's Excess Revenues and Other Sources Over (Under) Expenditures - GAAP Basis with amounts presented on the Budget Basis.

Excess of Revenues and Other Financial Sources Over Expenditures and Other Financing Uses:	
Budget Basis	$ (42,438)
Add - New encumbrances - current year	-
Deduct - Prior year encumbrances expended	-
Generally Accepted Accounted Principles (GAAP) Basis	$ (42,438)

C. Excess of Expenditures over Appropriations in Individual Funds of the General Fund

The individual funds, which had expenditures in excess of appropriations, as well as the object level within each fund at which the excess was incurred, are as follows:

General Fund:	Expenditures	Appropriations	Expenditures Over Appropriations
Current Operating Expenditures:			
County Administrator	$ 290,026	$ 283,920	$ 6,106
County Commissioners	116,269	113,020	3,249
Other public buildings	71,297	52,170	19,127
Courthouse	263,630	252,060	11,570
Tax Assessor	624,634	529,310	95,324
Tax Commissioner	477,099	456,940	20,159
Data processing	89,397	82,985	6,412
Airport	97,112	94,800	2,312
District Attorney	769,278	756,625	12,653
Court reporter	116,806	115,965	841
Public defender	329,754	329,205	549
Probate Judge	324,180	311,225	12,955
Probation	552	550	2
Special response team	21,797	4,500	17,297
Interstate Crime Enforcement Unit	279,933	276,015	3,918
Coroner	74,171	64,970	9,201
Rural fire department	523,757	504,120	19,637
School security	79,264	73,710	5,554
Community service	13,888	13,530	358
Building inspection	63,770	63,560	210
Interest and other charges	61,983	47,000	14,983
Total Current Operating Expenditures	$ 4,688,597	$ 4,426,180	$ 262,417

Emergency Medical Service Fund:	Expenditures	Appropriations	Expenditures Over Appropriations
Group insurance	$ 191,119	$ 180,275	$ 10,844
Worker's compensation	39,456	36,000	3,456
Other professional services	8,545	4,100	4,445
Education and training	14,150	7,000	7,150
Supplies	106,879	83,100	23,779
Licenses	19,800	18,750	1,050
Postage	8,119	6,800	1,319
Uniforms	9,815	8,000	1,815
Miscellaneous	15,274	2,050	13,224
Total	$ 413,157	$ 346,075	$ 67,082

FY 13 - 18 SPLOST Fund:	Expenditures	Appropriations	Expenditures Over Appropriations
Group insurance	$ 41,081	$ 30,145	$ 10,936
Prison detail	39,310	38,000	1,310
Bond issuance costs	188,728	-	188,728
City of Dublin	2,333,661	2,240,300	93,361
City of East Dublin	357,856	343,540	14,316
City of Rentz	50,000	48,000	2,000
City of Montrose	50,000	48,000	2,000
City of Dexter	50,000	48,000	2,000
City of Dudley	50,000	48,000	2,000
City of Cadwell	50,000	48,000	2,000
Dublin - Laurens County Recreation Authority	79,336	76,162	3,174
Total	$ 3,289,972	$ 2,968,147	$ 321,825

Grants Fund:	Expenditures	Appropriations	Expenditures Over Appropriations
Payroll taxes	$ 13,008	$ 11,010	$ 1,998
Worker's compensation	1,524	1,520	4
Education and training	14,698	6,000	8,698
Supplies	29,323	11,300	18,023
Other expenditures	93,464	31,755	61,709
Total	$ 152,017	$ 61,585	$ 90,432

Enhanced 911 Fund:	Expenditures	Appropriations	Expenditures Over Appropriations
Salaries	$ 598,482	$ 576,300	$ 22,182
Group insurance	62,146	53,340	8,806
Payroll taxes	43,420	41,790	1,630
Pest control	435	300	135
Education and training	5,414	5,000	414
Miscellaneous expenditures	191	-	191
Utilities	232,849	220,750	12,099
Total	$ 942,937	$ 897,480	$ 45,457

Crime Victims Assistance Fund:	Expenditures	Appropriations	Expenditures Over Appropriations
Salaries	$ 19,231	$ 1,000	$ 18,231
Payroll taxes	1,471	100	1,371
Total	$ 20,702	$ 1,100	$ 19,602

Confiscated Assets Fund -	Expenditures	Appropriations	Expenditures Over Appropriations
Supplies	$ 9,990	$ -	$ 9,990

Law Library Fund -	Expenditures	Appropriations	Expenditures Over Appropriations
Books	$ 33,784	$ 33,100	$ 684

Alternative Dispute Resolution Fund -	Expenditures	Appropriations	Expenditures Over Appropriations
Medation fees	$ 30,375	$ 16,000	$ 14,375

No budgets were adopted for the Sheriff Commissary, Judicial Services or the Public Roads Funds during the fiscal year ended June 30, 2013.

D. Deficit Fund Balance

The Law Library Fund had a deficit fund balance in the amount of $3,390 as of June 30, 2013. The deficit fund balance will be liquidated from the proceeds collected from fines and forfeitures.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Investments – The Government owns no investments as of June 30, 2013.

Custodial Credit Risk – Deposits **–** In the case of deposits, this is the risk that in the event of a bank failure, the Government's deposits may not be returned to it. Neither the Government nor its components units, have a deposit policy for custodial credit risk. As of June 30, 2013, none of the Government's bank balance was exposed to custodial credit risk.

As of June 30, 2013, the County had invested $450,996 into the local Government investment pool or "Georgia Fund 1". The pool was created by OCGA 36-83-8, is a stable net asset value investment pool and is currently rated AAAf by Standard and Poor's. It is managed by the Office of the State Treasurer. "Georgia Fund 1" operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. Net asset value is calculated daily and reported to the rating agency weekly to ensure stability. "Georgia Fund 1" is the combined state general fund and local government investment pool. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1.00 per share value).

Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on $1.00 per share. Georgia Fund 1 deposits are not guaranteed or insured by any bank, the Federal Deposit Insurance Corporation, the Federal Reserve Board, or any State agency.

As of June 30, 2013, the County did not have a formal investment policy. Additional disclosures with regards to deposits and investments can be located in the *Summary of Significant Accounting Policies* under the *Assets, Liabilities and Equity* section.

B. Property Taxes

State law requires that property taxes be based on assessed value, which is 40% of fair market value. All real and personal property (including motor vehicles) are valued as of January 1 of each year and must be declared and reported on a return for tax purposes by May 1. With the exception of motor vehicles and the property of public utilities, which are valued by the State Revenue Department, the Board of Tax Assessors of Laurens County makes all assessments.

Upon completion of all assessments and tax returns, the information is turned over to the Laurens County Tax Commissioner for compilation of the tax digest. The completed tax digest must be submitted to the State Revenue Commissioner for approval. The State Revenue Commissioner must ascertain that real property on the tax digest has been assessed at the state mandated forty percent (40%) of fair market value. If not, the commissioner may require an across the board percentage adjustment to all real property. The County Tax Commissioner distributes tax notices and collects tax payments. Motor vehicle taxes must be paid by the birth date of the owner of the vehicle. Property taxes are usually levied on August 1, of each year. Real and personal property taxes are due by December 1 and considered delinquent by December 2. Property taxes are attached as an enforceable lien on the day the taxes become delinquent.

The total real and personal property tax levy is recorded as revenue in the fiscal year in which such amounts will be available (collected within 60 days of year-end) as net current assets.

In the accompanying financial statements, the portion of the property tax levy for the tax year 2013 collected during the current year has been recognized as revenue.

Property taxes receivable at June 30, 2013, is composed of the following:

Year of Levy:	
2013	$ 31,051
2012	322,048
2011	137,274
2010	86,477
2009	10,185
2008	7,452
2007	2,001
Prior to 2007	1,368
Total	597,856
Less - allowance for uncollectible	100,279
Net receivable	$ 497,577

C. Accounts Receivable

Primary Government

Receivables at June 30, 2013 for the County's individual major funds and non-major, and fiduciary funds in the aggregate, including applicable allowances for uncollectible accounts, are as follows:

	General	EMS	FY 13 - 18 SPLOST	Sanitation Fund	Internal Service	Nonmajor Funds	Total
Receivables:							
Taxes	$ 597,856	$ -	$ -	$ -	$ -	$ -	$ 597,856
Accounts	102,374	882,629	-	122,688	48,011	153,071	1,308,773
Intergovernmental	475,550	8,497	892,025	-	-	112,450	1,488,522
Accrued interest	-	-	-	-	-	462	462
Gross receivables	1,175,780	891,126	892,025	122,688	48,011	265,983	3,395,613
Less: allowance for Uncollectibles	(100,279)	-	-	(23,285)	-	-	(123,564)
Net total receivables	$ 1,075,501	$ 891,126	$ 892,025	$ 99,403	$ 48,011	$ 265,983	$ 3,272,049

Discretely Presented Component Units

Trade receivables from the Laurens County Solid Waste Management Authority, Public Facilities Authority, Development Authority and Public Health Center as of June 30, 2013 are as follows:

	Solid Waste Management Authority	Public Facilities Authority	Development Authority	Public Health Center	Total
Receivables:					
Accounts	$ 126,067	$ -	$ -	$ 153,742	$ 279,809
Interest	3,747	-	613	-	4,360
Rent	-	-	712,000	-	712,000
Other	-	-	-	415,757	415,757
Gross receivables	129,814	-	712,613	569,499	1,411,926
Less: allowance for Uncollectibles	(17,746)	-	-	-	(17,746)
Net total receivables	$ 112,068	$ -	$ 712,613	$ 569,499	$ 1,394,180

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	Unavailable	Unearned
Grant drawdowns prior to meeting all eligibility requirements	$ -	$ 945,117

Changes in Long-term Note Receivable to Component Unit

As of June 30, 2012, the County had a long – term note receivable with the Development Authority in the amount of $712,000. The note receivable, bearing an interest rate of 0%, is to be paid in one lump sum at maturity, June 13, 2019. Long-term note receivable activity for the year ended June 30, 2013 was as follows:

Advances to component unit:	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year	Amounts Due Within More Than One Year
Development Authority	$ 712,000	$ -	$ -	$ 712,000	$ -	$ 712,000

D. Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2013 was as follows:

	Primary Government			
	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated-				
Land	$ 3,803,167	$ 84,498	$ 5,284	$ 3,882,381
Other capital assets:				
Buildings and other improvements	21,489,410	10,920	-	21,500,330
Infrastructure	32,224,990	787,120	-	33,012,110
Machinery and equipment	17,097,333	309,972	253,840	17,153,465
Depreciable site improvements	525,294	5,284	-	530,578
Vehicles	9,007,031	864,483	101,509	9,770,005
Total other capital assets at historical cost	80,344,058	1,977,779	355,349	81,966,488
Less accumulated depreciation for:				
Buildings and other improvements	(5,515,262)	(534,009)	-	(6,049,271)
Infrastructure	(21,237,981)	(1,717,304)	-	(22,955,285)
Machinery and equipment	(12,919,462)	(948,299)	(248,483)	(13,619,278)
Depreciable site improvements	(389,097)	(43,760)	-	(432,857)
Vehicles	(7,049,518)	(588,459)	(101,009)	(7,536,968)
Total accumulated depreciation	(47,111,320)	(3,831,831)	(349,492)	(50,593,659)
Other capital assets, net	33,232,738	(1,854,052)	5,857	31,372,829
Governmental activities capital assets, net	$ 37,035,905	$ (1,769,554)	$ 11,141	$ 35,255,210

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

Governmental activities:	
General government	$ 3,457,613
Public safety	374,218
Total governmental activities depreciation expense	$ 3,831,831

D. Capital Assets (Continued)

Business - type activity	Sanitation Fund			
	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	$ 105,934	$ -	$ -	$ 105,934
Other capital assets:				
Site improvements	221,369	-	-	221,369
Buildings	79,047	-	-	79,047
Machinery and equipment	645,653	36,318	-	681,971
Vehicles	328,366	-	-	328,366
Total other capital assets at historical cost	1,274,435	36,318	-	1,310,753
Less accumulated depreciation for:				
Site improvements	(129,826)	(12,600)	-	(142,426)
Buildings	(40,046)	(3,952)	-	(43,998)
Machinery and equipment	(503,505)	(44,094)	-	(547,599)
Vehicles	(287,955)	(22,559)	-	(310,514)
Total accumulated depreciation	(961,332)	(83,205)	-	(1,044,537)
Other capital assets, net	313,103	(46,887)	-	266,216
Business activities capital assets, net	$ 419,037	$ (46,887)	$ -	$ 372,150

Discretely Presented Component Units

Capital asset activity for the Solid Waste Management Authority for the year ended June 30, 2013 was as follows:

	Solid Waste Management Authority			
	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	$ 288,824	$ -	$ -	$ 288,824
Other capital assets:				
Site improvements	6,639,884	106,003	-	6,745,887
Infrastructure	75,067	10,000	-	85,067
Buildings	252,205	-	-	252,205
Machinery and equipment	2,334,415	797,662	-	3,132,077
Vehicles	136,374	22,564	-	158,938
Total other capital assets at historical cost	9,437,945	936,229	-	10,374,174
Less accumulated depreciation for:				
Site improvements	(6,169,843)	(266,163)	-	(6,436,006)
Infrastructure	(47,120)	(6,945)	-	(54,065)
Buildings	(158,163)	(3,282)	-	(161,445)
Machinery and equipment	(1,280,349)	(177,727)	-	(1,458,076)
Vehicles	(113,257)	(10,742)	-	(123,999)
Total accumulated depreciation	(7,768,732)	(464,859)	-	(8,233,591)
Other capital assets, net	1,669,213	471,370	-	2,140,583
Solid Waste Management Authority capital assets, net	$ 1,958,037	$ 471,370	$ -	$ 2,429,407

Capital asset activity for the Public Health Center for the year ended June 30, 2013 was as follows:

	Public Health Center			
	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	$ -	$ -	$ -	$ -
Total capital assets not being depreciated	-	-	-	-
Other capital assets:				
Machinery, equipment and furniture	2,248,686	125,578	(204,131)	2,578,395
Less accumulated depreciation	(2,008,846)	(144,057)	204,131	(2,357,034)
Other capital assets, net	239,840	(18,479)	-	221,361
Public Health Center capital assets, net	$ 239,840	$ (18,479)	$ -	$ 221,361

Capital asset activity for the Development Authority for the year ended June 30, 2013 was as follows:

	Development Authority			
	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	$ 4,159,133	$ 10,568	$ -	$ 4,169,701
Capital assets in progress	322,873	-	322,873	-
Total capital assets not being depreciated	4,482,006	10,568	322,873	4,169,701
Other capital assets:				
Buildings	7,300,705	594,856	-	7,895,561
Less accumulated depreciation	(1,686,663)	(206,706)	-	(1,893,369)
Other capital assets, net	5,614,042	388,150	-	6,002,192
Development Authority capital assets, net	$ 10,096,048	$ 398,718	$ 322,873	$ 10,171,893

E. Interfund Receivables, Payables and Transfers

Generally, outstanding balances between funds reported as due to/from other funds include outstanding charges by one fund to another for services or goods, subsidy commitments outstanding and other miscellaneous receivables and payables between funds. Balances to which a fiduciary fund is a party are treated as external receivables and payables. The composition of interfund balances as of June 30, 2013 is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Emergency Medical Service	$ 276,555
	Grants Fund	32,855
	Enhanced 911	140,216
	Public Roads	60,555
	Sanitation	77,942
	Permanent	1,760
	Crime Victims Assistance	1,825
Employee Insurance Fund	General Fund	223,627
		$ 815,335

Transfers and payments within the reporting entity are substantially for the purposes of subsidizing operating functions, funding capital projects and asset acquisitions, or maintaining debt service. Resources are accumulated in a fund or component unit to support and simplify the administration of various projects or programs. A reconciliation of operating transfers is as follows:

Transfers Out:	General Fund	Emergency Medical Service	Nonmajor Governmental	Employee Insurance	Total
General Fund	$ 161,198	$ 430,677	$ 366,260	$ 1,393,318	$ 2,351,453

F. Due from Other Governments

Amounts due from other Governmental entities at June 30, 2013 are as follows:

	Federal	State	Other	Total
General Fund	$ -	$ 378,978	$ 96,572	$ 475,550
FY 13 - 18 SPLOST Fund	-	892,025	-	892,025
Emergency Medical Services	-	8,497	-	8,497
Public Roads	-	60,555	-	60,555
Victims Assistance	-	-	21,378	21,378
Grants	-	22,569	7,948	30,517
Total	$ -	$ 1,362,624	$ 125,898	$ 1,488,522

G. Long - Term Debt

Primary Government Long – Term Liabilities

Changes in Long-term Liabilities

Long-term liability activity for the primary government for the year ended June 30, 2013 was as follows:

Long-term liabilities:	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year	Amounts Due Within More Than One Year
Governmental Activities						
Capital leases payable	$ 11,771	$ -	$ 11,771	$ -	$ -	$ -
Bonds payable - Series A	-	9,145,000	-	9,145,000	-	9,145,000
Bonds payable - Series B	-	1,745,000	-	1,745,000	1,745,000	-
Compensated absences payable	472,337	10,475	-	482,812	482,812	-
Total Governmental Activities	$ 484,108	$ 10,900,475	$ 11,771	$ 11,372,812	$ 2,227,812	$ 9,145,000

The County incurred debt to provide funds for various economic development projects of the County. Bonds outstanding as of June 30, 2013 are as follows:

Payable from Governmental Fund - Series A:	Total	Current	Long-term
Laurens County, Georgia General Obligation Sales Tax Bonds, 2012A Series, issued in the amount of $9,145,000 for economic development. Interest ranging from 2.0% to 4.0%, with principle and interest payments due in semi-annual installments to October 1, 2020. The bonds are redeemable at par.	$ 9,145,000	$ -	$ 9,145,000
Payable from Governmental Fund - Series B:			
Laurens County, Georgia General Obligation Sales Tax Bonds, 2012B Series, issued in the amount of $1,745,000 for economic development. 2.0% interest rate with principle and interest payments due in semi-annual installments to October 1, 2013. The bonds are redeemable at par.	$ 1,745,000	$ 1,745,000	$ -

Notes payable debt service requirements to maturity are as follows:

Series 2012A Bonds Payable		
Year Ending June 30	Principal	Interest
2014	$ -	$ 311,450
2015	1,800,000	293,450
2016	1,835,000	247,925
2017	1,875,000	182,900
2018	1,965,000	106,100
2019	1,670,000	33,400
Total	$ 9,145,000	$ 1,175,225

Series 2012B Bonds Payable		
Year Ending June 30	Principal	Interest
2014	$ 1,745,000	$ 17,450

Capital leases, bonds payable and compensated absences are generally liquidated by the general fund and are therefore included in the above schedule. Bonds payable will be liquidated primarily by special purpose local option sales tax collected and from transfers from the General Fund.

Component Unit Long – Term Liabilities

The Laurens County Public Facilities Authority incurred debt to provide funds for the various building improvement projects of the County. Notes outstanding as of June 30, 2013 are as follows:

Payable from Governmental Fund - PFA:	Total	Current	Long-term
Laurens County Public Facilities Authority Revenue Bonds, 2005A Series, issued in the amount of $2,225,000 for various projects. 4.06% interest rate with principle and interest payments due in quarterly installments to October 1, 2018. The bonds are redeemable at par.	$ 1,324,000	$ 154,000	$ 1,170,000

Long-term liability activity for the Laurens County Public Facilities Authority for the year ended June 30, 2013 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Within One Year	Within More Than One Year
Laurens County Public Facillities Authority						
Bonds - Series A	$ 1,472,000	$ -	$ 148,000	$ 1,324,000	$ 154,000	$ 1,170,000

Notes payable debt service requirements to maturity are as follows:

PFA Bonds Payable Year Ending June 30	Principal	Interest
2014	$ 154,000	$ 52,151
2015	161,000	45,699
2016	167,000	39,079
2017	174,000	32,002
2018	182,000	24,716
2019 - 2021	486,000	27,934
Total	$ 1,324,000	$ 221,581

Long-term liability activity for the Laurens County Solid Waste Management Authority for the year ended June 30, 2013 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Within One Year	Within More Than One Year
Solid Waste Management Authority						
Capital leases payable	$ 173,123	$ 735,427	$ 173,123	$ 735,427	$ 147,015	$ 588,412
Compensated absences payable	-	13,140	-	13,140	13,140	-
Accrued closure and post closure costs	6,226,780	648,172	-	6,874,952	29,808	6,845,144
Total Solid Waste Management Authority	$ 6,399,903	$ 1,396,739	$ 173,123	$ 7,623,519	$ 189,963	$ 7,433,556

Long-term liability activity for the Dublin-Laurens County Development Authority for the year ended June 30, 2013 was as follows:

Dublin - Laurens County Development Authority:	Total	Current	Long-term
Note payable - Morris Bank, assignment and deed to secure for 13.81 acres of land. 5.64% interest rate, payable in monthly installments of $20,000.	$ 2,231,658	$ 2,231,658	$ -
Note payable - Laurens County, related to the Erdrich Umformtechnick, Inc. project. Fixed interest rate of 0%. Payment will made in one lump sum at maturity. Maturity date is 6/13/19.	712,000	-	712,000
Note payable - Farmers State Bank, deed to secure debt for land and improvements. Fixed interest rate of 4.80%, payable in monthly installments of $7,789.52. Maturity date is 4/10/24.	682,211	89,255	592,956
Total	$ 3,625,869	$ 2,320,913	$ 1,304,956

Industrial Development Bonds were issued by the Authority in April 2012 for Erdrich Umformtechnik, Inc. and Dinex Emission, Inc. A "bonds for title" structure involves the issuance of industrial development bonds by a development authority to acquire or construct a project. The project is leased to the company at a rent equal to debt service on the bonds. This legal arrangement is primarily a tax abatement incentive and does not encumber the Authority or other government entities in any way for the debt service related to the bonds.

Long-term liability activity for the Public Health Center for the year ended June 30, 2013 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Within One Year	Within More Than One Year
Public Health Center						
Compensated absences payable	$ 333,969	$ -	$ 25,184	$ 308,785	$ 61,757	$ 247,028

Changes in Long-term Advances to the Primary Government

Long-term advances to the primary government activity for the year ended June 30, 2013 for the Public Facilities Authority was as follows:

Advances to primary government:	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year	Amounts Due Within More Than One Year
General Fund	$ 885,189	$ -	$ 56,187	$ 829,002	$ 58,509	$ 770,493

H. Capital Leases

The Laurens County Solid Waste Management Authority has entered into a lease agreement as lessee for financing the acquisition of equipment. This lease agreement qualifies as a capital lease for accounting purposes (titles transfer at the end of the lease term) and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception. The following is an analysis of the equipment leased under the capital lease as of June 30, 2013:

	Solid Waste Management Authority Activities
Asset -	
Machinery and Equipment	$ 735,427
Less: Accumulated depreciation	(5,295)
Total	$ 730,132

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2013 were as follows:

Year Ending June 30,	Solid Waste Management Authority Activities
2014	$ 157,053
2015	157,053
2016	157,053
2017	157,053
2018	157,053
Total minimum lease payments	785,265
Less: amount representing interest	(49,838)
Present value of minimum lease payments	$ 735,427

I. Short - Term Debt

Short-term liability activity for the primary government for the year ended June 30, 2013 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental Activities	$ -	$ 700,000	$ 700,000	$ -

J. Segment Information

Laurens County Solid Waste Management Authority issued bonds to finance the costs of acquiring, constructing, and monitoring the County's landfill. The Authority is accounted for as a component unit. However, investors in the revenue bonds rely on the revenue generated by landfill activities for repayment. Summary financial information for the landfill is presented on the following page.

LAURENS COUNTY SOLID WASTE MANAGEMENT AUTHORITY

CONDENSED STATEMENT OF NET POSITION

Assets	
Cash and cash equivalents	$ 1,217,873
Accounts and interest receivable	112,068
Capital assets:	
Land and other non-depreciable assets	288,824
Other capital assets, net of depreciation	2,140,583
Prepaid expenses	8,225
Restricted cash - post closure care costs	3,408,566
Total assets	7,176,139
Liabilities	
Accounts payable	51,456
Accrued expenses	17,244
Current portion of accrued closure and post closure costs	29,808
Advances from primary government	16,889
Current portion of compensated absences payable	13,140
Accrued closure and post closure costs, net of current portion	6,845,144
Long-term obligations:	
Due within one year	147,015
Due in more than one year	588,412
Total liabilities	7,709,108
Net Position:	
Net investment in capital assets	1,693,980
Reserved for post closure costs	3,408,566
Unrestricted	(5,635,515)
Total net position	$ (532,969)

CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Landfill charges (pledged against bonds)	$ 1,447,642
Depreciation expense	(464,859)
Other operating expenses	(1,547,495)
Operating loss	(564,712)
Non-operating revenues (expenses):	
Interest income	18,681
Interest expense	(1,877)
Non-operating revenue	16,804
Change in net position	(547,908)
Beginning net position	14,939
Ending net position	$ (532,969)

CONDENSED STATEMENT OF CASH FLOWS

Net cash provided (used) by:	
Operating activities	$ 589,552
Noncapital financing activities	-
Capital and related financing activities	(375,802)
Investing activities	540
Net increase	214,290
Beginning cash and cash equivalents	1,003,583
Ending cash and cash equivalents	$ 1,217,873

IV. OTHER INFORMATION

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Government carries commercial insurance. The County established a limited risk management program for employee health and dental insurance in 1992. Premiums are paid into the internal service fund on an allocated basis where the County pays 65% of the premiums and the employee pays 35% of the premiums. Premiums are available to pay claims, claims reserve, excess insurance coverage and administrative costs of the program. During the fiscal year 2013, a total of $3,014,177 was paid in benefits and administrative costs. An excess coverage insurance policy covers individual claims in excess of $50,000. Based upon past claims history, claims incurred but not reported is considered to be immaterial and have not been accrued.

The County has joined together with other governments in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Association of County Commissioners of Georgia (ACCG) Workers' Compensation Self Insurance Fund, 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 workers' compensation law of Georgia. The funds are to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

Settled claims in the current year have not exceeded the coverage.

Claims and Judgments - Description

Significant losses experienced by the County are covered by commercial insurance for all risks except employee health care for which the County retains the risk of loss. For insured risks there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or prior years.

Claims Liabilities

The County records an estimated liability for indemnity health care, torts and other claims against the County. Claim liabilities are based on estimates of the ultimate cost of reportable claims (including future claim adjustment expenses) and an estimate for claims incurred but not reported based on historical experience.

Unpaid Claim Liabilities

The fund establishes a liability for both reported and unreported events, which includes estimates of both future payments of losses and related claims adjustment expenses.

The following represents the changes in approximate aggregate liabilities for the County from July 1, 2011 to June 30, 2013:

	Health Care	Torts
Liability balance July 1, 2011	$ 348,362	$ -
Claims and changes in estimates	1,885,972	-
Claims payments	(1,940,688)	-
Liability balance June 30, 2012	293,646	-
Claims and changes in estimates	3,139,747	-
Claims payments	(2,978,656)	-
Liability balance June 30, 2013	$ 454,737	$ -
Assets available to pay claims at June 30, 2013	$ 26,737	$ -

B. Defined Benefit Pension Plan

1. Plan Description - The County contributes to the Association of County Commissioners of Georgia (ACCG) Defined Benefit Plan (Plan), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia. The Plan does not issue a stand-alone financial report, but the Plan is included in the financial report of the ACCG. A copy of the financial report may be obtained from GEBCorp, 400 Galleria Parkway, Suite 1250, Atlanta, Georgia, 30339.

The specific benefit provisions of the County's plan were established by an adoption agreement executed by the County Board of Commissioners. The Plan provides for benefits upon retirement, death, disablement and termination of employment, if certain eligibility conditions are met.

All full-time County employees are eligible to participate in the Plan after completing three years of service. Benefits vest after five years of service. Participants become eligible to retire at age 65 with 3 years of participation in the Plan. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of 50% of average annual compensation up to $6,600 plus 1.00% of average annual compensation in excess of $6,600 plus $18.00 for each year of service payable as a life annuity.

Compensation is averaged over a five-year period prior to retirement or termination. The Plan also provides benefits in the event of death or disability. These benefit provisions were established by an adoption agreement executed by the County Board of Commissioners.

County employees are not required to contribute to the Plan. The annual County contribution to the Plan is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and must satisfy the minimum contribution requirement contained in the State of Georgia Statute 47-20. The required contribution for the 2013 plan year was $541,912. This amount represents 6.9% of covered payroll.

Participant counts as of January 1, 2012 (the most recent actuarial valuation date) and covered compensation (based on covered earnings for the preceding year) are shown below:

Retirees and beneficiaries currently receiving benefits	80
Terminated plan members entitled to but not yet receiving benefits	202
Disabled in pay status	8
Active employees participating in the Plan	214
Total	504

2. ***Summary of Significant Accounting Policies*** **-** The Plan's financial statements are prepared on an accrual basis, modified to include unrealized gains or losses on marketable securities owned by the Plan and incremental changes in the cash value of pre-retirement life insurance policies owned by the trust. The Plan does not issue stand-alone financial statements.

Plan member contributions are recognized in the period in which contributions are due. County contributions are recognized when due and the County has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable.

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

The information presented in the required supplementary schedules was determined as part of the actuarial valuation as of January 1, 2012. The following summarizes the actuarial methods and assumptions used in that valuation.

Valuation date	January 1, 2013
Actuarial cost method	Projected Unit Credit
Asset valuation method	Market value
Amortization method	Level Percent of Pay (Closed)
Actuarial assumptions:	
Investment rate of return	7.75% per annum
Projected salary increases	4.0% - 6.5% per annum based on age
Inflation adjustments	3% per annum
Post-retirement benefit increases	None

* .....Represents the estimated amortization period for all unfounded liabilities combined into one amortization base.

**....The actuarial assumptions shown above include expected inflation of 3.0% per annum.

3. ***Contributions*** - The County is required to contribute at an actuarially determined rate. Section 47-20 of the Georgia Code sets forth the funding standards for state and local Governmental pension plans. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement. The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish and amend from time to time, the contribution rates for the County and its plan participants.

4. ***Annual Pension Cost, Net Pension Obligation and Reserves*** **-** Current year annual pension costs for the Plan are shown in the trend information provided below. Annual required contributions were made to the Plan.

Annual Pension Cost:	
Required contribution	$ 459,433
Interest on net pension obligation	3,552
Amortization on net pension obligation	(3,801)
Total annual pension cost	459,184
Employer contributions	451,750
Decrease in net pension obligation	7,434
Net pension obligation, beginning of year	45,833
Net pension obligation, end of year	$ 53,267

There are no assets legally reserved for purposes other than the payment of plan member benefits for either plan. There are no long-term contracts for contributions.

5. ***Trend Information***

Fiscal Year Ended	Annual Pension Cost (APC)	Actual County Contribution	Percentage Contributed	Net Pension Obligation (NPO)
2011	$ 458,080	$ 444,263	97.0%	$ 32,016
2012	459,184	451,750	98.0%	45,833
2013	556,516	N/A	N/A	53,267

6. ***Funded Status and Funding Progress***

The funded status of the Plan as of January 1, 2012, the most recent actuarial valuation date, is as follows:

Actuarial Valuation Date		Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Funded Ratio (a/b)	Unfunded AAL (UAAL) b-a	Covered Payroll	Unfunded AAL as a Percentage of Covered Payroll ((b-a)/c)
2012	*	7,445,251	8,842,447	84.2%	1,397,196	7,671,872	18.2%

* Reflects change to asset smoothing adopted by the ACCG Pension Plan and Trust Board of Trustees

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

C. Closure and Post-Closure Care Cost

1. Landfill Related Contingencies

During the year ended June 30, 1995, the County was notified that the old landfill site, closed on January 13, 1995, had been identified as a hazardous waste site. As such, the County will have to comply with prescribed procedures regarding clean-up and additional monitoring. As of June 30, 2013, it was impossible to determine the cost of the related liability as the required procedures to bring the Landfill into compliance with respective laws and regulations have not yet been determined. The County has contributed, under the Hazardous Site Response Act, 50 cents per ton of waste received by the landfill to the State of Georgia Department of Human Resources Superfund. These funds have been earmarked by the State to identify and clean-up hazardous waste sites. Accordingly, it is impractical to determine the extent that the County will fund this liability.

The Georgia Comprehensive Solid Waste Management Act of 1990 includes several mandated reductions and/or changes in solid waste disposal. This Act includes a requirement to reduce solid waste disposal by 25% by July 1, 1996, and requirements for recycling programs among other requirements. The County has elected to participate in the Solid Waste Management Plan developed by the Heart of Georgia Regional Development Center. This plan has a ten-year implementation strategy to fulfill the requirements of the Solid Waste Management Act of 1990.

2. Sanitary Landfill Closure and Post-Closure Care Costs

State and federal laws and regulations require the Laurens County Solid Waste Management Authority to place a final cover on its landfill sites when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure cash costs will be paid only near or after the date that the landfill stops accepting waste, the Authority reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

The $6,874,952 reported as landfill closure and post-closure care liability at June 30, 2013, represents the cumulative amount reported to date based on the use of 100% of the estimated capacity of the old landfill site and 68.8% percent of the estimated capacity of the new landfill site. The landfill closure and post-closure care liability for the old and new landfill sites are $888,311 and $5,986,641, respectively. The estimated remaining life of the new landfill is 32 years. The total estimated costs of closure and post-closure care costs as determined at June 30, 2013 amounted to $10,885,710. Actual costs for closure and post-closure may differ from the estimate due to inflation, changes in technology, or changes in regulation.

Due to the competitive nature of the market which serves landfill monitoring and care and changes in inflation and technology, the estimated post-closure and closure care costs increased during the fiscal year ended June 30, 2013. The increase was reflected in the operating statement of the landfill.

The Authority plans to finance closure and post-closure care costs through user fees. However, if the user fees are inadequate or additional post-closure care requirements are later determined to be due, these costs will be covered by transfers from the General Fund of Laurens County, Georgia.

D. Contingent Liabilities

Grant Funds

The County participates in numerous grant programs on the federal and state level. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal Government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Government expects such amounts, if any, to be immaterial.

E. Joint Venture

Under Georgia law, Laurens County, in conjunction with other cities and counties in the 17 county south central Georgia area, is a member of the Heart of Georgia Altamaha Regional Commission (RC) and is required to pay annual dues thereto. Membership in a RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member Governments are liable for any debts or obligations of a RC. Separate financial statements may be obtained from:

Heart of Georgia Altamaha Regional Center
5405 Oak Street
Eastman, Georgia 31023

F. Conduit Debt Obligations

During the year ended June 30, 2009, the Laurens County Public Facilities Authority entered into an intergovernmental contract with the City of Dublin, Georgia to issue $12,000,000 in revenue bonds to provide funds to acquire construct and equip capital outlay projects of the City. Under the intergovernmental contract, the City has an unconditional obligation to provide sufficient funds for debt service payments and related paying agent or bond registrar fees. The City is authorized to exercise its powers of taxation to the extent necessary to pay the amounts required by the contract. The County and the Authority have no liability for repayment of these bonds and, accordingly, these bonds have not been recorded as a liability on the financial statements of the County or the Authority. As of June 30, 2013, the outstanding balance of these revenue bonds was $-0-.

During the year ended June 30, 2009, the Laurens County Public Facilities Authority entered into an intergovernmental contract with the City of Dublin School District to issue $4,500,000 in revenue bonds to provide funds to acquire, construct and equip capital outlay projects of the School District. Under the intergovernmental contract, the School District has an unconditional obligation to provide sufficient funds for debt service payments and related paying agent or bond registrar fees. The School District is authorized to exercise its powers of taxation to the extent necessary to pay the amounts required by the contract. The County and the Authority have no liability for repayment of these bonds and, accordingly, these bonds have not been recorded as a liability on the financial statements of the County or the Authority. As of June 30, 2013, the outstanding balance of these revenue bonds was $4,500,000.

G. Subsequent Events

The County performed an evaluation of subsequent events through February 13, 2014, the date upon which the County's financial statements were available for issue. The County has not evaluated subsequent events after this date. Other than the item noted above, no subsequent events were identified that would have required a change to the financial statements or disclosure in the notes to the financial statements.

Required Supplementary Information Other Than Management's Discussion and Analysis

LAURENS COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION

BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:				
Taxes Revenues:				
General property taxes	$ 7,413,800	$ 7,413,800	$ 7,958,796	$ 544,996
Local option sales tax	5,050,000	5,050,000	4,865,081	(184,919)
Cable franchise fees	100,000	100,000	115,248	15,248
Financial institution tax	100,000	100,000	102,598	2,598
Real estate transfer tax	15,000	15,000	23,966	8,966
Other taxes:				
Railroad equipment tax	10,500	10,500	9,865	(635)
Life insurance premium tax	661,185	661,185	728,923	67,738
Intangible personal tax recording	110,000	110,000	134,063	24,063
Beer, wine and liquor tax	99,000	99,000	93,765	(5,235)
Total taxes revenues	13,559,485	13,559,485	14,032,305	472,820
Licenses and Permits:				
Alcoholic beverage licenses	16,000	16,000	16,700	700
Building permits	25,000	25,000	21,950	(3,050)
Tower permits	-	-	32,500	32,500
Land disturbance permits	500	500	1,830	1,330
Total licenses and permits	41,500	41,500	72,980	31,480
Grant Revenues:				
General -				
GEMA	16,000	16,000	15,730	(270)
Public safety:				
Local law enforcement block grant	-	-	4,035	4,035
EMA	1,210	1,210	-	(1,210)
School security	73,710	73,710	74,558	848
Total grant revenues	90,920	90,920	94,323	3,403
Charges for Services:				
Public safety:				
Sheriff - inmate housing and fees	585,000	585,000	666,287	81,287
Fire protection services	-	-	4,750	4,750
Miscellaneous reimbursements	393,965	393,965	352,778	(41,187)
General government:				
Superior Court fees	40,095	40,095	33,865	(6,230)
Juvenile Court fees	12,120	12,120	6,062	(6,058)
Administration fees	14,400	14,400	14,400	-
Miscellaneous reimbursements	406,000	406,000	467,508	61,508
Public works -				
Miscellaneous reimbursements	150,000	150,000	102,084	(47,916)
Total charges for services	1,601,580	1,601,580	1,647,734	46,154

LAURENS COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Fines and Forfeitures:				
Magistrate Court	$ 281,000	$ 281,000	$ 237,226	$ (43,774)
Superior Court	455,000	455,000	458,144	3,144
Juvenile Court	15,000	15,000	12,736	(2,264)
Probate Court	1,979,000	1,979,000	1,604,158	(374,842)
Public Defender	20,000	20,000	30,089	10,089
Total fines and forfeitures	2,750,000	2,750,000	2,342,353	(407,647)
Interest Income:				
County treasurer	5,000	5,000	2,722	(2,278)
Sheriff	100	100	226	126
Tax commissioner	3,500	3,500	2,679	(821)
Total interest income	8,600	8,600	5,627	(2,973)
Miscellaneous Revenues:				
Rents - county owned buildings	167,660	167,660	160,662	(6,998)
Miscellaneous	16,000	16,000	170,804	154,804
Total miscellaneous revenues	183,660	183,660	331,466	147,806
Total Revenues	$ 18,235,745	$ 18,235,745	$ 18,526,788	$ 291,043

LAURENS COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
General Government:				
County Administrator	$ 283,920	$ 283,920	$ 290,026	$ (6,106)
County Commissioners	113,020	113,020	116,269	(3,249)
County Administration	727,825	727,825	712,971	14,854
Finance Office	235,590	235,590	226,998	8,592
Board of Equalization	3,115	3,115	2,424	691
Elections	188,255	188,255	154,540	33,715
Board of Registrars	148,445	148,445	125,131	23,314
Tax Assessor	529,310	529,310	624,634	(95,324)
Tax Commissioner	456,940	456,940	477,099	(20,159)
County Attorney	135,785	135,785	134,331	1,454
Data Processing	82,985	82,985	89,397	(6,412)
Airport	94,800	94,800	97,112	(2,312)
Courthouse	252,060	252,060	263,630	(11,570)
Other Public Buildings	52,170	52,170	71,297	(19,127)
Total general government	3,304,220	3,304,220	3,385,859	(81,639)
Judicial:				
Court Reporter	115,965	115,965	116,806	(841)
Superior Court Judge	185,075	185,075	180,315	4,760
Clerk of Superior Court	689,270	689,270	639,244	50,026
District Attorney	756,625	756,625	769,278	(12,653)
Magistrate Court	201,725	201,725	198,690	3,035
Public Defender	329,205	329,205	329,754	(549)
Probate Judge	311,225	311,225	324,180	(12,955)
Jury administration	93,710	93,710	75,830	17,880
Juvenile Court	136,025	136,025	124,854	11,171
Total judicial	2,818,825	2,818,825	2,758,951	59,874
Public Safety:				
Sheriff Department	2,751,510	2,751,510	2,721,261	30,249
Jail Facility	2,459,995	2,459,995	2,281,862	178,133
Drug Task Force	230,510	230,510	212,668	17,842
Special Response Team	4,500	4,500	21,797	(17,297)
Probation	550	550	552	(2)
Interstate Crime Enforcement Unit	276,015	276,015	279,933	(3,918)
School Security	73,710	73,710	79,264	(5,554)
Rural Fire Department	504,120	504,120	523,757	(19,637)
Coroner	64,970	64,970	74,171	(9,201)
Animal Control	161,460	161,460	159,488	1,972
D.A.R.E.	2,000	2,000	44	1,956
Courthouse Security	244,630	244,630	222,410	22,220
Community Service	13,530	13,530	13,888	(358)
Total public safety	6,787,500	6,787,500	6,591,095	196,405

LAURENS COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Public Works:				
Maintenance shop	$ 412,030	$ 412,030	$ 399,096	$ 12,934
Public Works department	2,349,295	2,349,295	1,936,705	412,590
Buiilding inspection	63,560	63,560	63,770	(210)
Total public works	2,824,885	2,824,885	2,399,571	425,314
Health and Welfare:				
Health department	164,795	164,795	161,916	2,879
Laurens DFCS	7,000	7,000	3,750	3,250
Total health and welfare	171,795	171,795	165,666	6,129
Conservation of Natural Resources:				
County Agent	57,065	57,065	56,789	276
Recreation Authority	600,000	600,000	600,000	-
Laurens County Library	378,455	378,455	378,455	-
Forestry commission	46,340	46,340	45,175	1,165
Total conservation of natural resources	1,081,860	1,081,860	1,080,419	1,441
Housing and Development:				
Heart of Georgia RDC	33,000	33,000	32,608	392
Laurens County Development Authority	149,645	149,645	123,929	25,716
Total housing and development	182,645	182,645	156,537	26,108
Debt Service:				
Principal	56,200	56,200	56,187	13
Interest and other charges	47,000	47,000	61,983	(14,983)
Total Debt Service	103,200	103,200	118,170	(14,970)
Total Expenditures	17,274,930	17,274,930	16,656,268	618,662
Excess of Revenues Over Expenditures	960,815	960,815	1,870,520	909,705
Other Financing Sources (Uses):				
Proceeds from sale of capital assets	20,000	20,000	116,099	96,099
Transfer in	174,560	174,560	161,198	(13,362)
Transfers out	(1,336,410)	(1,336,410)	(2,190,255)	(853,845)
Total other financing sources (uses)	(1,141,850)	(1,141,850)	(1,912,958)	(771,108)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(181,035)	(181,035)	(42,438)	138,597
Fund Balance, Beginning	3,878,111	3,878,111	3,878,111	-
Fund Balance, Ending	$ 3,697,076	$ 3,697,076	$ 3,835,673	$ 138,597

LAURENS COUNTY, GEORGIA

EXHIBIT 13

REQUIRED SUPPLEMENTARY INFORMATION
DEFINED BENEFIT PENSION PLAN
FOR THE YEAR ENDED JUNE 30, 2013

I. SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date		Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Funded Ratio (a/b)	Unfunded AAL (UAAL) b-a	Covered Payroll	Unfunded AAL as a Percentage of Covered Payroll ((b-a)/c)
2007		$ 5,785,623	$ 6,287,832	92.0%	$ 502,209	$ 5,787,263	8.7%
2008		5,737,865	6,773,600	84.7%	1,035,735	6,166,414	16.8%
2009	*	6,219,444	7,146,234	87.0%	926,790	6,128,977	15.1%
2010	*	6,671,167	7,934,183	84.1%	1,263,017	7,267,107	17.4%
2011	*	7,031,343	8,306,840	84.6%	1,275,497	7,475,226	17.1%
2012	*	7,445,251	8,842,447	84.2%	1,397,196	7,671,872	18.2%

* Reflects change to asset smoothing adopted by the ACCG Pension Plan and Trust Board of Trustees

Other Supplementary Information

Major Governmental Funds:

SPLOST Fund accounts for the special purpose local option sales tax proceeds collected for the acquisition or construction of major capital projects.

FY 13 - 18 SPLOST Fund accounts for the special purpose local option sales tax proceeds collected for the acquisition or construction of major capital projects and payment of County debt.

Permanent Fund accounts for resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the County's economic development programs.

Emergency Medical Services Fund accounts for the activities of the County's ambulance service.

LAURENS COUNTY, GEORGIA

EXHIBIT 14

SPLOST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Interest income	$ 2,000	$ 3,098	$ 1,098
Grant income	475	6,191	5,716
Miscellaneous income	-	5,323	5,323
Total revenues	2,475	14,612	12,137
Expenditures:			
Salaries	1,440	-	1,440
Payroll taxes	105	-	105
Principle payments	17,655	11,771	5,884
Capital outlay	3,678,875	901,036	2,777,839
Total expenditures	3,698,075	912,807	2,785,268
Deficiency of Revenues Under Expenditures	(3,695,600)	(898,195)	2,797,405
Fund Balance, Beginning	3,760,710	3,760,710	-
Fund Balance, Ending	$ 65,110	$ 2,862,515	$ 2,797,405

LAURENS COUNTY, GEORGIA

EXHIBIT 15

FY 13 - 18 SPLOST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Sales tax revenues	$ 8,833,000	$ 8,440,003	$ (392,997)
Grant revenues	-	29,526	29,526
Interest Income	-	1,922	1,922
Reimbursement income	-	205,000	205,000
Other income	-	9,046	9,046
Total revenues	8,833,000	8,685,497	(147,503)
Expenditures:			
Salaries	360,365	320,996	39,369
Group insurance	30,145	41,081	(10,936)
Worker's compensation	27,000	22,477	4,523
Payroll taxes	25,945	23,184	2,761
Prison detail	38,000	39,310	(1,310)
Gas and diesel	150,000	55,983	94,017
Principal payments	2,000,000	-	2,000,000
Interest expenditures	433,550	343,971	89,579
Bond issuance costs	-	188,728	(188,728)
Economic development	12,000,000	2,884,498	9,115,502
City of Dublin	2,240,300	2,333,661	(93,361)
City of East Dublin	343,540	357,856	(14,316)
City of Rentz	48,000	50,000	(2,000)
City of Montrose	48,000	50,000	(2,000)
City of Dexter	48,000	50,000	(2,000)
City of Dudley	48,000	50,000	(2,000)
City of Cadwell	48,000	50,000	(2,000)
Dublin - Laurens County Recreation Authority	76,162	79,336	(3,174)
Capital outlay	2,867,995	1,094,091	1,773,904
Total expenditures	20,833,000	8,035,172	12,797,828
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,000,000)	650,325	12,650,325
Other Financing Source -			
Proceeds from issuance of bonds	12,000,000	11,731,063	(268,937)
Excess of Revenues and Other Financing Source Over Expenditures	-	12,381,388	12,381,388
Fund Deficit, Beginning	(6,805,563)	(6,805,563)	-
Fund Balance, Ending	$ (6,805,563)	$ 5,575,825	$ 12,381,388

LAURENS COUNTY, GEORGIA

EXHIBIT 16

PERMANENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues - Interest Income	$ 174,800	$ 161,198	$ (13,602)
Expenditures	240	-	240
Excess of Revenues Over Expenditures	174,560	161,198	(13,362)
Other Financing Use - Transfer out	(174,560)	(161,198)	13,362
Excess of Revenues Over Expenditures and Other Financing Use	-	-	-
Fund Balance, Beginning	7,200,000	7,200,000	-
Fund Balance, Ending	$ 7,200,000	$ 7,200,000	$ -

LAURENS COUNTY, GEORGIA

EXHIBIT 17

EMERGENCY MEDICAL SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Ambulance fees	$ 1,910,000	$ 1,908,417	$ (1,583)
Interest income	250	252	2
Grant income	-	13,570	13,570
Other income	1,000	20,102	19,102
Total revenues	1,911,250	1,942,341	31,091
Expenditures:			
Salaries	1,652,400	1,623,045	29,355
Group insurance	180,275	191,119	(10,844)
Payroll taxes	119,000	116,680	2,320
Worker's compensation	36,000	39,456	(3,456)
Other professional services	4,100	8,545	(4,445)
Travel	4,000	3,462	538
Pest control	1,920	1,920	-
Education and training	7,000	14,150	(7,150)
Supplies	83,100	106,879	(23,779)
Repairs and maintenance	104,780	95,836	8,944
Licenses	18,750	19,800	(1,050)
Postage	6,800	8,119	(1,319)
Uniforms	8,000	9,815	(1,815)
Utilities	54,000	49,413	4,587
Gas and diesel	92,300	69,505	22,795
Miscellaneous	2,050	15,274	(13,224)
Total expenditures	2,374,475	2,373,018	1,457
Deficiency of Revenues Under Expenditures	(463,225)	(430,677)	32,548
Other Financing Sources:			
Transfer in	462,225	430,677	(31,548)
Proceeds from sale of capital assets	1,000	-	(1,000)
Total Other Financing Sources	463,225	430,677	(32,548)
Excess of Revenues and Other Financing Sources Over Expenditures	-	-	-
Fund Balance, Beginning	550	550	-
Fund Balance, Ending	$ 550	$ 550	$ -

Major Enterprise Fund -

Sanitation Fund accounts for the activities of the County's sanitation operations.

LAURENS COUNTY, GEORGIA

EXHIBIT 18

SANITATION FUND
STATEMENT OF NET POSITION
JUNE 30, 2013

	Business - Type Activity - Enterprise Fund
	Sanitation Fund
ASSETS	
Current Assets:	
Cash and cash equivalents	$ 191,076
Accounts receivable, net of allowance for uncollectibles	99,403
Prepaid expenses	4,579
Total current assets	295,058
Noncurrent Assets:	
Capital assets:	
Nondepreciable assets	105,934
Depreciable assets, net of depreciation	266,216
Total capital assets, net	372,150
Total Assets	667,208
LIABILITIES	
Current Liabiltites:	
Accounts payable	39,973
Accrued expenses payable	5,086
Due to other funds	77,942
Total Current Liabilities	123,001
NET POSITION	
Net investment in capital assets	372,150
Unrestricted	172,057
Total Net Position	$ 544,207

LAURENS COUNTY, GEORGIA

EXHIBIT 19

SANITATION FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013

	Business - Type Activity - Enterprise Fund
	Sanitation Fund
Operating Revenues:	
Refuse collection charges	$ 603,374
Other income	4,882
Total operating revenues	608,256
Operating Expenses:	
Salaries	419,523
Employee benefits	46,213
Prison detail	39,500
Utilities	38,328
Repairs and maintenance	57,494
Rental expense	2,212
Depreciation expense	83,205
Gas and diesel	95,013
Supplies	3,965
Landfill dumping fees	317,281
Miscellaneous expenses	10,479
Total operating expenses	1,113,213
Operating Loss	(504,957)
Non-operating Revenues:	
Interest income	242
Insurance premium tax	504,715
Capital contributions	36,320
Total non-operating revenues	541,277
Change in net position	36,320
Net Position, Beginning	507,887
Net Position, Ending	$ 544,207

LAURENS COUNTY, GEORGIA

EXHIBIT 20

SANITATION FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013

	Business - Type Activity - Enterprise Fund
	Sanitation Fund
Cash Flows from Operating Activities:	
Receipts from customers and others	$ 580,667
Payments to suppliers	(499,502)
Payments to employees	(465,736)
Payments to others	(39,500)
Net cash used in operating activities	(424,071)
Cash Flows from Non - Capital and Related Financing Activities -	
Insurance premium tax	504,715
Cash Flows from Capital and Related Financing Activities -	-
Cash Flows from Investing Activities -	
Interest income	242
Net increase in cash and cash equivalents	80,886
Balances - beginning of year	110,190
Balances - end of year	$ 191,076
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	$ (504,957)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	83,205
Net change in assets and liabilities attributable to operations:	
Accounts receivable	(27,589)
Prepaid expenses	(2,180)
Accounts payable	12,626
Accrued expenses payable	5,086
Due to other funds	9,738
Net cash used in operating activities	$ (424,071)

Nonmajor Governmental Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

- ***Grants –*** To account for grant funds that are legally restricted to expenditure for particular purposes.
- ***Confiscated Assets –*** To account for the revenues received that are designated for the purpose of enhancing law enforcement or capital outlay.
- ***Enhanced 911 –*** To account for the activities of the E911 telephone operations center.
- ***Crime Victims Assistance –*** To account for the portion of all state court fines designated to be used for crime victims who have been displaced.
- ***Law Library –*** To account for the law library fees included in all fines which are specifically designated for the County's law library.
- ***Alternative Dispute Resolution –*** To account for the alternative dispute resolution fees included in fines which are specifically designated to provide mediation assistance.
- ***Sheriff Commissary Fund –*** To account for the activities of the inmate canteen operated by the Sheriff's Department.
- ***Judicial Services Fund –*** To account for the revenues received that are designated for the purpose of enhancing judicial services and law enforcement.

Capital Project Funds are used to account the acquisition of capital assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

- ***Public Roads –*** To account for T SPLOST and LMIG funds that are legally restricted to expenditure for road maintenance and projects within the County.

LAURENS COUNTY, GEORGIA

EXHIBIT 21

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

	Special Revenue								Capital Projects	Total Nonmajor
	Grants	Confiscated Assets	Enhanced 911	Crime Victims Assistance	Judicial Services	Law Library	Alternative Dispute Resolution	Sheriff Commissary	Public Roads	Governmental Funds
ASSETS										
Cash	$ 31,132	$ 57,356	$ 371,078	$ 200,789	$ 38,518	$ -	$ 83,948	$ 101,303	$ -	$ 884,124
Accounts receivable	-	-	136,111	-	-	-	-	16,960	-	153,071
Due from other governments	30,517	-	-	21,378	-	-	-	-	60,555	112,450
Accrued interest	-	-	-	319	-	-	143	-	-	462
Prepaid expenses	863	-	1,821	-	-	-	-	-	-	2,684
Total Assets	$ 62,512	$ 57,356	$ 509,010	$ 222,486	$ 38,518	$ -	$ 84,091	$ 118,263	$ 60,555	$ 1,152,791
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts payable	$ 8,677	$ -	$ 1,716	$ 92	$ -	$ 2,536	$ 700	$ 4,231	$ -	$ 17,952
Bank overdraft	-	-	-	-	-	854	-	-	-	854
Accrued expenses payable	-	-	13,217	-	-	-	-	-		13,217
Due to other funds	32,855	-	140,216	1,825	-	-	-	-	60,555	235,451
Total liabilities	41,532	-	155,149	1,917	-	3,390	700	4,231	60,555	267,474
Fund Balances (Deficits):										
Nonspendable for prepaid expenditures	863	-	1,821	-	-	-	-	-	-	2,684
Restricted for special programs	20,117	57,356	352,040	220,569	38,518	(3,390)	83,391	114,032	-	882,633
Total fund balances (deficits)	20,980	57,356	353,861	220,569	38,518	(3,390)	83,391	114,032	-	885,317
Total Liabilities and Fund Balances (Deficits)	$ 62,512	$ 57,356	$ 509,010	$ 222,486	$ 38,518	$ -	$ 84,091	$ 118,263	$ 60,555	$ 1,152,791

LAURENS COUNTY, GEORGIA

EXHIBIT 22

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Special Revenue								Capital Projects	Total
	Grants	Confiscated Assets	Enhanced 911	Crime Victims Assistance	Judical Services	Law Library	Alternative Dispute Resolution	Sheriff Commissary	Public Roads	Nonmajor Governmental Funds
Revenues:										
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 367,490	$ 367,490
Charges for services	-	-	796,409	-	9,647	-	-	208,651	-	1,014,707
Fines and forfeitures	-	-	-	151,514	-	35,755	30,136	-	-	217,405
Grant revenue	328,567	-	-	27,813	-	-	-	-	-	356,380
Contribution revenue	10,458	-	-	-	-	-	-	-	-	10,458
Interest income	100	108	376	730	-	1	292	160	-	1,767
Other revenues	-	129	-	-	1,000	2,779	-	-	-	3,908
Total revenues	339,125	237	796,785	180,057	10,647	38,535	30,428	208,811	367,490	1,972,115
Expenditures:										
Salaries and personnel costs	180,718	-	598,482	19,231	-	3,600	12,000	12,631	-	826,662
Group insurance	20,869	-	62,146	-	-	-	-	-	-	83,015
Payroll taxes	13,008	-	43,420	1,471	-	-	-	-	-	57,899
Worker's compensation	1,524	-	3,237	-	-	-	-	-	-	4,761
Rental	3,649	-	-	-	-	-	-	-	-	3,649
Travel	6,447	-	227	1,584	-	-	-	-	-	8,258
Education and training	14,698	-	5,414	(204)	1,175	-	-	-	-	21,083
Other professional fees	8,209	-	648	-	-	-	-	-	-	8,857
Contract labor	-	-	-	149,070	-	-	-	-	-	149,070
Program expenditures	-	-	-	1,740	2,147	33,784	30,375	96,819	-	164,865
Supplies	29,323	9,990	10,218	1,908	-	-	-	11,296	-	62,735
Repairs and maintenance	1,364	-	52,576	-	-	-	-	3,300	367,490	424,730
Utilities	13,682	-	232,849	1,280	-	-	-	3,078	-	250,889
Gas, diesel and oil	12,707	-	597	-	-	-	-	-	-	13,304
Other expenditures	93,464	-	676	497	1,896	879	710	12,473	-	110,595
Capital outlay	-	24,469	-	-	-	-	-	88,891	-	113,360
Total expenditures	399,662	34,459	1,010,490	176,577	5,218	38,263	43,085	228,488	367,490	2,303,732
Excess (Deficiency) of Revenues Over (Under) Expenditures	(60,537)	(34,222)	(213,705)	3,480	5,429	272	(12,657)	(19,677)	-	(331,617)
Other Financing Source -										
Transfers in	91,002	-	275,258	-	-	-	-	-	-	366,260
Excess (Deficiency) of Revenues and Other Financing Source Over (Under) Expenditures	30,465	(34,222)	61,553	3,480	5,429	272	(12,657)	(19,677)	-	34,643
Fund Balance, Beginning	(9,485)	91,578	292,308	217,089	33,089	(3,662)	96,048	133,709	-	850,674
Fund Balance (Deficit), Ending	$ 20,980	$ 57,356	$ 353,861	$ 220,569	$ 38,518	$ (3,390)	$ 83,391	$ 114,032	$ -	$ 885,317

LAURENS COUNTY, GEORGIA

EXHIBIT 23

BUDGETARY COMPARISON – GRANTS FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Grant revenues	$ 220,950	$ 328,567	$ 107,617
Contribution revenues	12,500	10,458	(2,042)
Interest income	175	100	(75)
Total revenues	233,625	339,125	105,500
Expenditures:			
Salaries	229,225	180,718	48,507
Group insurance	29,330	20,869	8,461
Payroll taxes	11,010	13,008	(1,998)
Worker's compensation	1,520	1,524	(4)
Rental expenditures	7,715	3,649	4,066
Travel	18,605	6,447	12,158
Education and training	6,000	14,698	(8,698)
Supplies	11,300	29,323	(18,023)
Repairs and maintenance	5,000	1,364	3,636
Other professional services	21,735	8,209	13,526
Utilities	13,955	13,682	273
Gas and oil	13,000	12,707	293
Other expenditures	31,755	93,464	(61,709)
Total expenditures	400,150	399,662	488
Deficiency of Revenues Under Expenditures	(166,525)	(60,537)	105,988
Other Financing Source -			
Transfer in	98,445	91,002	(7,443)
Excess of (Deficiency of) Revenues and Other Financing Sources Over (Under) Expenditures	(68,080)	30,465	98,545
Fund Balance (Deficit), Beginning	(9,485)	(9,485)	-
Fund Balance (Deficit), Ending	$ (77,565)	$ 20,980	$ 98,545

LAURENS COUNTY, GEORGIA

EXHIBIT 24

BUDGETARY COMPARISON – CONFISCATED ASSETS FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Condemnation revenue	$ 24,900	$ 129	$ (24,771)
Interest income	100	108	8
Total revenues	25,000	237	(24,763)
Expenditures:			
Supplies	-	9,990	(9,990)
Capital outlay	25,000	24,469	531
Total expenditures	25,000	34,459	(9,459)
Deficiency of Revenues Under Expenditures	-	(34,222)	(34,222)
Fund Balance, Beginning	91,578	91,578	-
Fund Balance, Ending	$ 91,578	$ 57,356	$ (34,222)

LAURENS COUNTY, GEORGIA

EXHIBIT 25

BUDGETARY COMPARISON – ENHANCED 911 FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Operating revenue	$ 885,000	$ 796,409	$ (88,591)
Interest income	750	376	(374)
Total revenues	885,750	796,785	(88,965)
Expenditures:			
Salaries	576,300	598,482	(22,182)
Group insurance	53,340	62,146	(8,806)
Payroll taxes	41,790	43,420	(1,630)
Worker's compensation	3,485	3,237	248
Other professional services	4,500	648	3,852
Pest control	300	435	(135)
Travel	800	227	573
Dues and fees	250	50	200
Education and training	5,000	5,414	(414)
Supplies	11,100	10,218	882
Repairs and maintenance	53,775	52,576	1,199
Miscellaneous expenditures	-	191	(191)
Utilities	220,750	232,849	(12,099)
Gas and oil	900	597	303
Total expenditures	972,290	1,010,490	(38,200)
Deficiency of Revenues Under Expenditures	(86,540)	(213,705)	(127,165)
Other Financing Source -			
Transfer in	86,540	275,258	188,718
Excess of Revenues and Other Financing Source Over Expenditures	-	61,553	61,553
Fund Balance, Beginning	292,308	292,308	-
Fund Balance, Ending	$ 292,308	$ 353,861	$ 61,553

LAURENS COUNTY, GEORGIA

EXHIBIT 26

BUDGETARY COMPARISON – CRIME VICTIMS ASSISTANCE FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Fines and forfeitures	$ 165,000	$ 151,514	$ (13,486)
Grant revenues	-	27,813	27,813
Interest income	3,000	730	(2,270)
Total revenues	168,000	180,057	12,057
Expenditures:			
Salaries	1,000	19,231	(18,231)
Payroll taxes	100	1,471	(1,371)
Other professional services	1,000	-	1,000
Travel	4,000	1,584	2,416
Repairs and maintenance	1,000	-	1,000
Education and training	4,000	(204)	4,204
Contract labor	180,000	149,070	30,930
Supplies	6,750	1,908	4,842
Utilities	2,250	1,280	970
Crime victims assistance	7,500	240	7,260
Community grants	5,000	1,500	3,500
Advertising	2,000	-	2,000
Office expenditures	1,500	497	1,003
Capital outlay	2,000	-	2,000
Total expenditures	218,100	176,577	41,523
Excess (Deficiency) of Revenues Over (Under) Expenditures	(50,100)	3,480	53,580
Fund Balance, Beginning	217,089	217,089	-
Fund Balance, Ending	$ 166,989	$ 220,569	$ 53,580

LAURENS COUNTY, GEORGIA

EXHIBIT 27

BUDGETARY COMPARISON – JUDICIAL SERVICES FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Condemnation income	$ -	$ 9,647	$ 9,647
Other income	-	1,000	1,000
Total revenues	-	10,647	10,647
Expenditures:			
Repairs and maintenance	-	2,147	(2,147)
Education and training	-	1,175	(1,175)
Dues and memberships	-	1,750	(1,750)
Miscellaneous expenditures	-	146	(146)
Total expenditures	-	5,218	(5,218)
Excess of Revenues Over Expenditures	-	5,429	5,429
Fund Balance, Beginning	33,089	33,089	-
Fund Balance, Ending	$ 33,089	$ 38,518	$ 5,429

LAURENS COUNTY, GEORGIA

EXHIBIT 28

BUDGETARY COMPARISON – LAW LIBRARY FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Fines and forfeitures	$ 38,000	$ 35,755	$ (2,245)
Interest income	-	1	1
Miscellaneous income	-	2,779	2,779
Total revenues	38,000	38,535	535
Expenditures:			
Books	33,100	33,784	(684)
Salaries	3,900	3,600	300
Other expenditures	1,000	879	121
Total expenditures	38,000	38,263	(263)
Excess of Revenues Over Expenditures	-	272	272
Fund Deficit, Beginning	(3,662)	(3,662)	-
Fund Deficit, Ending	$ (3,662)	$ (3,390)	$ 272

LAURENS COUNTY, GEORGIA

EXHIBIT 29

BUDGETARY COMPARISON – ALTERNATIVE DISPUTE RESOLUTION FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Fines and forfeitures	$ 30,000	$ 30,136	$ 136
Interest income	-	292	292
Total revenues	30,000	30,428	428
Expenditures:			
Personnel fees	12,000	12,000	-
Mediation fees	16,000	30,375	(14,375)
Other expenditures	2,000	710	1,290
Total expenditures	30,000	43,085	(13,085)
Deficiency of Revenues Under Expenditures	-	(12,657)	(12,657)
Fund Balance, Beginning	96,048	96,048	-
Fund Balance, Ending	$ 96,048	$ 83,391	$ (12,657)

LAURENS COUNTY, GEORGIA

EXHIBIT 30

BUDGETARY COMPARISON – PUBLIC ROADS FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenue -			
Fines and forfeitures	$ -	$ 367,490	$ 367,490
Expenditure -			
Road maintenance	-	367,490	(367,490)
Excess of Revenue Over Expenditure	-	-	-
Fund Balance, Beginning	-	-	-
Fund Balance, Ending	$ -	$ -	$ -

Internal Service Fund

LAURENS COUNTY, GEORGIA

EXHIBIT 31

INTERNAL SERVICE FUND
SCHEDULE OF NET POSITION
JUNE 30, 2013

	Governmental Activity - Internal Service Fund
	Employee Insurance Fund
Assets:	
Cash	$ 26,737
Accounts receivable	48,011
Due from other funds	223,627
Total Assets	298,375
Liability -	
Accounts payable	298,375
Net Position - Unrestricted	$ -

LAURENS COUNTY, GEORGIA

EXHIBIT 32

INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2013

	Governmental Activity - Internal Service Fund
	Employee Insurance Fund
Operating Revenue - insurance premiums	$ 1,720,737
Operating Expenses:	
Reinsurance premiums	135,432
Employee insurance claims	2,978,656
Total operating expenses	3,114,088
Operating Loss	(1,393,351)
Non-operating Revenues (Expenses):	
Interest income	33
Transfers in	1,393,318
Total non-operating revenues	1,393,351
Change in net position	-
Total Net Position, Beginning	-
Total Net Position, Ending	$ -

LAURENS COUNTY, GEORGIA

EXHIBIT 33

INTERNAL SERVICE FUND
SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2013

	Governmental Activity - Internal Service Fund
	Employee Insurance Fund
Cash Flows from Operating Activities:	
Receipts from employees	$ 602,258
Receipts from primary government	1,044,406
Payments to insurance companies	(3,014,177)
Net cash used in operating activities	(1,367,513)
Cash Flows from Non-Capital and Related Financing Activities -	
Transfers from the primary government	1,393,318
Cash Flows from Investing Activities:	
Interest income	33
Net increase in cash and cash equivalents	25,838
Balances - beginning of year	899
Balances - end of year	$ 26,737
Reconciliation of operating loss to net cash provided by Operating Activities:	
Operating loss	$ (1,393,351)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Net change in assets and liabilities attributable to operations:	
Accounts receivable	(48,011)
Due to other funds	(74,073)
Accounts payable	147,922
Net cash used in operating activities	$ (1,367,513)

Agency Funds

LAURENS COUNTY, GEORGIA

EXHIBIT 34

AGENCY FUNDS
COMBINING SCHEDULE OF FIDUCIARY ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2013

	Juvenile Court	Probate Court	Clerk of Superior Court	Sheriff's Office	Tax Commissioner's Office	Clerk of Magistrate Court	Child Support Court	Total Agency Funds
Assets:								
Cash	$ 5,018	$ 57,152	$ 199,116	$ 419,900	$ 569,388	$ 40,860	$ -	$ 1,291,434
Due from others	21,143	-	-	-	-	-	-	21,143
	$ 26,161	$ 57,152	$ 199,116	$ 419,900	$ 569,388	$ 40,860	$ -	$ 1,312,577
Liabilities:								
Due to other governments	$ -	$ -	$ -	$ -	$ 554,356	$ -	$ -	$ 554,356
Funds held in escrow	4,885	-	62,446	16,103	-	-	-	83,434
Other liabilities	21,276	57,152	136,670	403,797	15,032	40,860	-	674,787
Total Liabilities	$ 26,161	$ 57,152	$ 199,116	$ 419,900	$ 569,388	$ 40,860	$ -	$ 1,312,577

TJS Deemer Dana LLP
CERTIFIED PUBLIC ACCOUNTANTS

tjsdd.com

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

To the Board of Commissioners
Laurens County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activity, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Laurens County, Georgia, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Laurens County, Georgia's basic financial statements and have issued our report thereon dated February 13, 2014. Our report includes a reference to other auditors who audited the financial statements of the Laurens County Public Health Center and the Dublin - Laurens County Development Authority, as described in our report on Laurens County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

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. We consider the deficiency 13-1, described in the accompanying schedule of findings and responses to be a material weakness.

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A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies 13-2, 13-3 and 13-4, described in the accompany schedule of findings and responses to be significant deficiencies.

Compliance and Other Matters

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

Laurens County, Georgia's Response to Findings

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

Purpose of this Report

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

Very truly yours,

TJS Deemer Dana LLP

Dublin, Georgia

February 13, 2014

FINDINGS – FINANCIAL STATEMENT AUDIT

MATERIAL WEAKNESS:

13-1 Segregation of Duties(Reiteration of Prior Year)

Condition: There is not appropriate segregation of duties between recording, processing and reconciliation of cash accounts and other operational functions in the various funds processed by the Finance Officer.

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

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

Recommendation: The duties of recording, processing and reconciliation of accounts should be segregated between employees.

Response: We concur with the recommendation. The Laurens County Board of Commissioners is in the process of reviewing the system in place to evaluate and determine the most efficient and effective solution to properly segregate duties between recording, processing and reconciliation of accounts to provide reasonable assurance that an individual cannot misappropriate funds without being detected during the normal course of business.

SIGNIFICANT DEFICIENCIES:

13-2 Account and Transaction Recording (Reiteration of Prior Year)

Condition: Certain audit adjustments were required to fairly state the balances on general ledger accounts at the end of the accounting period.

Criteria: Accounts should be properly adjusted and reconciled to ensure that the financial statements are presented fairly at the end of the accounting period.

Effect: Failure to properly record transactions and reconcile accounts could cause the financial statements to not be fairly stated at the end of the accounting period.

Recommendation: Management should establish policies and procedures to assist the County in fairly stating the balances of accounts at the end of the accounting period.

Response: We concur with the recommendation. We will review procedures in place to ensure that account balances are fairly stated at the end of the accounting period.

13-3 Internal Audit Function (Reiteration of Prior Year)

Condition: There is not an internal audit function in place to provide an independent testing of the system of internal controls.

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

Effect: Failure to properly review and monitor internal controls could lead to misappropriation of funds that are not detected during the normal course of business.

Recommendation: The County should hire, or subcontract, an internal auditor who would assist in establishing and monitoring an enhanced system of internal controls to assist in safeguarding the assets of the County.

Response: We concur with the recommendation. We will review the feasibility of adding an internal audit function.

13-4 Budgeting (Reiteration of Prior Year)

Condition: The County is not properly utilizing the budgeting process. We noted several instances whereby actual current operating expenditures of the General Fund, 2012 SPLOST Fund, Grants Fund, Enhanced 911 Fund, Crime Victims Assistance Fund, the Confiscated Assets Fund and the Emergency Medical Services Fund exceeded budgeted expenditures. In addition, budgets were not adopted for the Sheriff Commissary Fund, the Judicial Services Fund or the Road Projects Fund.

Criteria: A comprehensive review of the budgeting and cash flow process is essential in effectively projecting the cash flow needs and to provide for sufficient funding to operate the County in an efficient and effective manner.

Effect: Failure to properly monitor the County's budget could lead to future cash flow problems.

Recommendation: The County should undergo a comprehensive review of the budgeting and cash flow process, so that steps can be taken to project the cash flow needs and to provide for sufficient funding to operate the County in an efficient and effective manner.

Response: We concur with the recommendation. We will continue reviewing the budgeting process in order to provide a better monitoring system of the County's cash flows.

STATUS OF PRIOR AUDIT FINDINGS:

12-1 Cash – General Government Operations

Condition: There is not appropriate segregation of duties between recording, processing and reconciliation of cash accounts and other operational functions in the various funds processed by the Finance Officer.

Recommendation: The duties of recording, processing and reconciliation of accounts should be segregated between employees.

Current Status: This finding was not corrected during the year.

12-2 Account and Transaction Recording

Condition: Certain audit adjustments were required to fairly state the balances on general ledger accounts at the end of the accounting period.

Recommendation: Management should establish policies and procedures to assist the County in fairly stating the balances of accounts at the end of the accounting period.

Current Status: This finding was not corrected during the year.

12-3 Internal Audit Function

Condition: There is not an internal audit function in place to provide an independent testing of the system of internal controls.

Recommendation: The County should hire, or subcontract, an internal auditor who would assist in establishing and monitoring an enhanced system of internal controls to assist in safeguarding the assets of the County.

Current Status: This finding was not corrected during the year.

12-4 Budgeting

Condition: The County is not properly utilizing the budgeting process. We noted several instances whereby actual current operating expenditures of the General Fund exceeded budgeted expenditures.

Recommendation: The County should undergo a comprehensive review of the budgeting and cash flow process, so that steps can be taken to project the cash flow needs and to provide for sufficient funding to operate the County in an efficient and effective manner.

Current Status: This finding was not corrected during the year.

Other Information

LAURENS COUNTY, GEORGIA

EXHIBIT 35

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX
YEAR ENDED JUNE 30, 2013

Project Description Per SPLOST Referendum	Estimated Cost Original	Estimated Cost Current	Expenditures Prior Years	Expenditures Current Year	Expenditures Total
Law Enforcement Center Project	$ 6,100,000	$ 6,100,000	$ 6,056,181	$ -	$ 6,056,181
Public Projects - October 2003 - June 2006 SPLOST:					
Georgia State Patrol Office	$ 1,500,000	$ 1,500,000	$ 1,543,360	$ -	$ 1,543,360
Annex Building	2,000,000	2,000,000	2,660,388	-	2,660,388
Courthouse Renovations	2,000,000	2,750,000	1,575,655	10,156	1,585,811
Courthouse Debt Repayment *	2,000,000	2,051,184	2,051,194	-	2,051,194
Infrastructure/Economic Development	1,828,000	1,828,000	1,799,904	-	1,799,904
Total Public Projects	$ 9,328,000	$ 10,129,184	$ 9,630,501	$ 10,156	$ 9,640,657
* Budget increased by $750,000 under new SPLOST					
Public Projects - SPLOST:					
Health Department Building	$ 2,000,000	$ 2,000,000	$ 15,070	$ 992	$ 16,062
Recreational Facilities	450,000	450,000	1,169,754	-	1,169,754
EMS Equipment	700,000	700,000	1,135,996	-	1,135,996
Sheriff Equipment	1,200,000	1,200,000	1,367,803	-	1,367,803
E911 Equipment	-	175,966	1,201,145	-	1,201,145
Fire Equipment	1,100,000	1,100,000	942,792	51,369	994,161
Road Improvements	17,712,270	17,712,270	14,094,834	830,854	14,925,688
Public Works Equipment	3,000,000	3,000,000	3,837,590	7,665	3,845,255
Airport Improvements	300,000	300,000	2,008,631	-	2,008,631
City of Dublin	16,540,740	16,540,740	17,090,056	-	17,090,056
City of East Dublin	2,591,790	2,591,790	2,670,023	-	2,670,023
City of Rentz	97,650	97,650	107,201	-	107,201
City of Cadwell	99,600	99,600	109,973	-	109,973
City of Montrose	86,550	86,550	91,420	-	91,420
City of Dexter	112,950	112,950	128,951	-	128,951
City of Dudley	108,650	108,650	122,553	-	122,553
Laurens County Development Authority	2,000,000	2,000,001	2,067,260	-	2,067,260
Dublin-Laurens County Recreation Authority	1,150,000	1,150,000	1,149,999	-	1,149,999
Total Public Projects	$ 49,250,200	$ 49,426,167	$ 49,311,051	$ 890,880	$ 50,201,931
Public Projects - FY 13 - 18 SPLOST:					
Economic Development	$ 7,350,000	$ 7,350,000	$ 1,337,583	$ 3,265,848	$ 4,603,431
Previously Incurred General Obligation Debt	5,650,000	5,650,000	5,452,033	153,478	5,605,511
Recreational Facilities	500,000	500,000	-	79,336	79,336
Courthouse/Admin Buildings and Equipment	900,000	900,000	15,959	47,910	63,869
Public Safety Equipment and Facilities	4,900,000	4,900,000	-	694,009	694,009
Road Improvements	14,000,000	14,000,000	-	505,281	505,281
Public Works Facilities and Equipment	1,950,000	1,950,000	-	309,518	309,518
Airport Improvements	200,000	200,000	-	38,275	38,275
City of Dublin	14,675,000	14,675,000	-	2,333,661	2,333,661
City of East Dublin	2,250,000	2,250,000	-	357,856	357,856
City of Rentz	125,000	125,000	-	50,000	50,000
City of Montrose	125,000	125,000	-	50,000	50,000
City of Dexter	125,000	125,000	-	50,000	50,000
City of Dudley	125,000	125,000	-	50,000	50,000
City of Cadwell	125,000	125,000	-	50,000	50,000
	$ 53,000,000	$ 53,000,000	$ 6,805,575	$ 8,035,172	$ 14,840,747

Note: The $11,771 difference in total SPLOST expenditures from the above schedule to the schedule on page 58 relates to the principal payments made on E911 equipment purchased by capital lease during fiscal year ended June 30, 2010. The principal payments have been omitted from the above schedule since the total amount of the equipment cost was included as capital outlay in 2010.

FAMILY CONNECTION
SCHEDULE OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Grant revenue	$ 90,000	$ 70,563	$ (19,437)
Operating revenue	5,000	701	(4,299)
Interest income	100	22	(78)
Total revenues	95,100	71,286	(23,814)
Expenditures:			
Salaries	66,030	76,362	(10,332)
Group insurance	13,625	8,430	5,195
Payroll taxes	1,790	5,496	(3,706)
Worker's compensation	840	919	(79)
Other professional services	6,500	12,487	(5,987)
Insurance	-	2,079	(2,079)
Travel	18,605	2,003	16,602
Education and training	6,000	8,326	(2,326)
Office expense	2,800	2,290	510
Telephone	2,000	1,645	355
Building rental	7,715	3,649	4,066
Total expenditures	125,905	123,686	2,219
Deficiency of Revenues Under Expenditures	$ (30,805)	$ (52,400)	$ (21,595)

LAURENS COUNTY, GEORGIA

EXHIBIT 37

FAMILY CONNECTION
SCHEDULE OF STATE CONTRACTUAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2013

State Program Name	Contract Number	Actual Revenue Received	Current Expenditures	Amount Due To/From State
Family Connection	427-93-131300082-99	$ 44,750	$ 123,686	$ -