LIBERTY COUNTY, GEORGIA

Comprehensive Annual Financial Report

For the Year Ended June 30, 2013

Prepared By:

Kim McGlothlin
Finance Officer

LIBERTY COUNTY, GEORGIA
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Introductory Section

BOARD OF COMMISSIONERS
LIBERTY COUNTY

DONALD L. LOVETTE
CHAIRMAN

MARION STEVENS, SR.
DISTRICT 1

JUSTIN FRASIER
DISTRICT 2

CONNIE THRIFT
DISTRICT 3

100 Main Street, Suite 1320
HINESVILLE, GEORGIA 31313
(912) 876-2164 / FAX (912) 369-0204
www.libertycountyga.com

PAT BOWEN
DISTRICT 4

GARY GILLIARD
DISTRICT 5

EDDIE J. WALDEN
DISTRICT 6

JOSEPH W. BROWN
COUNTY ADMINISTRATOR

December 16, 2013

The Honorable Donald L. Lovette, Chairman
Members of the Liberty County Board of Commissioners
And the Citizens of Liberty County, Georgia

The comprehensive annual financial report of Liberty County, Georgia for the year ended June 30, 2013, is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that Liberty County issue annually a report on its financial position and activity, and that this report be audited by an independent firm of certified public accountants. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the federal Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget's Circular A-133, *Audits of State and Local Governments and Non-Profit Organizations*. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Carr, Riggs & Ingram, LLC, Certified Public Accountants, have issued an unmodified ("clean") opinion on Liberty County's financial statements for the year ended June 30, 2013. The independent auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A), immediately following the independent auditor's report, provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

Liberty County, chartered in 1777, is located in the eastern part of the state. The County currently has a land area of 542 square miles and a population of approximately 68,000. The local government is empowered to levy a property tax on both real and personal property located within its boundaries.

Liberty County operates under the commission-administrator form of government. Policy-making and legislative authority are vested in the governing commission, which consists of a seven-member board of commissioners. The commission is elected on a partisan basis. Commissioners are elected to four-year staggered terms. The Chairman is elected at large and the remaining six commissioners are elected from within their respective districts. The governing commission is responsible, among other things, for passing ordinances, adopting the

budget, appointing committees and hiring the government's administrator, and the government's attorney. The County administrator is responsible for carrying out the policies and ordinances of the governing commission, for overseeing the day-to-day operations of the government, and for appointing the heads of the government's departments.

Liberty County provides a full range of services including county law enforcement and rural fire protection through contracts with volunteer firefighters; the construction and maintenance of highways, streets and other infrastructure; recreation and cultural programs; economic development through planning, zoning, permits, code enforcement and sign ordinance; health and welfare programs such as mosquito control, animal control, senior citizens center, agricultural resources, and indigent care assistance. Liberty County also provides Solid Waste services (a waste transfer station, convenience centers, and recycling centers) through a Solid Waste Authority. This Authority functions as an enterprise operation of Liberty County and is therefore included as an integral part of this report.

This Comprehensive Annual Financial Report includes the presentation of two discreetly component units: The Liberty County Health Department (LCHD) and the Liberty Regional Medical Center (LRMC). Although these units are legally separate entities, they are considered component units due to the nature and extent of financial contribution and responsibility that Liberty County incurs in relation to the respective operations. More information on these component units is made available in the notes to the financial statements.

Every year during the month of June, the governing body adopts an annual budget for the general fund, each special revenue fund, and the enterprise funds. Project-length budgets are adopted for the capital project funds. These appropriations are adopted at the department level within each fund, which is the legal level of budgetary control. Elected officials and department heads are directed to operate within their budgets. In the event a department requires funding that exceeds the original budget, the respective department head or elected official must come back before the board of commissioner for approval of additional appropriations.

Local Economy

The government currently enjoys a favorable economic environment and local indicators point to continued stability. Liberty County has generally grown faster than the state of Georgia over the past 30 years. The state has been growing in population about 9 percent every five years since 1970. Liberty County has grown about twenty percent every five years with the exception of a tremendous increase between 1975 and 1980. Between 1990 and 2000, the population of the Georgia coast increased by 17.5 percent. 2010 census data for the County was 63,453 or an increase of approximately 3% since 2000. This population increase can be attributed to three main factors: a general migration of people and industry to the coast, improved vehicular access to the area, and the influx of civilian and military personnel from Fort Stewart. These trends are expected to continue. Liberty County is currently a tier two county under Georgia's Job Tax Credit Program. Under this classification, eligible companies may receive $2,500 in tax credits for each new job created in the county. Due to Liberty County's participation in a Joint Development Authority, those companies may receive an additional $500 in tax credits. In addition, the County makes application through the Georgia Department of Community Affairs to participate in the designation of certain Military Zone census tracts will allow benefits of a tax credit of $ 3,500.00 per job for five years and the use of the credit against 100 % of corporate income tax liability.

The Liberty County Development Authority continued development within their 6,800 acre Mid-Coast Business Center. This facility, aptly named due its central location on the coastal I-95 corridor, is expected to continue to expand in the next 10 years. The Authority welcomed its newest partner Firth Rixon a manufacturer of forging and specialty metals. Initial employment for the company is set at 155 persons. The company is currently working on plant expansion expected to be complete in early 2014. Following this expansion the company

expects to employ over 300 persons at the Mid-Coast Park facility. Availability of additional development space at Mid-Coast, together with holdings at Trade Port West Business Center, will allow the Authority to be very aggressive in soliciting tenants.

The County continued moving forward on a rural county water system to serve residents of the Holmestown/Lewis Frasier Road area. The County was successful in obtaining Community Development Block Grant funds from the Georgia Department of Community Affairs which will be used to assist low to moderate income customers with connectivity along the route. These funds will be paired with a loan from the United States Department of Agriculture to complete construction of the system. Cost of the system is estimated to be $6,000,000.00 and will serve approximately 374 customers. In addition to quality drinking water the system will also allow provide enhanced fire protection to the area served through fire hydrant availability. The system is expected to be under construction in January 2014.

The County continued disbursement of SPLOST funds for various capital improvement projects in the areas of recreation, roads and building improvements. The county completed renovations to an existing school facility which will serve as the East End Community Center. This center boasts several community meeting rooms, a library, swimming pool, and other county offices. The Center will offer citizens of the East side of the county an ability to obtain County services without travel to central office locations in Hinesville.

Long-term Financial Planning

The County will continue to work toward planning of expansion and improvements at Midcoast Regional Airport at Wright Army Airfield. These improvements will provide for the complete renovation and resurfacing of an existing 5000 foot runway at the facility and possible expansion of another runway to 6500 feet in length. This expansion will allow for better accommodation of civilian and military traffic at the facility. The County will pursue, State, Federal, and private partnerships in this endeavor which may include working with industrial clientele in an effort to locate to the facility.

The County will award contracts for construction and management aspects of the rural water system. The County will examine the ability to bill and collect for these services in-house as part of a significant upgrade to financial software.

The County will continue work toward implementation of the County-wide Fire Plan. This plan involves the engagement of full-time personnel and facilities necessary to insure proper response by qualified persons for fire and emergency incidents. The County constructed its first fire station pursuant to the plan and will work to bring two additional locations on line. Funding for operations of the unified departments is expected to be accomplished by enactment of a county wide fire fee.

The County will continue enhancement of capital structures the use of SPLOST funds. It is anticipated that construction will begin on a new animal control facility which will house all animal control operations. Upgrades and improvements will also occur in the areas of recreation, road construction/maintenance, and library improvements.

Relevant Financial Policies

Management of the government is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

(1) the cost of a control should not exceed the benefits to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal, state and local financial assistance, the government is also responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation by management.

Major Initiatives

The County will continue to look at infrastructure and operational upgrades in order to keep pace with the expected growth to the region. One of these initiatives includes the implementation of a master fire plan for the County. This plan, completed in early 2008, outlines fire protection needs for the entire county through 2018 and includes a move to manned departments in order to help reduce ISO rates to homeowners and enhance emergency services. Funding is expected to be achieved by the use of SPLOST funds for capital needs and a combination of fees and insurance tax proceeds to sustain daily operational requirements. The County will also work to complete the county-wide rural water system which is expected to be completed in May 2015 The system, as mentioned before, will provide safe drinking water and enhanced fire protection to approximately 374 persons. The County will continue to look for opportunities to expand and fund its rural road program including a proposed new Hinesville By-pass project. Finally, the County is expected to begin construction of a new library facility to serve the Hinesville area. This new 28,000 SF facility will be state of the art and will help complement a new higher education center both are which expected to be complete in early 2015.

Acknowledgements

I would like to extend my gratitude to the entire staff of the finance department. Their continued commitment to the financial needs of the County made the preparation of this report possible. I would also like to express my appreciation to our elected officials and department heads who work as a team to help make this report and other requirements of an efficient government possible.

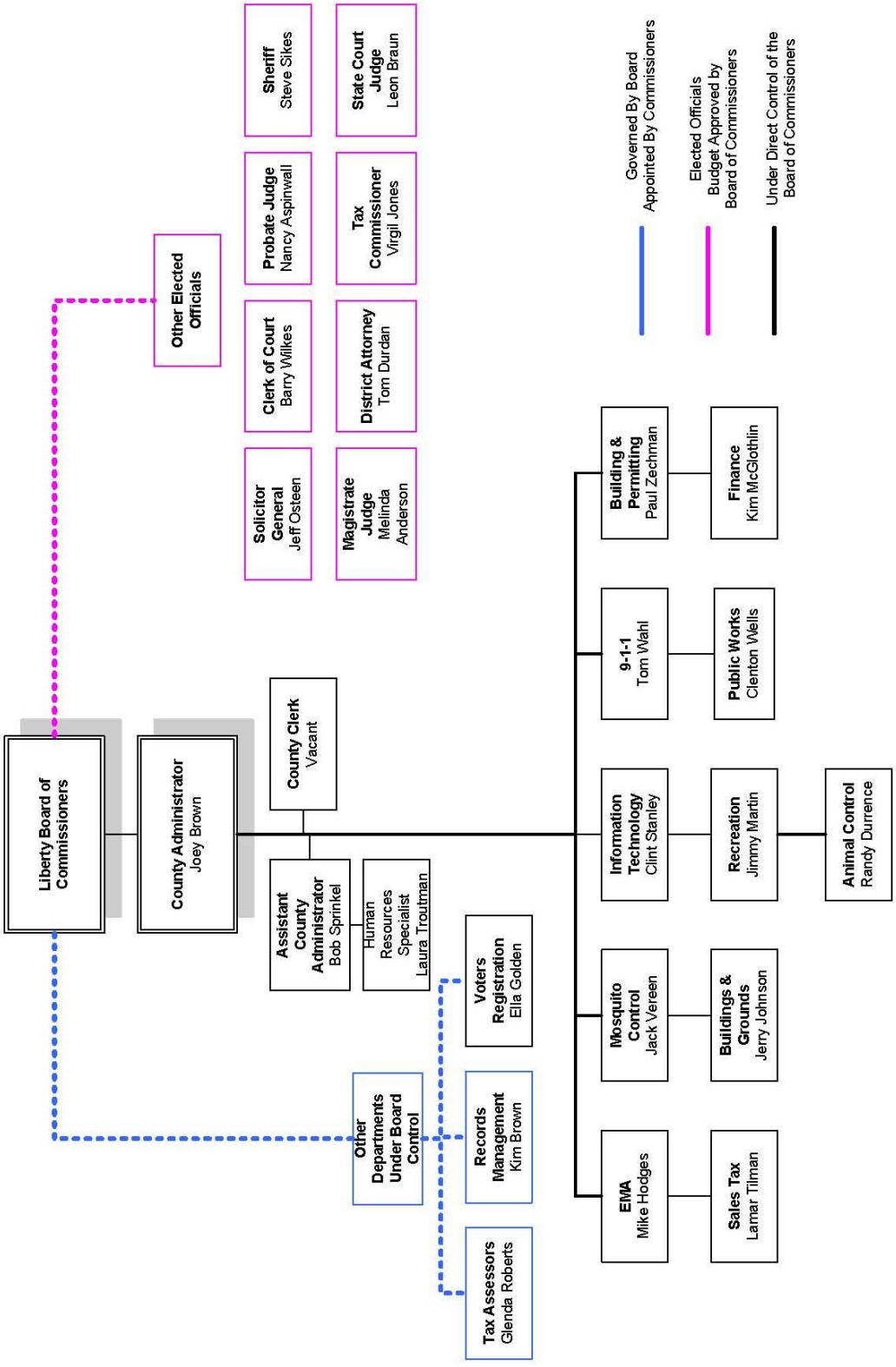
Finally, a special acknowledgement to the Chairman and the Board of Commissioners for their continued guidance and support in planning and conducting the financial affairs of Liberty County. It is their professionalism and foresight that allow the County to be progressive and successful.

Respectfully submitted,



Joseph W. Brown
County Administrator

LIBERTY COUNTY, GEORGIA
ORGANIZATIONAL CHART
June 30, 2013



LIBERTY COUNTY, GEORGIA
PRINCIPAL OFFICIALS
June 30, 2013

ELECTED

Donald Lovette, Chairman

Marion Stevens, Sr., District 1

Justin Frasier, District 2

Connie Thrift, Vice Chairman District 3

Pat Bowen, District 4

Gary Gilliard, District 5

Eddie J. Walden, District 6

STAFF

Joseph W. Brown, County Administrator

Robert W. Sprinkel, Assistant County Administrator

Kim McGlothlin, Chief Financial Officer

Financial Section

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
202 Love Avenue
Tifton, GA 31794
P.O. Box 7650
Tifton, GA 31793

(229) 382-8576
(229) 238-0643 (fax)
www.cricpa.com

INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
of Liberty County, Georgia
Hinesville, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Liberty 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. We did not audit the financial statements of the Liberty County Health Department or the Liberty Regional Medical Center, which collectively represent 100% of the assets, net position and revenues of the County's aggregate discretely presented component units.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

We did not audit the financial statements of the Liberty County Health Department or the Liberty Regional Medical Center, which collectively represent all of the County's aggregate discretely presented component units. Those statements were audited by other auditors whose report have been furnished to us, and our opinion, insofar as it relates to the amounts included for these component units, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Liberty County Medical Center were audited in accordance with auditing standards generally accepted in the United States of America but were not audited in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States.

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 financial statement presentation of the financial statements.

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-17 and the schedules of funding progress on page 64 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 Liberty County, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the financial statements of Liberty County, Georgia. The schedules of special purpose local option sales tax expenditures are presented for purposes of additional analysis as required by Official Code of Georgia 48-8-121, and are not a required part of the basic financial statements.

The combining and nonmajor individual fund financial statements, the schedule of expenditures of federal awards, and the schedules of special purpose local option sales tax expenditures are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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, the schedule of expenditures of federal awards, and the schedules of

special purpose local option sales tax expenditures are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2013, on our consideration of Liberty 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 or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Liberty County, Georgia's internal control over financial reporting and compliance.

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

December 16, 2013
Tifton, Georgia

As management of Liberty County, Georgia, we offer readers of the County's financial statements this narrative overview and analysis detailing the financial activities of Liberty County for the year ended June 30, 2013. This discussion is intended to help provide a comprehensive understanding of the financial performance and condition of Liberty County taken as a whole, and should be considered in conjunction with the basic financial statements, notes to the financial statements, and the letter of transmittal presented in Liberty County's Comprehensive Annual Financial Report (CAFR). Liberty County has prepared its annual report in compliance with the financial reporting model set forth by the Governmental Accounting Standards Board, GASB 34. This reporting model is a combination of both Government-Wide Financial Statements and Fund Financial Statements. As such, our CAFR's basic financial statements contain three components:

1) *Government-Wide Financial Statements,* including a Statement of Net Position and a Statement of Activities. These statements provide a broad, long-term overview of Liberty County's financial condition based upon the focus of total economic resources available.
2) *Fund Financial Statements*, including Balance Sheets and Statements of Revenues, Expenditures, and Changes in Fund Balance. These statements focus on the short-term perspective of Liberty County's financial condition and are based solely upon current financial resources available.
3) *Notes to the Financial Statements,* including policies, definitions, classifications, supporting schedules, and narrative disclosures.

This "Management's Discussion and Analysis" highlights and summarizes in general terms the basic financial information contained within our annual report. We encourage readers to read the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

Key financial highlights for Fiscal Year Ended June 30, 2013 are as follows:

Government-Wide Financial Statements

- Liberty County's government wide assets exceed its liabilities by $114,034,158 (net position). Of this amount, $4,916,265 (unrestricted net position) or 4.3% may be used to settle the County's ongoing obligations.
- The County's total net position decreased just slightly from $114,463,609 in 2012 to $114,034,158 in 2013, for a total decrease of $429,451 or less than 0.1%.
- County revenues for fiscal year 2013 totaled $41,697,079. Of this amount, $14,232,509, or 34.1%, resulted from program revenues, with the balance of $27,464,570, or 65.9%, resulting from general revenues.
- County expenses for 2013 totaled $42,126,530, a decrease of $915,953 or 2.1%, compared to prior year's expenses of $43,042,483. Total expenses are a combination of governmental programs costing $39,367,949 or 93.5%, and business-type activities totaling $2,758,581 or 6.5%. Total assets of $38,693,316 in the County's governmental funds exceed total liabilities and deferred resources by $33,389,769 (fund balance). Of this amount, $12,052,800 or 36.1% is unassigned and available to settle the County's current obligations within the governmental funds.

FINANCIAL HIGHLIGHTS (CONTINUED)

Government-Wide Financial Statements (Continued)

- The County's total governmental fund balance decreased by $2,119,275 or 6.0%, decreasing from $35,509,044 in 2012 to $33,389,769 by the end of fiscal year 2013.
- The most significant decrease in fund balance occurred within "Nonmajor Governmental Funds," which includes both special revenue funds and capital project funds. These funds, reported on pages 65-72, collectively declined a total of $883,666, or 34.6% from 2012 to 2013. The majority of this decrease is captured within the Capital Projects Funds, collectively reporting an overall decrease of $1,238,635. Of this decrease, $774,799 or 62.6% is attributable specifically to the Capital Projects Fund and $462,239 or 37.3% is due to the decline within the Special Purpose Local Option Sales Tax III Fund (SPLOST III). The decline in the Capital Projects Funds represents the drawing down of funds for use in construction projects within Funds that are no longer collecting current revenues. Another capital fund contributing to the decrease in fund balance is the Water Project Fund. This fund fell from a positive $401 fund balance in 2012 to a deficit of $(54,743) in 2013. Helping to offset the deficit within the capital projects Funds was an increase in fund balance in the Wright Army Airfield Grant Fund, reducing their deficit position from $(262,550) in 2012 to $(209,602) in 2013, an increase of $52,948 or 20.2%.
- Helping to offset the decline within "Other Governmental Funds" were increases in several of the special revenue funds. The most significant offsetting increase occurred within Child Support & Recovery Fund in the amount of $210,003, almost doubling from $210,351 in 2012 to $420,354 in 2013. Other special revenue funds reporting material increases are: Confiscated Assets Fund, increasing by $44,092 or 177.8%, from $24,792 in 2012 to 68,884 in 2013; Multiple Grant Fund, increasing by $43,936 or 60.0% from $(73,401) in 2012 to $(29,465) in 2013; DARE fund increasing by $40,042 or 283%, from $14,171 in 2012 to $54,213 in 2013; and Victim Witness Fund increasing by $37,795 or 6.5%, from $585,431 in 2012 to $623,226 in 2013.
- Of the four significant governmental funds reporting the total $2,119,275 overall decrease in governmental fund balance, the General Fund was the only significant fund to report an increase in fund balance. The General Fund had a modest increase of $129,349 or 1.0% from $16,995,902 in 2012 to $17,125,251 in 2013. Special Purpose Local Option Sales Tax V decreased by $757,614 or 7.1% from $10,659,385 in 2012 to $9,901,771 in 2013 and Special Purpose Local Option Sales Tax IV decreased $607,344 or 11.5% from $5,299,330 in 2012 to $4,691,986 in 2013.
- The County's governmental fund balance is allocated among the following items: $4,198,408 (12.6%) Non-spendable; $16,938,256 (50.7%) Restricted; $19,272 (0.1%) Committed; $181,033 (0.5%) Assigned; and $12,052,800 (36.1%) Unassigned.
- General Fund revenues totaling $24,782,542 achieved 94.3% of budgeted revenues of $26,273,093 creating a shortfall of $1,490,551 or 5.7%.
- Liberty County's General Fund operated at 95.2% of the budgeted $24,251,154 expenditures, and thereby achieved a savings of $1,157,282.

OVERVIEW OF THE FINANCIAL STATEMENTS

Our government-wide financial statements are designed to provide a broad overview of the County's total financial performance over the year and the resulting financial condition thereof. These statements apply an "economic resource" perspective, much like those in the private sector. This differs from the "current resource" perspective traditionally applied in fund financial statements. This Management's Discussion & Analysis assists readers by highlighting in plain language the events that have occurred over the past year to bring about the current financial condition of Liberty County. We encourage readers to review all of the basic financial statements, along with the Management's Discussion & Analysis, letter of transmittal, and supplementary information in order to fully understand the overall financial condition of Liberty County, Georgia.

REPORTING ON THE COUNTY AS A WHOLE

The government-wide financial statements, including a Statement of Net Position and a Statement of Activities (beginning on page 19), helps readers identify whether or not the County, taken as a whole, is in better condition as a result of the events that have taken place over the past year. These statements capture *all* assets and liabilities using the *full accrual* basis of accounting. This method of accounting resembles that used by most private-sector companies by recording all of the current year's revenues and expenses regardless of when cash is received or paid.

In the Statement of Net Position and the Statement of Activities, the County is presented in three distinct activities:

- *Governmental Activities* – This section reports on the primary governmental services: general government, judiciary, public safety, public works, health and welfare, culture and recreation, housing and development, and interest on long-term debt. The majority of funding for these programs comes from property taxes, sales tax, and fines & forfeitures.
- *Business-type Activities* – There are three business-type activities reported: The County's Solid Waste Operations, the County's Water System Fund, and the County's Revolving Loan Fund. These services are funded primarily through a user charge and do not budget operations through the use of property taxes.
- *Component Units* – There are two discretely presented component units reported; Liberty County Health Department and Liberty Regional Medical Center, and one blended component unit; The Liberty County Projects Corporation. Although the two discretely presented component units are legally separate entities, they are included in this Comprehensive Annual Financial Report (CAFR) due to the County's significant financial interest in these units. The blended component unit is included as a special revenue fund within the County's governmental financial statements.

  Separate financial statements for the County Health Department may be obtained from its administrative office at Highway 84, Community Services Building, Hinesville, Georgia 31313.

  Separate financial statements for the Liberty Regional Medical Center may be obtained from its administrative office at 462 E. G. Miles Parkway, Hinesville, Georgia 31313. The Authority's fiscal year ends on November 30, and accordingly, the component unit financial statements for the Liberty Regional Medical Center are for the year ended November 30, 2012.

  Separate financial statements for the Liberty County Projects Corporation are not prepared.

REPORTING ON THE COUNTY'S MOST SIGNIFICANT FUNDS

The fund financial statements (beginning on page 21) provide a more detailed look at the County's most significant funds. While certain funds are required by state law, others are established by the Board of Commissioners to help control budgets and financing for specific purposes. The County maintains three categories of funds: governmental, proprietary, and fiduciary.

- *Governmental Funds* – Funds representing the more traditional governmental services; general government, judiciary, public safety, public works, health and welfare, culture and recreation, housing and development, and interest on long-term debt. These funds use a method of accounting called the *modified accrual* approach, by which financial assets are reported based on their ability to be readily converted into cash. Governmental funds provide a short-term view of the County's general government operations and help determine the amount of financial resources that are available in the near future to fund ongoing County programs. On page 22 you will find reconciliation between the "Governmental Fund Balances" and "Net Position of Governmental Activities." Page 24 provides reconciliation between the "Statement of Revenues, Expenditures, and Changes in Fund Balances" and the "Statement of Activities." Both of these reconciliations identify the differences between Governmental Funds and Government-Wide Activities.
- *Proprietary Funds* – These funds operate much like private sector business by charging user fees for services rendered. Proprietary funds use the same method of accounting as used in the Statement of Net Position and the Statement of Activities; the *full accrual* method of accounting. This method of accounting recognizes transactions when they occur, regardless of the timing of related cash flows. However, greater detail is provided for these funds as reported in the fund financial statements. The three proprietary funds reported by Liberty County are the Solid Waste Fund, Water System Fund and the Revolving Loan Fund.
- *Fiduciary Funds* – These funds are established to report on assets being held by the County for the benefit of parties outside the government. Although these funds are presented in the fund financial statements, they do not appear in the government-wide statements because the resources of these funds are not available to support the programs of Liberty County local government. The county maintains six fiduciary funds: five agency funds consisting of funds for the Clerk of Court, Probate Court, Tax Commissioner, Jail Inmate, and Child Support Receiver, and one trust fund, the Employee Retirement Plan Fund. Fiduciary funds are reported using the *full accrual* method of accounting.

LIBERTY COUNTY, GOVERNMENT-WIDE

Table 1 below presents a financial position of $114.0 million. This represents a slight decrease from 2012. As illustrated, the County's total assets increased slightly by $0.2 million or 0.1%. However, this increase was offset by an increase in liabilities in the amount of $0.7 million or 2%.

Table 1. Liberty County's Net Position (millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	**2012**	**2013**	**2012**	**2013**	**2012**
Current & Other Assets	$ 37.8	$ 39.7	$ (3.0)	$ (3.2)	$ 34.8	$ 36.5
Capital Assets	118.5	116.6	1.8	1.7	120.3	118.3
Total Assets	156.3	156.3	(1.2)	(1.5)	155.1	154.8
Long-term Debt	29.6	30.7	1.5	1.2	31.1	31.9
Other Liabilities	9.8	8.2	0.2	0.3	10.0	8.5
Total Liabilities	39.4	38.9	1.7	1.5	41.1	40.4
Net Position						
Net Investment In Capital Assets	87.1	87.1	1.4	1.6	88.5	88.7
Restricted	20.6	18.4	-	-	20.6	18.4
Unrestricted	9.2	11.9	(4.3)	(4.6)	4.9	7.3
Total Net Position	$ 116.9	$ 117.4	$ (2.9)	$ (3.0)	$ 114.0	$ 114.4

The growth for fiscal year 2013 occurred within the business-type activities, reporting a slight reduction in the current deficit of $(2.9) million of net position, and increase of $0.1 million or 10% from 2012 to 2013. However, this increase was offset by a slight decline in net position within governmental activities. Total net position within governmental activities dropped from $117.4 in 2012 to $116.9 in 2013, or 0.4%.

The County's debt to total assets ratio for governmental activities is approximately 18.9%. Finally, of the total net position reported for governmental activities, $9.2 million or approximately 7.8% may be used to settle ongoing government program obligations.

The deficit of $2.9 million reported in the business-type activities is the result of several historical years' worth of recurring losses in the Solid Waste Fund. However, these losses have continued to decline over the past nine years through the implementation of a solid waste assessment. Although this solid waste assessment has enabled the Solid Waste Fund to report a modest increase in operating income over the past nine years, it will be several years before that fund will be able to report a normal net position. The annual assessment established nine years ago, combined with annual revisions of commercial rates of selected service contracts has been the plan in motion to help financially revamp the Solid Waste Enterprise Fund operations.

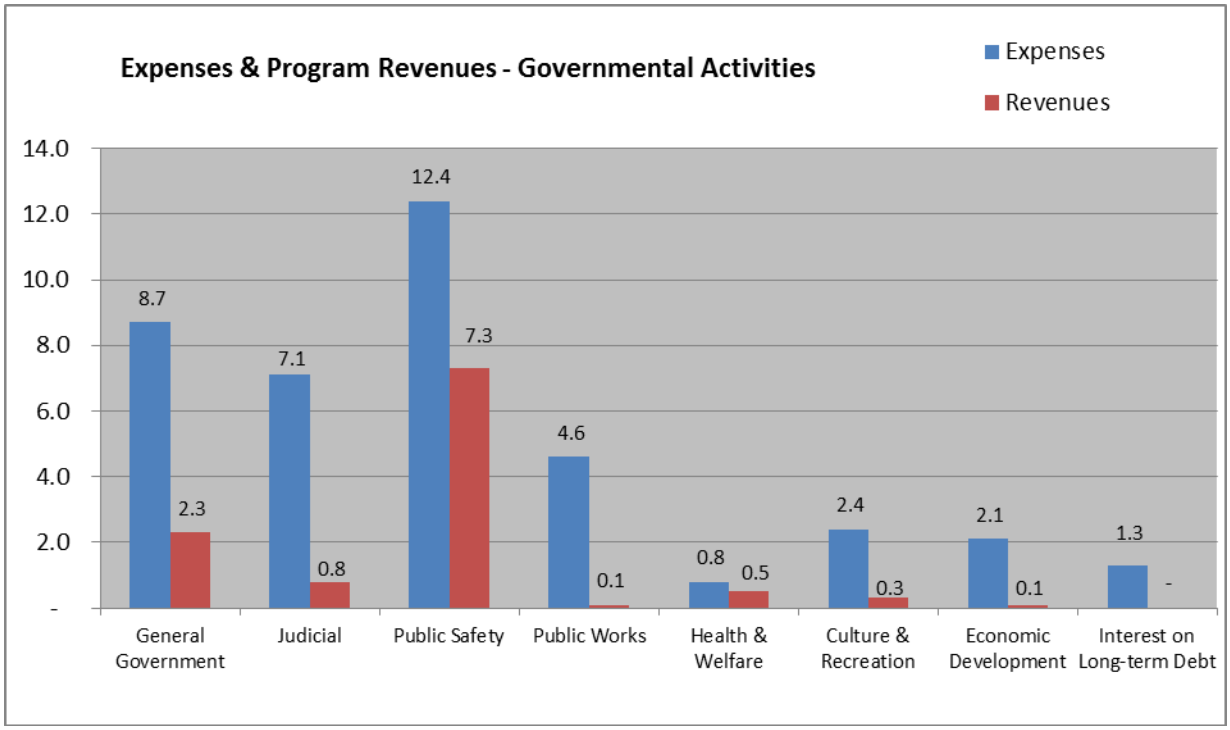
LIBERTY COUNTY, GOVERNMENT-WIDE (CONTINUED)

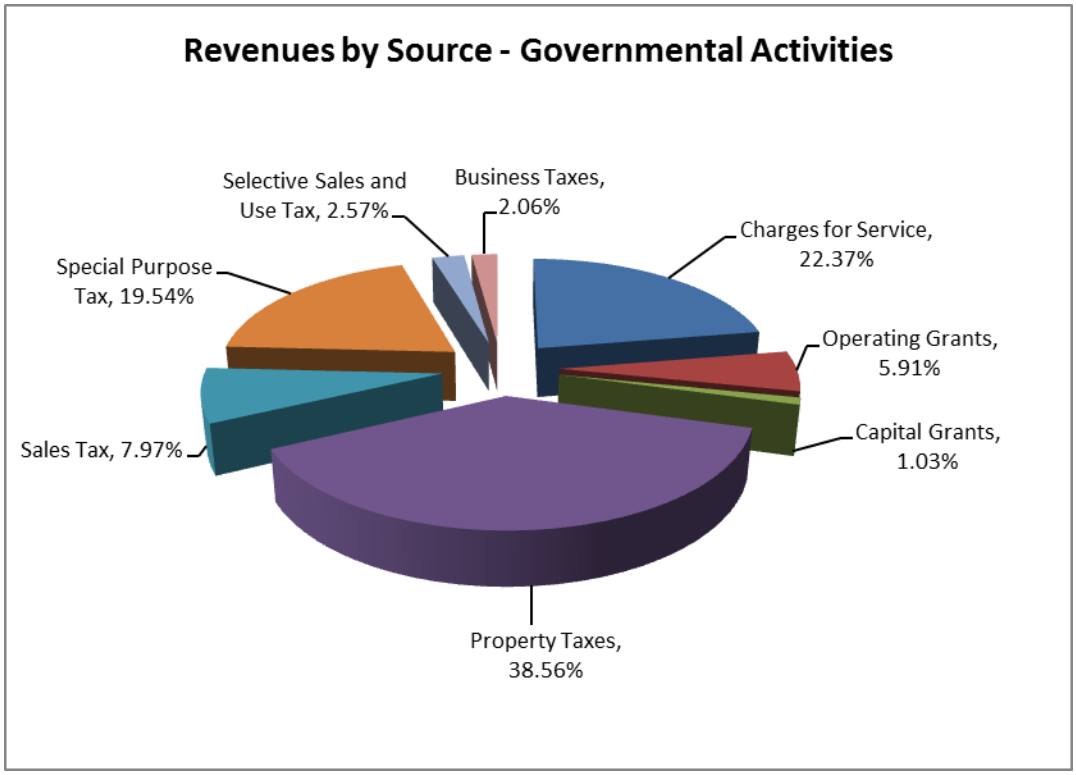
FY 2013 expenses for governmental activities exceeded revenues by $0.5 million. As illustrated by Table 2, the major revenues supporting governmental activities are property taxes at $15.0 million or 38.6%, charges for services at $8.7 million or 22.4%, special purpose tax at $7.6 million or 19.5%, sales tax at $3.1 million or 8.0% and operating grants at $2.3 million or 6.0%.

Table 2. Liberty County's Change in Net Position (millions)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Revenues						
Program Revenues:						
Charges for Services	$ 8.7	$ 7.3	$ 2.8	$ 2.9	$ 11.5	$ 10.2
Operating Grants	2.3	6.1	-	-	2.3	6.1
Capital Grants	0.4	1.2	-	-	0.4	1.2
General Revenues:						
Property Taxes	15.0	13.8	-	-	15.0	13.8
Sales Tax	3.1	3.7	-	-	3.1	3.7
Special Purpose Tax	7.6	8.4	-	-	7.6	8.4
Selective Sales and Use Tax	1.0	0.9	-	-	1.0	0.9
Business Taxes	0.8	0.7	-	-	0.8	0.7
Intergovernmental Revenue	-	-	-	-	-	-
Unrestricted Investment Earnings	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Revenues	38.9	42.1	2.8	2.9	41.7	45.0
Program Expenses:						
General Government	8.7	8.1	-	-	8.7	8.1
Judicial	7.1	6.3	-	-	7.1	6.3
Public Safety	12.4	12.6	-	-	12.4	12.6
Public Works	4.6	7.4	-	-	4.6	7.4
Health & Welfare	0.8	0.9	-	-	0.8	0.9
Culture & Recreation	2.4	2.3	-	-	2.4	2.3
Economic Development	2.1	1.7	-	-	2.1	1.7
Interest on Long-term Debt	1.3	1.2	-	-	1.3	1.2
Solid Waste	-	-	2.7	2.6	2.7	2.6
Water System	-	-	-	-	-	-
Revolving Loan	-	-	-	-	-	-
Total Expenses	39.4	40.5	2.7	2.6	42.1	43.1
Change Before Contributions	(0.5)	1.6	0.1	0.3	(0.4)	1.9
Contributions	-	-	-	-	-	-
Change in Net Position	(0.5)	1.6	0.1	0.3	(0.4)	1.9
Net Position Beginning	117.4	115.8	(3.0)	(3.3)	114.4	112.5
Net Position Ending	$ 116.9	$ 117.4	$ (2.9)	$ (3.0)	$ 114.0	$ 114.4

LIBERTY COUNTY, GOVERNMENT-WIDE (CONTINUED)





LIBERTY COUNTY, GOVERNMENT-WIDE (CONTINUED)

The major expenses related to governmental activities are public safety at $12.4 million or 31.5%, general government at $8.7 million or 22.1%, Judiciary at $7.1 million or 18.0%, and public works at $4.6 million or 11.7%. Public Safety continues to be the largest governmental expense in fiscal year 2013. Expenses related to jail staffing and inmate care, combined with rising fuel cost and a growing force of road deputies continue to increase the budget for public safety.

Revenues in business type activities came in at $2.8 million, a decrease of $0.1 million from 2012 to 2013. In the Solid Waste fund, charges for services decreased from $2.9 million in 2012 to $2.8 million in 2012, or 3.4%. The County continues its effort to collect outstanding solid waste assessments on properties identified with a dwelling located on them, while looking for cost savings initiatives within operations.

Governmental Activities

The government-wide reporting model provides users with an understanding of how governmental functions are supported. By identifying specific revenues that are generated by their related programs, a user is able to determine the shortfall "net cost" of any given program. A program that does not cover its own cost must be supported by general revenues such as property tax, sales tax, and other taxes. Table 3 illustrates how the County's programs fall short of supporting themselves and must therefore rely on general revenues such as those mentioned above. In essence, the net cost of any governmental program is supported through the use of property taxes, sales taxes and other taxes.

Table 3. Liberty County's Governmental Activities (millions)

	Total Expenses of Services		Net Expense (Revenue) of Services	
	2013	2012	2013	2012
General Government	$ 8.7	$ 8.1	$ 6.4	$ 2.7
Judicial	7.1	6.3	6.3	6.2
Public Safety	12.4	12.6	5.1	4.0
Public Works	4.6	7.4	4.5	7.4
Health & Welfare	0.8	0.9	0.3	0.8
Culture & Recreation	2.4	2.3	2.1	1.9
Economic Development	2.1	1.7	2.0	1.6
Interest on Long-term Debt	1.3	1.2	1.3	1.2
Totals	$ 39.4	$ 40.5	$ 28.0	$ 25.8

As illustrated by Table 3, governmental functions fell $28.0 million short of sustaining operations through revenues directly attributable to those programs. As a result, citizens support these programs through payment of property taxes, sales taxes, and other taxes.

- Table 3 illustrates total expenses decreased by $1.1 million or 2.7%, while net expenses increased by $2.2 million or 8.5%.
- The most significant increase in net expenses is attributable to General Government, increasing from $2.7 million in 2012 to $6.4 million in 2013, an increase of 137%. It should be noted that 2012 General Government Operations was supplemented by a one-time operational grant disbursement of $3.7 million from the Office of Economic Adjustment. The figures for 2013 more accurately reflect the true net cost of General Government Operations.

LIBERTY COUNTY, GOVERNMENT-WIDE (CONTINUED)

Governmental Activities (Continued)

- Another area of increase occurred in the Judiciary function, growing in total expenses of $6.3 million in 2012 to $7.1 million in 2013, or 12.7%. Additionally, the net expense for this function also increased from 2012 to 2013 by $0.1 million, or 1.6%.
- Economic Development also experienced an increase in both total expenses and net expenses. This area grew $0.4 million, or 23.5%, in total expense from 2012 to 2013 and increased by $0.4 million, or 25%, in net expense from 2012 to 2013.
- An area of significant decrease in both total expenses and net expenses is reported in the function of Public Works. Total expenses decreased by $2.8 million, or 37.8%, from 2012 to 2013 and net expense decreased by $2.9 million, or 39.2%, from 2012 to 2013. This is attributable to the completion of construction projects that took place in 2012 as compared to the work started and completed during 2013.
- Public Safety experienced a decrease of $0.2 million, or 1.6%, in total expenses from 2012 to 2013, while reporting a net increase in expenses of $1.1 million, or 27.5% during this same time.
- Culture & Recreation experienced a slight increase in both total and net expense. Total expense for this function increased by $0.1 million, or 4.3%, growing from $2.3 million in 2012 to $2.4 million in 2013. Net expense in this area followed suit by increasing from $1.9 million in 2012 to $2.1 million in 2013. This is an increase of $0.2 million, or 10.5 % respectively.
- Both total expense and net expense for Interest on Long-Term Debt increased by $0.1 million, or 8.3% from 2012 to 2013.

Business-type Activities

Fiscal year 2012 marks the ninth consecutive year that the Solid Waste Fund has reported a net income. Coming in at $60,251, this year's net income continues to support the application of the solid waste assessment fee that was implemented nine years ago. The user charge continues to be the most appropriate method for the county to provide solid waste services to the citizens, while maintaining an efficient economic model that balances both private and commercial business. Solid Waste net income is down from 2012 by $96,321, or 61.5%, dropping from $156,572 in 2012 to $60,251 in 2013. Much of this decrease is due to the overall economic drop in the community specifically related to the housing foreclosures. Also contributing to this decrease was the elimination of a significant number of mobile home properties from the county digest. In the past, these mobile homes were billed a solid waste assessment fee. However, it was determined through researching outstanding fees that a significant number of mobile homes were no longer in the county, or were determined to be uninhabitable. The County is optimistic for the continued turnaround of the carrying deficit in the Solid Waste Fund and continues to monitor both residential and commercial services in order to provide the most cost efficient operation. It has been the intention of the Board over the past several years to allow the Solid Waste operations to run as a true enterprise fund without supplementing revenues with any type of operational transfer. The Board is committed to continue to look for ways to help the Solid Waste Fund become self-sustaining and repay the $3.6 million it currently owes the General Fund.

LIBERTY COUNTY, GOVERNMENT-WIDE (CONTINUED)

Business-type Activities (Continued)

The County established a Water System Fund in FY 2012 in anticipation of a new water system that will break ground in FY 2013. This project will be accomplished through a combination of USDA loans and grants totaling $4.2 million, SPLOST funding of $0.25 million, and a CDBG grant totaling $0.5 million. The county has contributed engineering costs thus far to the project, and has started collecting deposits for citizens to take advantage of hooking up to the system through the assistance of a $500,000 CDBG grant.

The deficit in total net position for Liberty County's business-type activities decreased slightly from $2.97 million in 2012 to $2.86 million in 2013 for a total decrease of $0.11 million, or 3.7%. This was primarily the result of continuing successful operations within the Solid Waste Fund.

THE COUNTY'S MAJOR GOVERNMENTAL FUNDS

At the end of fiscal year 2013, Liberty County's governmental funds have a combined fund balance of $33,389,769. This balance decreased $2,119,275, or 6.0%, from fiscal year 2012. The governmental funds consist of three major funds and collectively twenty non-major funds. The county's General Fund increased slightly from $16,995,902 in 2012 to $17,125,251 in 2013, a total of $129,349, or 1.0%. This small increase was achieved primarily to the county departments holding the line on expenditures, as county revenues fell short of budgeted projections. The other two major funds noted, Sales Tax V and Sales Tax IV both reported a decrease in fund balance. This is due to significant capital projects that continue to be achieved within those funds. Sales Tax V, the current sales tax program approved by voters in November 2008, began collections in April 2009. Fund balance in this fund dropped from $10,659,385 in 2012 to $9,901,771, for a total decrease of $757,614 or 7.1%. This decrease is due to continuing expenditures made to capital projects on the SPLOST referendum. Fund balance within Sales Tax IV dropped from $5,299,330 in 2012 to $4,691,986 in 2013 for a total decrease of $607,344 or 11.5%. Fund balance in Sales Tax IV will continue to be depleted as this fund no longer collects revenue, and the county continues to move forward with more capital projects that were approved on the referendum.

Other non-major governmental funds collectively reported a $883,666, or 34.6%, decrease in fund balance dropping from $2,554,427 in 2012 to $1,670,761 in 2013. This decrease is a combination of increases and decreases within the twenty non-major funds. Most significantly contributing to this drop in overall fund balance is the Liberty County Capital Projects Fund, and the Special Purpose Local Option Sales Tax III Fund. The Capital Projects Fund decreased by $774,799, dropping from $467,818 in 2012 to a deficit position of $(306,981) in 2013. Special Purpose Local Option Sales Tax III decreased by $462,239, or 65%, dropping from $710,779 in 2012 to $248,540 in 2013. Adding to the overall decline in fund balance, nine of the funds within the non-major fund group had a decrease, ten funds reported an increase in fund balance, and one fund remained constant from 2012 to 2013 (Hotel / Motel).

The following funds reported increases in fund balance for 2013: Confiscated Assets fund increased by $44,092 or 178%, Jail fund increased by $18,156 or 14.9%, DARE fund increased by $40,042 or 283%, Victim Witness Assistance fund increased by $37,795 or 6.5%, Multiple Grant fund increased by $43,936 or 60%, Child Support Recovery fund increased by $210,005 or 99.8%, Recreation fund increased by $121 or less than 0.01%, Technology fund increased by 1,303 or 7.3%,Special Purpose Local Option Sales Tax II fund increased by $198 or less than 0.01%, and Wright Army Airfield fund increased by $52,948 or 20.2%. Details of these fund balances are reported on pages 65-72.

THE COUNTY'S MAJOR GOVERNMENTAL FUNDS (CONTINUED)

The following funds reported a decrease in fund balance for 2013: Liberty County Projects Corporation fund decreased by $474 or 1.5%, Law Library fund decreased by $12,872 or 18.8%, E-911 System fund decreased by $69 or less than 0.01%, Juvenile Services fund decreased by $4,322 or 58.2%, Jail Commissary fund decreased by $21,651 or 12.0%, Records Service Center fund decreased by $1,091 or 190%, Special Purpose Local Option Sales Tax III fund decreased by $462,239 or 65%, Capital Projects fund decreased by $774,799 or 166%, and the Water Project fund decreased from $0 in 2012 to a deficit position of $(54,743) in 2013. Details of these fund balances are reported on pages 65-72.

Liberty County's total governmental fund balance of $33,389,769 is divided among various components: non-spendable, restricted, committed, assigned, and unassigned. Of total fund balance, 50.7% or $16,938,256 of this fund balance is classified as restricted (combining special revenue and capital project funds). The remaining balance of $16,451,513 is reported as follows: General Fund non-spendable is $4,198,408 or 12.6%, and General Fund unassigned is $12,926,843 or 38.7% but is offset by a deficit of $(874,043) or 2.6% unassigned within Special Revenue and Capital funds. Special Revenue committed and/or assigned totals $200,305 or 1.0%. Most importantly, however, is that Liberty County has a healthy unassigned fund balance of $12,052,800, or 36.1%, available to meet current ongoing obligations within the governmental funds.

Revenues for the General Fund totaled $24,782,542 or approximately 64.2% of total governmental revenues reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance on page 23 of the Financial Statements. This is an decrease of $2,918,438 or 10.5% from prior year. Of the General Fund revenue reported for 2013, the largest portion, $19,224,451 (77.6%), was collected through taxes. The second largest revenue source of revenue reported, $2,188,779 (8.8%), was captured in charges for services. The third largest revenue source, $2,188,547 (8.8%) was collected through fines and forfeitures. Finally, the fourth largest revenue, $1,007,868 (4.1%), was reported in the area of Other Revenues. Total General Fund revenues exceeded expenditures by $1,688,670 or 6.8%. However, the majority of this excess was consumed by operating transfers totaling $1,571,533. These transfers were made to the following funds: Recreation Fund received $1,157,475, E-911 fund received $408,022, Wright Army Airfield received $6,036. These transfers out of the General Fund balance were offset slightly by the marginal sale of some retired capital assets in the amount of $12,212. Total expenditures for the General Fund were $23,093,872 (not including other financing sources & uses). Overall, General fund balance increased from prior year by $129,349 or 1.0%, increasing from $16,995,902 in 2012 to $17,125,251 in 2013.

THE COUNTY'S MAJOR GOVERNMENTAL FUNDS (CONTINUED)

General Fund Budgetary Highlights

Table 4 illustrates the results of the General Fund revenue budgetary highlights for 2013. During the planning sessions, management anticipated the return of troops sometime during the third and fourth quarter of the fiscal year. Many of those units experienced extended deployments.

Table 4. General Fund Revenue Budgetary Comparison (millions)

	2013 Budget	2013 Actual	Variance
Taxes	$ 20.8	$ 19.2	$ (1.6)
Licenses and Permits	0.1	0.1	-
Intergovernmental Revenues	0.1	0.1	-
Charges for Services	2.3	2.2	(0.1)
Fines and Forfeitures	2.3	2.2	(0.1)
Miscellaneous Revenue	0.7	1.0	0.3
Totals	$ 26.3	$ 24.8	$ (1.5)

Total revenues in the General Fund fell short of budget amounts by $1,490,551 or 5.7%. The majority of this variance is attributable to a shortfall in taxes, more specifically in property taxes. Due to the economic environment and the extended deployment of troops during 2013, overall tax revenues were down. Adding to this shortfall were charges for services, falling short $146,904 or 6.3%, and fines and forfeitures short by $80,057 or 3.5%. Helping to offset these shortfalls, miscellaneous revenue reported a positive variance of $290,423 or 40.4%.

Table 5. General Fund Budgetary Expenditure Comparison (millions)

	2013 Budget	2013 Actual	Variance
General Government	$ 6.4	$ 5.8	$ 0.6
Judicial	4.1	3.9	0.2
Public Safety	9.6	9.4	0.2
Public Works	1.9	1.9	-
Health & Welfare	0.6	0.5	0.1
Culture & Recreation	0.4	0.4	-
Economic Development	1.0	0.9	0.1
Debt Service	0.3	0.3	-
Totals	$ 24.3	$ 23.1	$ 1.2

THE COUNTY'S MAJOR GOVERNMENTAL FUNDS (CONTINUED)

General Fund Budgetary Highlights (Continued)

The following details the variances experienced during the year.

- Of the fifty five departments within the General Fund, only nine departments were not able to operate within their fiscal year appropriations. However, the other 46 departmental budgets were able to collectively generate enough savings to cover those shortfalls and produce an overall savings of $1,157,282. Much of this was attributable to the elimination of any non-mandated travel and training, and deferring hiring dates.

- The largest savings that occurred was in the function of Public Safety the Jail division. Utilizing funds from the Jail Staffing & Construction, the jail was able to generate a positive variance of $265,580 for the year.

- Several departments within the General Government function and the Judiciary function of the County came in under budget, with the largest savings attributable to the Purchasing department in the amount of $195,031. Also contributing to the positive variance is Circuit Wide Public Defender Program with a savings of $132,670 and the Elections department coming in under budget by $122,065. Two other departments reporting significant savings are the Data Processing department and the Building Maintenance departments with savings of $87,895 and $87,454 respectively.

- Finally, the functions that incurred the majority of the budget overruns is the area of Public Safety. Collectively, the Sheriff, Criminal Investigation, and the Vice departments ran over budget by $186,296. The other largest budget overrun is attributable to the area of Risk Management with a shortfall of $62,882.

Overall, the County took a very pro-active approach to the downward turn of the economy, cutting back wherever possible while maintaining the same level of service to citizens.

CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of fiscal year 2013, the County's Primary Government had invested $120,279,491 in a broad range of capital assets. These assets include land, site improvements, buildings, machinery, and infrastructure (See Table 6 below and Note F beginning on page 47).

Table 6. Liberty County's Capital Assets (millions)
(net of depreciation)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Land	$ 7.8	$ 7.8	$ 0.2	$ 0.2	$ 8.0	$ 8.0
Construction In Progress	4.9	6.9	0.2	0.2	5.1	7.1
Site Improvements	3.4	-	-	-	3.4	-
Buildings	56.9	55.0	0.9	1.0	57.8	56.0
Machinery	4.0	4.2	0.5	0.3	4.5	4.5
Infrastructure	41.5	42.7	-	-	41.5	42.7
Totals	$ 118.5	$ 116.6	$ 1.8	$ 1.7	$ 120.3	$ 118.3

CAPITAL ASSET AND DEBT ADMINISTRATION (CONTINUED)

This year's most significant capital asset changes occurred in the areas of site improvements and buildings. This was largely the result of the completion of work to various capital projects, whereby approximately $7 million of cost was transferred out of construction in progress and into buildings ($3.5 million) and site improvements ($3.5 million). These increases included the completion of the renovations to the County's Old Courthouse, the completion of the County's Interoperable Communication System, and the completion of site work for the County's East End Community Complex.

Liberty County also continues to work on several dirt roads throughout the county to prepare those for paving. It should be noted that the majority of the capital assets in Liberty County have been obtained through the use of Special Purpose Local Option Sales Tax (SPLOST). Additional information on the County's capital assets can be found in Note F beginning on page 47.

At year end, the County had a total of $38,493,601 in long-term liabilities. This is up $697,056 or 1.8% from prior year. The increase is due to primarily to an increase in net pension obligation along with an increase obligation for post-employment benefits. More information regarding the County's long-term liabilities can be found in Note G, beginning on page 50.

OTHER ECONOMIC FACTORS

The Board of Commissioners must consider several factors when establishing the year's budget, millage rate, and various fees that are charged for program services. The Board of Commissioners is continually looking for alternative revenues sources that will alleviate the tax burden on the citizens of Liberty County. The County is constantly monitoring its expenditures, while looking for alternative revenues to help ease the tax burden on the citizens. Fiscal year 2013 marked the seventh full year of a Liberty Consolidated Planning Commission. This is a joint planning board established to help all municipalities within the County. The Board is comprised of a cross section of governmental employees and business leaders in the community and represents the County at large by working closely with the Development Authority, the municipalities, and the County to help channel and plan for the increasing growth that continues to take place in Liberty County. This separate entity is funded by the partners based upon their pro rata share of population.

Liberty County recognizes the significant impact that the 3rd infantry division plays in our overall economic model, and as such we are in constant communication with Fort Stewart and the activities and needs of our men and women of the armed services.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This Comprehensive Annual Financial Report is designed to help citizens, taxpayers, customers, investors, and creditors evaluate the overall condition of Liberty County, Georgia and the operations thereof. Additional details can be requested by mail at the following address:

Liberty County Finance Department
100 Main Street
Suite 1510
Hinesville, GA 31313

LIBERTY COUNTY, GEORGIA
STATEMENT OF NET POSITION
June 30, 2013

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Liberty County Department of Public Health 6/30/2013	Liberty County Regional Medical Center 11/30/2012
ASSETS					
Cash and cash equivalents	$ 28,631,520	$ 108,930	$ 28,740,450	$ 920,893	$ 1,602,953
Investments	324,788	-	324,788	-	-
Taxes receivable, net	1,609,301	-	1,609,301	-	-
Accounts receivable, net	1,366,796	489,595	1,856,391	16,722	10,811,007
Due from other governments	1,248,961	-	1,248,961	45,125	-
Inventories	-	-	-	-	677,415
Prepaid expenses	334,890	-	334,890	-	-
Restricted cash and cash equivalents	-	-	-	-	646,430
Deferred charges, unamortized balance	676,568	-	676,568	-	161,023
Interfund balances	3,606,874	(3,606,874)	-	-	-
Other assets	-	-	-	-	1,487,918
Nondepreciable capital assets	12,726,722	377,624	13,104,346	-	3,832,519
Depreciable capital assets, net of accumulated depreciation	105,742,775	1,432,370	107,175,145	9,386	9,047,944
Total assets	156,269,195	(1,198,355)	155,070,840	992,126	28,267,209
LIABILITIES					
Accounts payable	1,281,968	130,055	1,412,023	33,313	2,738,847
Retainage payable	696,936	-	696,936	-	-
Accrued expenses	286,698	4,150	290,848	-	2,642,968
Due to other governments	108,319	-	108,319	45,125	-
Customer deposits payable	-	34,955	34,955	-	-
Other long-term liabilities	7,433,161	-	7,433,161	-	-
Notes payable					
Due within one year	247,404	-	247,404	-	1,602,926
Due in more than one year	-	-	-	-	1,993,904
Capital leases					
Due within one year	102,140	82,119	184,259	-	318,450
Due in more than one year	381,692	295,316	677,008	-	158,223
Bonds payable					
Due within one year	1,157,294	-	1,157,294	-	915,000
Due in more than one year	26,443,110	-	26,443,110	-	13,522,342
Compensated absences					
Due within one year	987,517	29,255	1,016,772	17,602	-
Due in more than one year	246,879	7,314	254,193	70,406	-
Landfill postclosure care costs					
Due within one year	-	72,120	72,120	-	-
Due in more than one year	-	1,008,280	1,008,280	-	-
Total liabilities	39,373,118	1,663,564	41,036,682	166,446	23,892,660
NET POSITION					
Net investment in capital assets	87,093,080	1,432,559	88,525,639	9,386	(5,630,382)
Restricted for:					
Judicial	475,860	-	475,860	-	-
Public safety	1,244,608	-	1,244,608	-	-
Capital outlay	18,871,786	-	18,871,786	-	-
Other purposes	-	-	-	174,287	1,475,934
Unrestricted	9,210,743	(4,294,478)	4,916,265	642,007	8,528,997
Total net position	$ 116,896,077	$ (2,861,919)	$ 114,034,158	$ 825,680	$ 4,374,549

See accompanying notes to financial statements.

LIBERTY COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2012

Functions / Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary Government:					
Governmental activities:					
General government	$ 8,728,328	$ 2,353,145	$ -	$ 19,943	$ (6,355,240)
Judicial	7,086,496	798,424	-	-	(6,288,072)
Public safety	12,378,186	4,795,969	2,184,099	344,132	(5,053,986)
Public works	4,551,672	-	-	10,000	(4,541,672)
Health and welfare	843,117	462,878	47,169	-	(333,070)
Culture and recreation	2,385,867	311,472	21,500	-	(2,052,895)
Economic Development	2,067,204	-	-	65,022	(2,002,182)
Interest on long-term debt	1,327,079	-	-	-	(1,327,079)
Total governmental activities	39,367,949	8,721,888	2,252,768	439,097	(27,954,196)
Business-type activities:					
Solid Waste Fund	2,758,571	2,818,756	-	-	60,185
Water System Fund	10	-	-	-	(10)
Revolving Loan Fund	-	-	-	-	-
Total business-type activities	2,758,581	2,818,756	-	-	60,175
Total primary government	42,126,530	11,540,644	2,252,768	439,097	(27,894,021)
Component units:					
Liberty County Department of Public Health FYE 06/30/2013	1,363,164	345,309	804,098	-	(213,757)
Liberty County Regional Medical Center FYE 11/30/2012	40,520,702	38,464,806	3,892,627	-	1,836,731
Total component units	$ 41,883,866	$ 38,810,115	$ 4,696,725	$ -	$ 1,622,974

(Continued)

See accompanying notes to financial statements.

LIBERTY COUNTY, GEORGIA
STATEMENT OF ACTIVITIES (CONTINUED)
For the Year Ended June 30, 2012

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Liberty County Department of Public Health FYE 6/30/2013	Liberty County Regional Medical Center FYE 11/30/2012
(Continued)					
Change in net position:					
Net (expense) revenue	$ (27,954,196)	$ 60,175	$ (27,894,021)	$ (213,757)	$ 1,836,731
General revenues:					
Taxes:					
Property taxes	15,014,547	-	15,014,547	-	-
Sales taxes	10,707,753	-	10,707,753	-	-
Insurance premium taxes	950,564	-	950,564	-	-
Alcoholic beverage taxes	102,711	-	102,711	-	-
Other taxes	667,032	-	667,032	-	-
Unrestricted investment earnings	9,652	99	9,751	-	11,734
Gain on sale of capital assets	12,212	-	12,212	-	-
Donations	-	-	-	700	-
Intra/inter agency	-	-	-	454,179	-
Capital contributions	(45,065)	45,065	-	-	-
Total general revenues and contributions	27,419,406	45,164	27,464,570	454,879	11,734
Change in net postion	(534,790)	105,339	(429,451)	241,122	1,848,465
Net position, beginning of year	117,430,867	(2,967,258)	114,463,609	584,558	2,526,084
Net position, end of year	$ 116,896,077	$ (2,861,919)	$ 114,034,158	$ 825,680	$ 4,374,549

See accompanying notes to financial statements.

LIBERTY COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2013

	General Fund	Special Purpose Local Option Sales Tax V	Special Purpose Local Option Sales Tax IV	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 11,640,763	$ 10,411,136	$ 4,766,763	$ 1,812,858	$ 28,631,520
Investments	23,077	-	-	301,711	324,788
Taxes receivable, net	1,609,301	-	-	-	1,609,301
Accounts receivable, net	314,544	-	-	1,052,252	1,366,796
Prepaid items	334,890	-	-	-	334,890
Due from other governments	309,177	604,091	-	335,693	1,248,961
Due from other funds	1,311,806	-	-	1,736	1,313,542
Due from component units	-	-	-	-	-
Advance to other funds	3,863,518	-	-	-	3,863,518
Total assets	$ 19,407,076	$ 11,015,227	$ 4,766,763	$ 3,504,250	$ 38,693,316
LIABILITIES					
Accounts payable	$ 582,627	$ 423,702	$ 45,718	$ 229,921	$ 1,281,968
Retainage payable	-	618,246	-	78,690	696,936
Accrued expenses	58,641	1,539	-	54,093	114,273
Due to other governments	108,319	-	-	-	108,319
Due to other funds	373	69,969	29,059	1,214,141	1,313,542
Advance from other funds	-	-	-	256,644	256,644
Total liabilities	749,960	1,113,456	74,777	1,833,489	3,771,682
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	1,531,865	-	-	-	1,531,865
Total deferred inflows of resources	1,531,865	-	-	-	1,531,865
FUND BALANCES					
Nonspendable:					
Prepaid items	334,890	-	-	-	334,890
Advance to other funds	3,863,518	-	-	-	3,863,518
Restricted for:					
Judical	-	-	-	475,860	475,860
Public safety	-	-	-	1,244,608	1,244,608
Capital outlay	-	9,901,771	4,691,986	624,031	15,217,788
Committed to:					
Judical	-	-	-	19,272	19,272
Assigned to:					
Public safety - jail	-	-	-	181,033	181,033
Capital outlay	-	-	-	-	-
Unassigned, reported in:					
General fund	12,926,843	-	-	-	12,926,843
Special revenue funds	-	-	-	(302,717)	(302,717)
Capital projects fund	-	-	-	(571,326)	(571,326)
Total fund balances	17,125,251	9,901,771	4,691,986	1,670,761	33,389,769
Total liabilities, deferred inflows of resources and fund balances	$ 19,407,076	$ 11,015,227	$ 4,766,763	$ 3,504,250	$ 38,693,316

See accompanying notes to financial statements.

LIBERTY COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2013

Total fund balances - governmental funds	$ 33,389,769
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.	118,469,497
Other long-term assets are not available to pay for current-period expenditures and therefore are not reported in the funds.	
Deferred charges, unamortized balance	676,568
Certain property tax revenues are not available to pay for current-period expenditures and therefore are reported as deferred inflows of resources in the funds.	1,531,865
Certain long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Accrued interest payable	(172,425)
Other long-term liabilities	
Net pension obligation	(596,302)
Net other post-employment benefits obligation	(6,836,859)
Notes payable	(247,404)
Capital leases	(483,832)
Bonds payable	(27,600,404)
Compensated absences	(1,234,396)
Net position - governmental activities	$ 116,896,077

See accompanying notes to financial statements.

LIBERTY COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2013

	General Fund	Special Purpose Local Option Sales Tax V	Special Purpose Local Option Sales Tax IV	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes	$ 14,374,127	$ 403,667	$ -	$ -	$ 14,777,794
Sales taxes	3,131,910	7,575,843	-	-	10,707,753
Insurance premium taxes	950,564	-	-	-	950,564
Other taxes	767,850	-	-	1,893	769,743
Licenses and permits	144,641	-	-	-	144,641
Intergovernmental	22,536	344,132	-	2,283,754	2,650,422
Charges for services	2,188,779	-	-	2,148,319	4,337,098
Fines and forfeitures	2,188,547	-	-	616,820	2,805,367
Interest income	5,720	7,980	3,113	4,588	21,401
Other revenues	1,007,868	8,194	-	448,414	1,464,476
Total revenues	24,782,542	8,339,816	3,113	5,503,788	38,629,259
EXPENDITURES					
Current:					
General government	5,877,834	-	-	187,217	6,065,051
Judical	3,863,020	-	-	2,143,559	6,006,579
Public safety	9,405,754	-	-	2,206,169	11,611,923
Public works	1,889,032	-	-	-	1,889,032
Health and welfare	515,747	-	-	149,501	665,248
Culture and recreation	350,498	-	-	1,490,326	1,840,824
Economic development	897,530	-	-	84,848	982,378
Intergovernmental payments	-	1,073,502	-	-	1,073,502
Capital outlay	-	6,052,363	610,457	1,320,349	7,983,169
Debt service:					
Principal	275,778	1,005,556	-	144,928	1,426,262
Interest	18,679	966,009	-	232,090	1,216,778
Total expenditures	23,093,872	9,097,430	610,457	7,958,987	40,760,746
Excess (deficiency) of revenues over expenditures	1,688,670	(757,614)	(607,344)	(2,455,199)	(2,131,487)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	1,571,533	1,571,533
Transfers out	(1,571,533)	-	-	-	(1,571,533)
Sale of capital assets	12,212	-	-	-	12,212
Total other financing sources (uses)	(1,559,321)	-	-	1,571,533	12,212
Net change in fund balances	129,349	(757,614)	(607,344)	(883,666)	(2,119,275)
Fund balances, beginning of year	16,995,902	10,659,385	5,299,330	2,554,427	35,509,044
Fund balances, end of year	$ 17,125,251	$ 9,901,771	$ 4,691,986	$ 1,670,761	$ 33,389,769

See accompanying notes to financial statements.

LIBERTY COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2013

Net change in fund balances - total governmental funds	$ (2,119,275)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives as reported as depreciation expense.	
Capital asset purchases capitalized	6,553,798
Depreciation expense	(4,712,461)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Principal payments	
Notes payable	239,677
Capital lease	71,657
Bond	1,114,928
Capital lease proceeds	(210,171)
Some revenues reported in the statement of activities do not provide current financial resources and, therefore, are not reported as revenues in the governmental funds.	
Property tax	236,753
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 the governmental funds.	
Accrued interest expense	(97,650)
Pension expense	(105,256)
Other post-employment benefits expense	(1,440,077)
Amortization of bond discount	(12,651)
Accrued compensated absences	(54,062)
Change in net position of governmental activities	$ (534,790)

See accompanying notes to financial statements.

LIBERTY COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET (GAAP BASIS) AND ACTUAL

GENERAL FUND

For the Year Ended June 30, 2013

	Original Budget	Final Amended Budget	Actual	Variance
REVENUES				
Property taxes	$ 15,194,500	$ 15,430,500	$ 14,374,127	$ (1,056,373)
Sales taxes	3,550,000	3,600,000	3,131,910	(468,090)
Insurance premium taxes	950,000	1,000,000	950,564	(49,436)
Other taxes	756,181	756,181	767,850	11,669
Licenses and permits	133,500	138,500	144,641	6,141
Intergovernmental	21,480	21,980	22,536	556
Charges for services	2,285,683	2,335,683	2,188,779	(146,904)
Fines and forfeitures	2,227,462	2,268,604	2,188,547	(80,057)
Interest income	4,200	4,200	5,720	1,520
Other revenues	662,445	717,445	1,007,868	290,423
Total revenues	25,785,451	26,273,093	24,782,542	(1,490,551)
EXPENDITURES				
Current:				
General government				
County commission	106,284	106,284	100,830	5,454
Commission chairperson	29,429	29,429	19,689	9,740
Administration	518,178	524,678	491,877	32,801
Elections	499,882	503,045	380,980	122,065
Financial administration	449,779	460,294	439,085	21,209
Purchasing	562,506	195,031	-	195,031
Law	125,000	125,000	134,334	(9,334)
Data processing/MIS	479,500	483,366	395,471	87,895
Tax commissioner	770,396	777,935	763,114	14,821
Tax assessor	1,039,343	1,062,171	1,018,938	43,233
Board of equalization	19,160	19,160	11,194	7,966
Risk management	767,000	874,917	937,799	(62,882)
Building maintenance	1,163,317	1,170,294	1,082,840	87,454
Public information	11,800	11,800	10,732	1,068
General engineering	68,150	68,150	69,678	(1,528)
General administration fees	21,275	21,275	21,273	2
Total general government	6,630,999	6,432,829	5,877,834	554,995
Judicial				
Judicial administration	140,000	140,000	107,578	32,422
Superior court	53,980	53,980	53,061	919
Clerk of superior court	1,145,377	1,154,163	1,116,553	37,610
District attorney	667,861	690,861	662,594	28,267
State court	173,342	173,885	167,648	6,237
State court judge	204,460	215,859	212,920	2,939
Magistrate court	414,000	415,995	396,564	19,431
Probate court	398,018	401,542	400,299	1,243
Juvenile court	81,246	81,246	80,295	951
Public defender	5,000	5,000	2,493	2,507
Circuit-wide public defender	795,685	795,685	663,015	132,670
Total judicial	4,078,969	4,128,216	3,863,020	265,196

(Continued)

See accompanying notes to financial statements.

LIBERTY COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET (GAAP BASIS) AND ACTUAL

GENERAL FUND (CONTINUED)

For the Year Ended June 30, 2013

	Original Budget	Final Amended Budget	Actual	Variance
(Continued)				
Public safety				
Sheriff	2,551,082	2,892,663	3,012,592	(119,929)
Criminal investigation	258,852	261,977	274,807	(12,830)
Vice control	760,740	795,312	848,849	(53,537)
Jail operations	4,216,199	4,196,347	3,930,767	265,580
Traffic control	404,208	429,737	400,621	29,116
School resource officer	63,989	64,948	61,313	3,635
Flemington law enforcement	60,376	61,311	59,663	1,648
Fire	305,342	305,342	268,262	37,080
Emergency medical services	25,000	25,000	40,987	(15,987)
Coroner	66,314	66,314	63,150	3,164
Animal control	275,963	278,787	269,567	9,220
Emergency management agency	180,146	188,483	175,176	13,307
Total public safety	9,168,211	9,566,221	9,405,754	160,467
Public works				
Roads and walkways	1,360,319	1,370,708	1,359,070	11,638
Maintenance shop	577,000	577,000	529,962	47,038
Total public works	1,937,319	1,947,708	1,889,032	58,676
Health and welfare				
Public health administration	289,437	289,437	289,531	(94)
Vital statistics	2,000	2,000	-	2,000
Mosquito control	236,884	238,211	158,320	79,891
Indigent medical care	4,000	4,000	1,400	2,600
Intergovernmental welfare payments	18,300	18,300	18,300	-
Community services	8,875	8,875	5,971	2,904
Community service center	49,100	49,100	42,225	6,875
Total health and welfare	608,596	609,923	515,747	94,176
Culture and recreation				
Libraries	350,498	350,498	350,498	-
Total culture and recreation	350,498	350,498	350,498	-
Economic development				
Conservation administration	10,000	10,000	5,000	5,000
Agricultural resources	84,857	85,080	83,198	1,882
Planning and zoning	397,111	403,074	391,846	11,228
Intergovernmental programs/ economic development	395,055	395,055	357,879	37,176
Community development	61,500	61,500	59,607	1,893
Total economic development	948,523	954,709	897,530	57,179

(Continued)

See accompanying notes to financial statements.

LIBERTY COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET (GAAP BASIS) AND ACTUAL GENERAL FUND (CONTINUED)

For the Year Ended June 30, 2013

	Original Budget	Final Amended Budget	Actual	Variance
(Continued)				
Debt service:				
Principal	248,000	248,000	275,778	(27,778)
Interest	13,050	13,050	18,679	(5,629)
Total debt service	261,050	261,050	294,457	(33,407)
Total expenditures	23,984,165	24,251,154	23,093,872	1,157,282
Excess (deficiency) of revenues over expenditures	1,801,286	2,021,939	1,688,670	(333,269)
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,811,286)	(2,031,939)	(1,571,533)	460,406
Sale of capital assets	10,000	10,000	12,212	2,212
Total other financing sources (uses)	(1,801,286)	(2,021,939)	(1,559,321)	462,618
Net change in fund balance	-	-	129,349	129,349
Fund balance, beginning of year	16,995,902	16,995,902	16,995,902	-
Fund balance, end of year	$ 16,995,902	$ 16,995,902	$ 17,125,251	$ 129,349

See accompanying notes to financial statements.

LIBERTY COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2013

	Solid Waste Fund	Nonmajor Enterprise Funds	Total Proprietary Funds
ASSETS			
Current assets			
Cash and cash equivalents	$ 34,128	$ 74,802	$ 108,930
Accounts receivable, net	489,595	-	489,595
Total current assets	523,723	74,802	598,525
Noncurrent assets			
Capital assets:			
Nondepreciable	153,711	223,913	377,624
Depreciable, net	1,432,370	-	1,432,370
Total noncurrent assets	1,586,081	223,913	1,809,994
Total assets	2,109,804	298,715	2,408,519
LIABILITIES			
Current liabilities			
Accounts payable	130,055	-	130,055
Accrued expenses	4,150	-	4,150
Customer deposits payable	19,755	15,200	34,955
Capital lease payable - current portion	82,119	-	82,119
Landfill postclosure care costs - current portion	72,120	-	72,120
Compensated absences - current portion	29,255	-	29,255
Total current liabilities	337,454	15,200	352,654
Noncurrent liabilities			
Advances from other funds	3,606,874	-	3,606,874
Capital lease payable - long-term portion	295,316	-	295,316
Landfill postclosure care costs - long-term portion	1,008,280	-	1,008,280
Compensated absences - long-term portion	7,314	-	7,314
Total noncurrent liabilities	4,917,784	-	4,917,784
Total liabilities	5,255,238	15,200	5,270,438
NET POSITION			
Net investment in capital assets	1,208,646	223,913	1,432,559
Unrestricted	(4,354,080)	59,602	(4,294,478)
Total net position	$ (3,145,434)	$ 283,515	$ (2,861,919)

See accompanying notes to financial statements.

LIBERTY COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended June 30, 2013

	Solid Waste Fund	Nonmajor Enterprise Funds	Total Proprietary Funds
OPERATING REVENUES			
Charges for services	$ 2,817,609	$ -	$ 2,817,609
Miscellaneous	1,147	-	1,147
Total operating revenues	2,818,756	-	2,818,756
OPERATING EXPENSES			
Personnel costs	681,696	-	681,696
Cost of sales and service	1,517,463	-	1,517,463
Supplies	253,540	-	253,540
Administration	-	10	10
Depreciation expense	299,216	-	299,216
Total operating expenses	2,751,915	10	2,751,925
Operating income (loss)	66,841	(10)	66,831
NONOPERATING REVENUE (EXPENSE)			
Intergovernmental	-	-	-
Interest expense	(6,656)	-	(6,656)
Interest income	66	33	99
Total nonoperating revenue (expense)	(6,590)	33	(6,557)
Income (loss) before contributions	60,251	23	60,274
CAPITAL CONTRIBUTIONS	-	45,065	45,065
Change in net position	60,251	45,088	105,339
Net position, beginning of year	(3,205,685)	238,427	(2,967,258)
Net position, end of year	$ (3,145,434)	$ 283,515	$ (2,861,919)

See accompanying notes to financial statements.

LIBERTY COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended June 30, 2013

	Solid Waste Fund	Nonmajor Enterprise Funds	Total Proprietary Funds
CASH FLOWS FROM OPERATING ACTIVITES			
Receipts from customers and users	$ 2,941,729	$ 3,800	$ 2,945,529
Payments to suppliers	(1,919,072)	(10)	(1,919,082)
Payments to employees	(684,752)	-	(684,752)
Net cash provided by operating activities	337,905	3,790	341,695
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Net change in due from general fund	3,606,874	-	3,606,874
Net change in due from other funds	(3,973,139)	-	(3,973,139)
Net cash provided by noncapital financing activities	(366,265)	-	(366,265)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisitions of capital assets	(6,989)	-	(6,989)
Principal payments on capital leases	(66,927)	-	(66,927)
Interest paid	(6,656)	-	(6,656)
Net cash used in capital and related financing activities	(80,572)	-	(80,572)
CASH FLOWS FROM INVESTING ACTIVITES			
Interest received	66	33	99
Net cash provided by investing activities	66	33	99
Net change in cash and cash equivalents	(108,866)	3,823	(105,043)
Cash and cash equivalents, beginning of year	142,994	70,979	213,973
Cash and cash equivalents, end of year	$ 34,128	$ 74,802	$ 108,930
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	$ 66,841	$ (10)	$ 66,831
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	299,216	-	299,216
Change in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	122,973	-	122,973
Increase (decrease) in:			
Accounts payable	(149,489)	-	(149,489)
Accrued expenses	(3,056)	-	(3,056)
Postclosure liabilities	100	-	100
Customer deposits payable	1,320	3,800	5,120
Net cash provided by operating activities	$ 337,905	$ 3,790	$ 341,695
Noncash investing, capital and financing activities:			
Capital assets contributed from other funds	$ -	$ 45,065	$ 45,065
Net noncash investing, capital and financing activities	$ -	$ 45,065	$ 45,065

See accompanying notes to financial statements.

LIBERTY COUNTY, GEORGIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2013

	Total Agency Funds	Employee Retirement Plan
ASSETS		
Cash	$ 844,005	$ -
Investments, at fair value:		
Certificates of deposit	331,018	-
Mutual funds	-	14,820,357
Accounts receivable	-	-
Taxes receivable	5,740,713	-
Other receivables	24,500	-
Total assets	6,940,236	14,820,357
LIABILITIES		
Due to others	1,199,523	-
Uncollected taxes	5,740,713	-
Total liabilities	6,940,236	-
NET POSITION		
Held in trust for pension benefits (see Schedule of Funding Progress on page 64)	$ -	$ 14,820,357

See accompanying notes to financial statements.

LIBERTY COUNTY, GEORGIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended June 30, 2013

	Employee Retirement Plan
ADDITIONS	
Contributions:	
Employer	$ 956,129
Employee	353,870
Total contributions	1,309,999
Investment earnings:	
Net increase in fair value of investments	1,772,893
Less: investment expenses	(33,029)
Net investment earnings	1,739,864
Total additions	3,049,863
DEDUCTIONS	
Benefits	940,932
Total deductions	940,932
Change in net position	2,108,931
Net position, beginning of year	12,711,426
Net position, end of year	$ 14,820,357

See accompanying notes to financial statements.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Liberty County, Georgia (the "County") was created by legislative act in 1777 and operates under a County Commissioner form of government, providing the following services as authorized by its charter: public safety, highways and streets, health and social services, culture-recreation, courts, intergovernmental programs, and general administrative services.

The County is governed by a seven-member Board of Commissioners. Six members represent a geographical district within the County, while the Chairman represents the County at large. There are additional officers elected countywide. State law pertaining to county government provides for the independent election of these county officials. The officials are all part of the County's legal entity and include the Sheriff, Tax Commissioner, State Court Judges, Magistrate Court Judge, Probate Court Judge, and Clerk of Courts. The offices of the independently elected officials are not separate from the County and are therefore reported as part of the County.

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

I. Reporting Entity

The financial reporting entity has been determined by management, in accordance with generally accepted accounting principles, to be Liberty County (the primary government) and its component units. A component unit is a legally separate organization for which the primary government is financially accountable or for which the nature and significance of its relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. In evaluating how to define the government for financial reporting purposes, management has considered all component units.

The criteria used to determine financial accountability are the ability of the primary government to appoint a voting majority of the organization's governing body and effectively impose its will on the organization. Also, if there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, financial accountability would exist. Based upon the application of these criteria, the following is a brief review of each component unit included in the County's reporting unit as discretely presented component units.

Discretely Presented Component Units

Liberty County Health Department

The Liberty County Health Department (LCHD) was established pursuant to an act of the General Assembly of the State of Georgia in 1964. The LCHD is governed by a seven-member board consisting of the Liberty County Commission Chairman, the Liberty County School Superintendent, four members appointed by the Liberty County Commission, and one member appointed by the Mayor of the City of Hinesville. The Liberty County Commission has the authority to review and reject the annual budget of the LCHD. Upon approval of the LCHD's budget by the Commission, the Commission shall levy a tax sufficient to meet the LCHD's appropriations in excess of funds it expects to receive from other sources.

Separate financial statements for the LCHD can be obtained from its administrative office at Highway 84, Community Services Building, Hinesville, Georgia 31313.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Discretely Presented Component Units (Continued)

Liberty Regional Medical Center

The Liberty Regional Medical Center (LRMC), a not-for-profit 50-bed acute care hospital located in Hinesville, Georgia, is owned and operated by the Hospital Authority of Liberty County (the Authority). The Authority was established pursuant to an act of the General Assembly of the State of Georgia in 1964. The Authority's board consists of seven members appointed by the Liberty County Commission. The Liberty County Commission is obligated to levy taxes sufficient to provide indigent care service through LRMC.

Separate financial statements for the Liberty Regional Medical Center can be obtained from its administrative office at 462 E. G. Miles Parkway, Hinesville, Georgia 31313. The Authority's fiscal year ends on November 30, and accordingly, the component unit financial statements for LRMC are for the year ended November 30, 2012.

Blended Component Unit

The Liberty County Projects Corporation (LCPC) was established to account for the construction and ongoing maintenance of the state of Georgia Division of Family and Children Services building. The LCPC is organized pursuance to the Georgia Nonprofit Corporation Code. The objectives and purposes of the LCPC are exclusively charitable, through the lessening of the burdens of government, within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future tax law. The LCPC is governed by a three-member board consisting of the Liberty County Commission Chairman, the Liberty County Administrator, and the Liberty County Planning Commission Executive Director. The LCPC is presented as blended as its primary purpose is to provide services almost entirely to the County.

Separate financial statements for the LCPC are not prepared.

II. Government-Wide and Fund Financial Statements

The government-wide financial statements (Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. As a general rule, the effect of interfund activity has been removed from these statements. *Governmental activities,* which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities,* which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments 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 those 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 and major individual enterprise funds are reported as separate columns in the fund financial statements.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Government-Wide Financial Statements

The County's government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-type activities for the County. Fiduciary activities of the County are not included in these statements.

These statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. The fiduciary fund financial statements are presented on the accrual basis. Accordingly, all the County's assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in assets. Under the accrual basis of accounting, 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. The types of transactions reported as program revenues for the County are reported in three categories: 1) charges for services to customers who directly benefit from goods, services or privileges provided by a given function, 2) operating grants and contributions that are restricted to meeting the operational needs requirements of a particular function, and 3) capital grants and contributions that are restricted to meeting the capital needs requirements of a particular function.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated, however, those transactions between governmental and business-type activities have not been eliminated. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Fund Financial Statements

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 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, sales taxes, intergovernmental grants, and investment income 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. All other revenue items are considered to be measurable and available only when cash is received by the County.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

III. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fund Financial Statements (Continued)

The County reports the following major governmental funds:

General Fund is the principal fund of the County and is used to account for all of its activities not otherwise accounted for by a specified fund.

Special Purpose Local Option Sales Tax IV Fund is a capital projects fund used to account for the proceeds of a 1% Special Purpose Local Option Sales Tax. Funds are used for: road and drainage improvements; public safety projects; recreation projects; public building projects; hospital projects; County administration projects; airport projects; debt services; and other City projects within Liberty County.

Special Purpose Local Option Sales Tax V Fund is a capital projects fund used to account for the proceeds of a 1% Special Purpose Local Option Sales Tax. Funds are used for: road and drainage improvements; public safety projects; technical school projects; recreation projects; public building projects; County administration projects; debt service; and other City projects within Liberty County.

The County reported the following major business-type fund:

The Solid Waste Fund accounts for the activities of the County's solid waste management operations. All activities necessary to provide such services are accounted for in this fund.

Additionally, the County reports the following fund types:

Special Revenue Funds are used to account for revenue sources that are legally restricted to expenditure for specific purposes.

Capital Project Funds are used to account for the acquisition or construction of capital facilities.

Agency Funds are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals, such as cash bonds, traffic fines, support payments, and ad valorem and property taxes.

Amounts reported as program revenues include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

III. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fund Financial Statements (Continued)

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 enterprise funds are charges to customers for sales and services provided. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Cash and Investments

The County and discretely presented component units' cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Statutes authorize the County and discretely presented component units to invest in obligations of the U. S. Treasury, certificates of deposit, repurchase agreements, money market accounts, and the local government investment pool of the State of Georgia (Georgia Fund 1).

Investments are stated at fair value based on published quoted market prices. The fair values of investments in external investment pools are the same as the value of the pool shares.

Cash deposits are reported at carrying amount, which reasonably estimates fair value.

Inventories

Inventories held by the Liberty Regional Medical Center consist primarily of medical supplies and food and are valued at the lower of cost (first-in, first-out method) or market.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Interfund Activity

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advance to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental and business-type activities are reported in the government-wide statement of net position as "internal balances". Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

III. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by the governmental activities), the County chose to include all such items regardless of their acquisition date or amount. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's useful life are not capitalized.

Major outlays for capital improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of assets constructed. No interest expense was capitalized during the fiscal year ending June 30, 2013.

Capital assets of the primary government and each discretely presented component unit are depreciated using the straight line method over the following useful lives:

Asset Category	Years
Primary Government:	
Buildings and improvements	10 - 50
Machinery and equipment	4 - 40
Infrastructure	20 - 50
Liberty Regional Medical Center:	
Land improvements	15 - 20
Buildings and improvements	20 - 40
Equipment	3 - 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 statements of net position. 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 the 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.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

III. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Compensated Absences

It is the County's policy to permit employees to accumulate earned, but unused, vacation and sick pay benefits. The County's policy is to permit employees to accumulate up to 30 days earned, but unused, vacation and 25% of earned, but unused, sick leave. All compensated absences are accrued when earned in the government-wide and proprietary 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.

Fund Equity

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

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

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

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

- Committed – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the County's highest level of decision-making authority, the County Commission, through the adoption of a resolution. Only the County Commission 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 not committed. Through resolution, the County Commission has authorized the County Administrator to assign fund balances.

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

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order: 1) committed, 2) assigned, and 3) unassigned.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

III. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fund Equity (Continued)

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

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

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve the portion of the applicable appropriation, is not utilized by the County.

Management Estimates

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

Operating Leases

The County leases equipment in which, after the initial lease term, the County can take possession of the equipment or purchase the property at the purchase option price, depending on the operating lease agreement. The lease term begins on the date of initial possession of the lease property for purposes of recognizing lease expense on a straight-line basis over the term of the lease. In most cases, management expects that leases will be renewed or replaced by other leases.

Subsequent Events

The County has performed an evaluation of subsequent events, as defined under FASB ASC 855-10, through December 16, 2013, which is the date the financial statements were available to be issued.

NOTE B – BUDGETS AND BUDGETARY ACCOUNTING

I. Budget Process

The annual budget document is the financial plan for the operation of the County. The budget process exists for the purpose of providing 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 County's financial position.

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

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

2. Public hearings are conducted at the County Annex to obtain taxpayer comments.

3. Prior to July 1, the budget is legally enacted through approval by the Board of Commissioners.

4. The Board of Commissioners has the authority to amend its budget. An increase in appropriation in any fund or department, whether accomplished through a change in anticipated revenues in any fund or through a transfer of appropriations among departments, shall require the approval of the Board of Commissioners. Transfers of appropriations in any fund among the various accounts within a department shall require only the approval of the budget officer.

Formal budgetary integration is employed as a measurement control device during the year for the General Fund and certain special revenue funds, including the Liberty County Projects Corporation Fund, Jail Fund, DARE Fund, the E911 System Fund, Victim Witness Assistance Fund, Juvenile Services Fund, Multiple Grant Fund, Child Support Recovery Fund, Recreation Fund, and Records Service Center Fund. Budgets were not adopted for the Law Library Fund, Confiscated Asset Fund, Jail Inmate Commissary Fund, Hotel/Motel Fund, and Technology Fund.

The budget for the General Fund and the Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP) and are presented in accordance with finance-related legal and contractual provisions.

Budgeted amounts are as originally adopted on July 1, or as amended by the Board of Commissioners. Individual amendments were not material in relation to the original appropriations.

The County Finance Director is delegated the authority to transfer funds from one budget line-item to another within a department, provided the line-items are within the same budgetary category and departmental division. No increase in the overall budget can be made without the approval of the Board of Commissioners and amendment to the budget.

The General Fund is subject to budgetary control at the department level. The Special Revenue Funds are subject to budgetary control on an individual fund basis.

NOTE B – BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

II. Capital Projects Budget

The construction of certain major capital facilities and improvements, which are accounted for by the County in the Capital Projects Fund, are subject to budgetary control on a project basis. The budgets are approved by the Board of Commissioners and are generally subject to specific provisions of voter referendums, State statutes, and/or grant agreements. Appropriations for a specific project do not lapse until completion of the project.

III. Excess of Expenditures Over Appropriations in the General Fund

The following General Fund departments incurred actual expenditures in excess of budgeted amounts for the year ended June 30, 2013:

Department	Excess of Expenditures Over Budgeted Amounts
Law	$ 9,334
Risk management	62,882
General engineering	1,528
Sheriff	119,929
Criminal investigation	12,830
Vice control	53,537
Emergency medical services	1,528
Public health administration	94
Debt service	33,407

The excess of actual expenditures over appropriations was funded by available fund balance of the General Fund.

IV. Excess of Expenditures Over Appropriations in Individual Funds

The following funds incurred actual expenditures in excess of budgeted amounts for the year ended June 30, 2013:

Fund	Excess of Expenditures Over Budgeted Amounts
Special Revenue - Victim Witness Assistance Fund	$ 71,922
Special Revenue - Juvenile Services Fund	1,242
Special Revenue - Hotel/Motel Fund	1,893

NOTE C – DEPOSITS AND INVESTMENTS

Total deposits and investments for the County as of June 30, 2013 are summarized as follows:

Primary government:		
Cash and cash equivalents	$	28,740,450
Investments		
Certificates of deposit		263,697
Mutual Funds		61,091
Fiduciary funds:		
Cash and cash equivalents		844,005
Investments		
Certificates of deposit		331,018
Mutual Funds		14,820,357
Total	$	45,060,618
Cash and cash equivalents:		
Cash deposited with financial institutions	$	29,584,455
Investments:		
Certificates of deposits held with financial institutions		594,715
Mutual funds		14,881,448
Total	$	45,060,618

Total deposits for the Liberty County Health Department as of June 30, 2013 were as follows:

Cash and cash equivalents	$	920,893
Total cash deposited with financial institutions	$	920,893

Total deposits for the Liberty Regional Medical Center as of November 30, 2012 were as follows:

Cash and cash equivalents	$	1,602,953
Restricted cash and cash equivalents		646,430
Total cash deposited with financial institutions	$	2,249,383

Custodial Credit Risk – Cash and Cash Equivalents

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments of public funds (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, countries, or municipalities. As of June 30, 2013, neither the County, nor the Liberty County Health Department had any balances exposed to custodial credit risk as uninsured and uncollateralized as defined by GASB pronouncements. The Liberty Regional Medical Center, too, did not have any balances exposed to custodial credit risk as uninsured and uncollateralized as defined by GASB pronouncements as of its year ended November 30, 2012. The County does not have a formal custodial credit risk policy.

NOTE C – DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk

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

Interest Rate Risk

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

Custodial Credit Risk – Investments

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

Investment	Maturities	Fair Value
Mutual Funds	N/A	$ 14,881,448
Certificates of deposit	6 month weighted average	594,715

NOTE D – RECEIVABLES

I. Property Tax

The County bills and collects its own property taxes as well as the taxes for the Liberty County Board of Education, the Hospital Authority of Liberty County, the Liberty County Development Authority and the various municipalities within the County. Collection and remittance of property taxes to the appropriate fund or government are accounted for in the Tax Commissioner Agency Fund. County property tax revenues are recognized to the extent that they result in current receivables.

State law requires that property taxes be based on assessed value, which is 40% of market value. All real and personal property, including motor vehicles, are valued as of January 1st each year. Property tax returns must be filed by April 1st. Upon completion of all assessments and tax returns, the information is turned over to the Liberty County Tax Commissioner for completion of the tax digest, which must be submitted to the State Revenue Commissioner for approval. Following approval, the Liberty County Tax Commissioner distributes tax notices and collects tax payments.

Each year, property taxes are levied in December based on values as of the preceding January 1st, the date which the property taxes also attach as an enforceable lien on property. Taxes are due the following February, and are considered delinquent if unpaid by the due date. Liens may be enforced on property for unpaid delinquent taxes.

The tax billing cycle for fiscal year 2013 was as follows:

Lien date	January 1, 2012
Levy date	December 20, 2012
Payment due date	February 20, 2013
Delinquency date	February 21, 2013
Collection dates	December 20, 2012 - Feburary 20, 2013

II. Receivables

Receivables as of June 30, 2013 for the government's individual major funds and aggregate nonmajor funds, including applicable allowances for uncollectible accounts, are as follows:

	General Fund	Special Purpose Local Option Sales Tax V	Nonmajor Governmental Funds	Solid Waste Fund	Total
Receivables:					
Taxes	$ 1,656,844	$ -	$ -	$ -	$ 1,656,844
Accounts	314,544	-	1,052,252	829,576	2,196,372
Due from other governments	309,177	604,091	335,693	-	1,248,961
Gross receivables	2,280,565	604,091	1,387,945	829,576	5,102,177
Less allowance for uncollectibles	(47,543)	-	-	(339,981)	(387,524)
Net total receivable	$ 2,233,022	$ 604,091	$ 1,387,945	$ 489,595	$ 4,714,653

NOTE E – INTERFUND ACTIVITY

I. Interfund Balances

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund balances between funds are eliminated in the Statement of Net Position. The composition of interfund balances as of June 30, 2013 was as follows:

	Due From				
Due to	General Fund	Special Purpose Local Option Sales Tax V	Special Purpose Local Option Sales Tax IV	Nonmajor Governmental Funds	Total
General fund	$ -	$ 69,969	$ 29,059	$ 1,212,778	$ 1,311,806
Nonmajor governmental	373	-	-	1,363	1,736
Total	$ 373	$ 69,969	$ 29,059	$ 1,214,141	$ 1,313,542

	Advance To		
Advance from	Nonmajor Governmental Funds	Solid Waste Fund	Total
General fund	$ 256,644	$ 3,606,874	$ 3,863,518
Total	$ 256,644	$ 3,606,874	$ 3,863,518

II. Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purpose of the statement of activities, all interfund transfers between individual governmental funds have been eliminated. Interfund transfers for the year ended June 30, 2013 consisted of the following:

	Transfer To	
Transfer from	Nonmajor Governmental Funds	Total
General fund	$ 1,571,533	$ 1,571,533
Total	$ 1,571,533	$ 1,571,533

NOTE F – CAPITAL ASSETS

The following is a summary of capital asset activity as of June 30, 2013:

Primary Government

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Nondepreciable capital assets:					
Land	$ 7,803,371	$ 1,500	$ -	$ -	$ 7,804,871
Construction in progress	6,935,254	4,985,720	-	(6,997,623)	4,923,351
Total nondepreciable capital assets	14,738,625	4,987,220	-	(6,997,623)	12,728,222
Depreciable capital assets:					
Site improvements	-	-	-	3,454,208	3,454,208
Buildings	62,319,789	68,680	-	3,542,334	65,930,803
Machinery and equipment	13,374,625	861,578	(187,761)	1,081	14,049,523
Infrastructure	69,627,770	637,820	-	-	70,265,590
Total depreciable capital assets at cost	145,322,184	1,568,078	(187,761)	6,997,623	153,700,124
Less accumulated depreciation for:					
Site improvements	-	(16,028)	-	(6,236)	(22,264)
Buildings	(7,340,663)	(1,765,382)	-	6,319	(9,099,726)
Machinery and equipment	(9,182,681)	(1,050,564)	187,761	(83)	(10,045,567)
Infrastructure	(26,909,305)	(1,880,487)	-	-	(28,789,792)
Total accumulated depreciation	(43,432,649)	(4,712,461)	187,761	-	(47,957,349)
Depreciable capital assets, net	101,889,535	(3,144,383)	-	6,997,623	105,742,775
Governmental activities capital assets, net	$ 116,628,160	$ 1,842,837	$ -	$ -	$ 118,470,997

Depreciation expense was charged to functions as follows:

Governmental activities:	
General government	$ 229,576
Judicial	815,915
Public safety	968,073
Public works	1,750,242
Health and welfare	177,869
Culture and recreation	260,911
Economic development	509,875
Total depreciation expense, governmental acitivies	$ 4,712,461

NOTE F – CAPITAL ASSETS (CONTINUED)

Primary Government (Continued)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type Activities:					
Nondepreciable capital assets:					
Land	$ 153,711	$ -	$ -	$ -	$ 153,711
Construction in progress	178,848	45,065	-	-	223,913
Total nondepreciable capital assets	332,559	45,065	-	-	377,624
Depreciable capital assets:					
Landfill	316,505	-	-	-	316,505
Buildings and improvements	2,601,686	-	-	-	2,601,686
Machinery and equipment	1,908,345	376,998	-	-	2,285,343
Total depreciable capital assets at cost	4,826,536	376,998	-	-	5,203,534
Less accumulated depreciation for:					
Landfill	(316,505)	-	-	-	(316,505)
Buildings and improvements	(1,556,191)	(135,567)	-	(13,911)	(1,705,669)
Machinery and equipment	(1,599,252)	(163,649)	-	13,911	(1,748,990)
Total accumulated depreciation	(3,471,948)	(299,216)	-	-	(3,771,164)
Depreciable capital assets, net	1,354,588	77,782	-	-	1,432,370
Governmental activities capital assets, net	$ 1,687,147	$ 122,847	$ -	$ -	$ 1,809,994

Depreciation expense of $299,216 for the business-type activities was charged to the Solid Waste Fund.

NOTE F – CAPITAL ASSETS (CONTINUED)

Discretely Presented Component Unit – Liberty County Department of Public Health

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital assets:					
Equipment and vehicles	$ 329,105	$ 1,557	$ -	$ -	$ 330,662
Total capital assets at cost	329,105	1,557	-	-	330,662
Less accumulated depreciation for:					
Equipment and vehicles	(315,516)	(5,760)	-	-	(321,276)
Total accumulated depreciation	(315,516)	(5,760)	-	-	(321,276)
Total capital assets, net	$ 13,589	$ (4,203)	$ -	$ -	$ 9,386

Discretely Presented Component Unit – Liberty County Regional Medical Center

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type Activities:					
Nondepreciable capital assets:					
Land	$ 2,330,246	$ -	$ -	$ -	$ 2,330,246
Construction in progress	302,179	1,200,094	-	-	1,502,273
Total nondepreciable capital assets	2,632,425	1,200,094	-	-	3,832,519
Depreciable capital assets:					
Buildings and improvements	21,659,624	22,107	(357,694)	-	21,324,037
Machinery and equipment	10,544,894	371,424	(1,325,270)	-	9,591,048
Total depreciable capital assets at cost	32,204,518	393,531	(1,682,964)	-	30,915,085
Less accumulated depreciation for:					
Buildings and improvements	(13,234,162)	(997,484)	357,694	-	(13,873,952)
Machinery and equipment	(8,526,546)	(791,913)	1,325,270	-	(7,993,189)
Total accumulated depreciation	(21,760,708)	(1,789,397)	1,682,964	-	(21,867,141)
Depreciable capital assets, net	10,443,810	(1,395,866)	-	-	9,047,944
Total capital assets, net	$ 13,076,235	$ (195,772)	$ -	$ -	$ 12,880,463

NOTE G – LONG-TERM DEBT - PRIMARY GOVERNMENT

I. Changes in Long-term Liabilities

The following is a summary of long-term debt activity for the year ended June 30, 2013:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Revenue bonds payable	$ 28,841,746	$ -	$ (1,114,928)	$ 27,726,818	$ 1,157,294
Less: unamortized discount	(139,065)	-	12,651	(126,414)	-
Total revenue bonds payable	28,702,681	-	(1,102,277)	27,600,404	1,157,294
Notes payable	487,081	-	(239,677)	247,404	247,404
Capital leases payable	345,318	210,171	(71,657)	483,832	102,140
Compensated absences	1,180,334	812,765	(758,703)	1,234,396	987,517
Net pension obligation	491,046	1,121,872	(1,016,616)	596,302	-
Net OPEB obligation	5,396,782	1,737,911	(297,834)	6,836,859	-
Total governmental activities long-term liabilities	$ 36,603,242	$ 3,882,719	$ (3,486,764)	$ 36,999,197	$ 2,494,355
Business-type Activities:					
Capital leases payable	$ 74,353	$ 370,009	$ (66,927)	$ 377,435	$ 82,119
Compensated absences	38,650	24,899	(26,980)	36,569	29,255
Landfill postclosure care	1,080,300	72,120	(72,020)	1,080,400	72,120
Total Business-type activities long-term liabilities	$ 1,193,303	$ 467,028	$ (165,927)	$ 1,494,404	$ 183,494

Compensated absences are liquidated through disbursements from the General Fund.

II. Revenue Bonds

During the year ended June 30, 2005, the County issued bonds through the Public Facilities Authority of Liberty County, Georgia in the amount of $1,760,000. The bonds bear interest of 3.25% with final maturity in 2013. Proceeds of the bonds were used to 1) refund the outstanding Hospital Authority Revenue Bonds, Series 1992 in the amount of $1,415,000; 2) finance the cost of demolishing the old hospital building and 3) pay the costs of issuing the bonds. Pursuant to the bond issue, the County entered into an intergovernmental agreement contract with the Public Facilities Authority of Liberty County, Georgia whereby the County has an unconditional obligation to provide sufficient funds for the debt service payments and related paying agent or bond register fees. The County is authorized to exercise its powers of taxation to the extent necessary to pay the amounts required by the contract.

During the year ended June 20, 2009, the County issued bonds through the Public Facilities Authority of Liberty County, Georgia in the amount of $5,000,000. The Public Facility Authority, Revenue Bonds Series 2008A bear interest of 3.75% to 5.00% with final maturity in 2029 and Public Facility Authority, Revenue Bonds Series 2008B bear interest of 6.00% with final maturity in 2039. Proceeds of the bonds were used to 1) refinance the cost of construction related to the Wright Army Airfield; and 2) pay the costs of issuing the bonds.

NOTE G – LONG-TERM DEBT - PRIMARY GOVERNMENT (CONTINUED)

II. Revenue Bonds (Continued)

Pursuant to the bond issue, the County entered into an intergovernmental agreement contract with the Public Facilities Authority of Liberty County, Georgia whereby the County has an unconditional obligation to provide sufficient funds for the debt service payments and related paying agent or bond register fees. The County is authorized to exercise its powers of taxation to the extent necessary to pay the amounts required by the contract.

During the year ended June 30, 2009, the County issued bonds through the Public Facilities Authority of Liberty County, Georgia in the amount of $20,785,000. The bonds bear interest of 4.25% with final maturity in 2029. Proceeds of the bonds were used for the purpose of financing 1) all or a portion of the cost of acquisition, construction, development and equipping of various capital outlay projects located within the County; and 2) to pay the costs of issuance of the bonds. The bonds are limited obligations of the Public Facilities Authority, payable solely from payments to be made by the County pursuant to an intergovernmental contract between the Public Facility Authority and the County. The County's obligation under the contract, to make payments to the Public Facilities Authority at times and in amounts sufficient to enable the Public Facilities Authority to pay the principal and interest on the bonds, is absolute and unconditional and is secured by a pledge of the County's full faith and credit and taxing powers and will not expire so long as any of the bonds remain outstanding and unpaid. The County intends to make its payments under the contract from its portion of the revenues generated by a one percent special local option sales and use tax (the 'SPLOST'); however, the County's portion of the revenues from the SPLOST are not pledged to such payments or to secure the payment of the bonds.

During the year ended June 30, 2011, the County issued tax-exempt Revenue Bonds, Series 2011, through the Liberty County Projects Corporation of Liberty County, Georgia, in the amount of $4,772,039. Series 2011 bonds outstanding at June 30, 2013 were $4,591,818. The bonds bear interest at 4.00% with final maturity in 2032. Proceeds from the bonds were used for construction of a building and to pay certain costs incurred in connection with the execution and delivery of the bonds. The bonds are limited obligations of the County and are payable solely from the rent received on the buildings.

Revenue bonds debt service requirements to maturity are as follows as of June 30, 2013:

Governmental Activities:

Year Ending June 30,	Principal	Interest	Total
2014	$ 1,144,058	$ 1,137,398	$ 2,281,456
2015	959,384	1,119,740	2,079,124
2016	1,306,909	1,086,415	2,393,324
2017	1,355,969	1,040,955	2,396,924
2018	1,404,913	992,961	2,397,874
2019-2023	7,869,919	4,114,527	11,984,446
2024-2028	9,687,244	2,302,300	11,989,544
2029-2033	3,473,422	432,799	3,906,221
2034-2038	425,000	109,500	534,500
2039	100,000	6,000	106,000
	$ 27,726,818	$ 12,342,595	$ 40,069,413

NOTE G – LONG-TERM DEBT - PRIMARY GOVERNMENT (CONTINUED)

III. Notes Payable

The County has incurred debt to a local financial institution for equipment purchases. These notes are as follows at June 30, 2013:

Governmental Activities:

Purpose	Original Amount	Interest Rate	Due Date	Amount
Equipment purchase	$ 1,166,059	3.18%	2014	$ 247,404
			Less current portion	(247,404)
				$ -

Notes payable debt service requirements to maturity are as follows as of June 30, 2013:

Governmental Activities:

Year Ending June 30,	Principal	Interest	Total
2014	$ 247,404	$ 7,977	$ 255,381
	$ 247,404	$ 7,977	$ 255,381

IV. Capital Leases

The County has entered into lease agreements as lessee for financing the acquisition of certain equipment. The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease terms) and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inceptions. The following is an analysis of leased assets under capital leases as of June 30, 2013:

	Governmental Activities	Business-type Activities
Equipment	$ 771,565	$ 471,489
Less accumulated depreciation	(226,916)	(290,873)
	$ 544,649	$ 180,616

NOTE G – LONG-TERM DEBT - PRIMARY GOVERNMENT (CONTINUED)

IV. Capital Leases (Continued)

The following is a schedule of future minimum lease payments together with the present value of net minimum lease payments as of June 30, 2013:

Year Ending June 30,	Governmental Activities	Business-type Activities
2014	$ 246,104	$ 95,534
2015	98,402	133,683
2016	82,235	78,867
2017	66,399	78,867
2018	33,805	21,951
Total minimum lease payments	526,945	408,902
Less amount representing interest	(43,113)	(31,467)
Present value of future minimum lease payments	$ 483,832	$ 377,435

V. Landfill Postclosure Care

Effective October 1998, the Liberty County Landfill was closed and no additional waste has been accepted. According to state and federal laws and regulations, the County must perform certain maintenance and monitoring functions at the sites for a minimum of 30 years. Engineering studies estimate postclosure costs of approximately $1,080,400 over the remaining 15 year period. These costs are based on what it would cost to perform all postclosure care in 2013, adjusted annually for inflation, and are accounted for as a liability in the Solid Waste fund on the Statement of Net Position. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations. Should any problems occur during this postclosure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

NOTE H – LONG-TERM DEBT - COMPONENT UNITS

I. Changes in Long-term Liabilities

The following is a summary of the long-term debt activity for the Liberty County Health Department for the year ended June 30, 2013.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated absences	$ 83,802	$ -	$ (66,200)	$ 17,602	$ 17,602
Liberty County Health Department long-term liabilities	$ 83,802	$ -	$ (66,200)	$ 17,602	$ 17,602

NOTE H – LONG-TERM DEBT - COMPONENT UNITS (CONTINUED)

I. Changes in Long-term Liabilities (Continued)

The following is a summary of the long-term debt activity for Liberty Regional Medical Center for the year ended November 30, 2012:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue certificates	$ 15,680,000	$ -	$ (875,000)	$ 14,805,000	$ 915,000
Add: unamortized premium	378,729	-	(42,051)	336,678	-
Less: defeasance costs	(755,872)	-	51,536	(704,336)	-
Total revenue certificates payable	15,302,857	-	(865,515)	14,437,342	915,000
Lease payable	849,955	-	(373,282)	476,673	318,450
Notes payable	4,404,963	-	(808,133)	3,596,830	1,602,926
Liberty Regional Medical Center long-term liabilities	$ 20,557,775	$ -	$ (2,046,930)	$ 18,510,845	$ 2,836,376

II. Revenue Certificates – Liberty Regional Medical Center

Under the terms of the Series 1998, 2004 and 2005 Certificates, the Authority is required to maintain certain deposits with a trustee. Such deposits are included with cash and noncurrent cash and cash equivalents under indenture agreements. Management believes the Authority is in compliance with Certificate requirements.

In November 1998, the Authority issued Revenue Anticipation Certificates, Series 1998. The Series 1998 Certificates were issued by the Authority for the purpose of 1) providing funds needed to pay the cost in whole or in part of acquiring, constructing, and equipping a nursing home facility in unincorporated Long County, Georgia (the "Project"), 2) fully funding a debt service reserve for the Certificate, 3) and paying the cost of issuance of the 1998 Certificate.

In April 2004, the Authority issued Revenue Anticipation Certificates, Series 2004. The Series 2004 Certificates were issued on a parity with the Series 1998 Certificate. The Series 2004 Certificates were issued by the Authority for the purpose of constructing a 42 bed Alzheimer's Unit addition to the nursing home facility owned by the Authority in unincorporated Long County, Georgia.

In September 2005, the Authority issued Revenue Anticipation Certificates, Series 2005. The Series 2005 Certificates were issued to refund a portion of the outstanding Series 1996 Revenue Anticipation Certificates.

The Authority used the net proceeds to purchase U.S. Government Anticipation Securities. These securities were deposited in an irrevocable trust to provide all the future debt service on the refunded portion of the Series 1996 Certificates. As a result, that portion of the Series 1996 Certificates is considered defeased, and the Authority has removed the liability from its accounts.

NOTE H – LONG-TERM DEBT - COMPONENT UNITS (CONTINUED)

II. Revenue Certificates – Liberty Regional Medical Center (Continued)

The following is a listing of the Revenue Certification payable at November 30, 2012:

Revenue Certificates, Series 1998, maturing in installments of $185,000 in 2012 to $270,000 in 2020 each May 1. The certificates bear interest per annum of 4.86%. The certificates are secured by the net revenues of the Authority.	$ 1,850,000
Revenue Certificates, Series 2004, maturing in installments of $150,000 in 2012 to $250,000 in 2024 each May 1. The certificates bear interest per annum of 4.40%. The certificates are secured by the net revenues of the Authority.	2,405,000
Revenue Certificates, Series 2005, maturing in installments of $540,000 in 2012 to $1,005,000 in 2026 each August 1. The certificates bear interest rates of 3.00% to 5.00%. The certificates are secured by the net revenues of the Authority.	10,550,000
Total revenue certificates	14,805,000
Less current portion	(915,000)
Plus unamortized premium	336,678
Less deferred amount on refunding	(704,336)
Revenue certificates, net of current portion	$ 13,522,342

III. Notes Payable – Liberty Regional Medical Center

The following is a listing of the notes payable at November 30, 2012:

5.75% note payable due October 2025, collateralized by accounts receivable and building and equipment.	$ 2,095,560
3.75% note payable due October 2013, collateralized by accounts receivable.	169,411
3.75% line of credit, due December 2013, collateralized by accounts receivable with maximum principal available of $1,262,218.	1,262,218
3.25% line of credit, due January 2014, collateralized by accounts receivable with maximum principal available of $262,600.	69,641
7.00% line of credit, due October 2015, collateralized by property with maximum principal available of $650,000.	-
Total notes payable	3,596,830
Less current portion	(1,602,926)
Notes payable, net of current portion	$ 1,993,904

NOTE H – LONG-TERM DEBT - COMPONENT UNITS (CONTINUED)

IV. Capital Leases – Liberty Regional Medical Center

The following is a listing of the capital leases payable at November 30, 2012:

Capital lease obligation, at imputed interest rate of 7.775%, collateralized by leased equipment that is fully amortized.	$ 175,048
Capital lease obligation, collateralized by leased equipment with amortized cost of $128,220.	100,283
Capital lease obligation, at imputed interest rate of 5.50%, collateralized by leased equipment with amortized cost of $159,502.	161,534
Capital lease obligation, at imputed interest rate of 7.87%, collateralized by leased equipment with amortized cost of $53,555	39,808
Total capital leases	476,673
Less current portion	(318,450)
Capital leases payable, net of current portion	$ 158,223

Scheduled principal and interest repayments on long-term debt and capital lease obligations are as follows:

Year Ending November 30,	Principal	Interest	Obligations Under Capital Lease
2013	$ 2,517,926	$ 830,846	$ 336,786
2014	1,091,418	754,911	81,500
2015	1,124,679	706,938	54,992
2016	1,177,335	656,732	32,498
2017	1,225,443	604,259	-
2018-2022	6,512,786	2,065,531	-
2023-2027	4,752,243	521,105	-
	$ 18,401,830	$ 6,140,322	$ 505,776
		Less amount representing interest	(29,103)
			$ 476,673

NOTE I – RESTRICTIONS OF FUND BALANCES

In the governmental fund financial statements, fund balances consist of restricted and unassigned amounts. Restrictions of fund balances represent that portion which is not appropriable for expenditure or is legally segregated for a specific future use. The remaining portion is unassigned.

Fund balance restrictions at June 30, 2013 include:

Special Revenue Funds	
Reserve for restricted purposes to reflect resources legally restricted for specific purposes	$ 2,095,560
Capital Projects Funds	
Reserve for specific purposes to reflect resources funded by Special Purpose Local Option Sales Tax and Federal Grants	$ 169,411

NOTE J – DEFINED BENEFIT PENSION PLAN

Plan Description

The Liberty County Retirement Plan (the Plan) is a single employer defined benefit pension plan administered by Transamerica Asset Management Companies. The Plan, which covers all full-time employees, provides retirement, disability, and death benefits to plan members and beneficiaries. Local ordinance provides the authority to establish and amend benefit provisions. The account and financial reporting functions are handled by the County finance department. The Plan's activity is reported within the County's Comprehensive Annual Financial Report as a Pension Trust Fund. The Plan does not issue a separate report.

The financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The County's contributions are recognized when due and a normal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. All Plan investments are reported at fair value. Securities traded on a national exchange are valued on the County's balance sheet at the last reported sales price. Securities without an established market value are reported at estimated fair value.

As of the most recent valuation date, July 1, 2012, the funded status of the plan was as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UUAL as a Percentage of Covered Payroll (b-a)/c
7/1/2012	$13,886,519	$ 23,345,404	$ 9,458,885	59.5%	$11,855,232	79.8%

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

NOTE J – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Participant Data

At July 1, 2012, the date of the most recent actuarial valuation, there were 448 participants as follows:

Active participants	315
Retirees and beneficiaries	80
Vested terminated	53
	448

Funding Policy

The County is required to contribute an actuarially determined amount annually to The Plan's trust. The annual contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and intended to satisfy the minimum contribution requirements as set forth in the State of Georgia statutes. Plan members are required to contribute 2.5% of their annual covered salary. The County is required to contribute at an actuarially determined rate.

Annual Pension Cost and Net Pension Obligation

The County's annual pension cost was as follows:

	2012	2013
Annual required contribution	$ 1,101,553	$ 1,127,281
Interest on net pension obligation	(18,284)	(5,409)
Annual pension cost	$ 1,083,269	$ 1,121,872

The County's net pension obligation for the pension plan for the current year was as follows:

Annual pension cost	$ 1,121,872
Actual contributions to Plan	1,016,616
Increase in net pension obligation	105,256
Net pension obligation as of June 30, 2012	491,046
Net pension obligation as of June 30, 2013	$ 596,302

Trend Information

Fiscal Year Beginning	Annual Pension Cost (APC)	Actual County Contribution	Percentage of APC Contributed	Net Pension Obligation
7/1/2010	$ 955,234	$ 788,307	82.5%	$ 565,202
7/1/2011	1,083,269	790,250	73.0%	398,275
7/1/2012	1,121,872	1,016,616	90.6%	105,256

NOTE J – DEFINED BENEFIT PENSION PLANS (CONTINUED)

Actuarial Valuation Information	
Current valuation date	July 1, 2012
Actuarial cost method	Entry Age Normal
Actuarial asset valuation method	Five year average fair market value
Amortization method	Level percent of payroll (closed)
Remaining amortization period	30 years
Actuarial assumptions:	
Investment rate of return	8.5%
Projected salary increases	3.0%
Expected annual inflation	4.0%

NOTE K – OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The County maintains a single employer post-employment defined benefit plan which was required by GASB 45 and implemented prospectively, The Liberty County Other Post-Employment Benefits Plan ("the OPEB Plan"). Employees hired prior to April 7, 2009 are eligible to retire and continue medical coverage if they retire with benefits under the County's Retirement Plan either (1) upon reaching at least age 62 with 10 years of service, (2) as a disability retirement (at least age 50 with 10 years of service and permanent and total disability), or (3) with unreduced benefits commencing on or after age 55 until the rule of 80. Retiree coverage is provided for the lifetime of the participant. Upon death of an eligible retiree with a covered dependent, the surviving dependent may extend coverage for up to 36 months at the COBRA rate. Separate publicly available financial statements are not issued for the OPEB Plan.

The General Fund pays the total monthly cost of the post-retirement coverage. The cost of coverage by the County effective at the year ended June 30, 2013 is at the single coverage rate of $453.97 per month, independent of which plan is elected (HMO or PPO) and independent of whether single or family coverage is elected. The insurance premiums are paid by the County on a pay-as-you-go basis. The cost to the County for the health care and life insurance premiums in a fiscal year 2013 was $272,382 and $3,360, respectively, for 50 retirees.

As of the most recent valuation date, July 1, 2012, the funded status of the plan was as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	UUAL as a Percentage of Covered Payroll
7/1/2012	$ -	$ 15,893,813	$15,983,813	-	N/A	N/A

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

NOTE K – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Membership in the OPEB Plan as of the most recent actuarial valuation date (July 1, 2012) was as follows:

Active participants	248
Retirees and beneficiaries	50
	298

Annual OPEB Cost and Net OPEB Obligation

The County contributed $297,834 to the OPEB Plan in the year ended June 30, 2013. The annual required contribution amount is determined using actuarial methods and assumptions approved by the County Commission. The County Commission establishes and may amend the funding policy for the OPEB Plan.

	2012	2013
Annual required employer contribution	$ 1,725,124	$ 1,834,136
Interest on OPEB obligation	158,469	215,871
Adjustment to annual required contribution	(229,108)	(312,096)
Annual pension cost	1,654,485	1,737,911
Employer contributions	219,438	297,834
Increase in net OPEB obligation	1,435,047	1,440,077
Net OPEB obligation as of June 30, 2012	3,961,735	5,396,782
Net OPEB obligation as of June 30, 2013	$ 5,396,782	$ 6,836,859

Trend Information

Fiscal Year Ending	Annual OPEB Cost (APC)	Percentage of APC Contributed	Net OPEB Obligation
6/30/2011	$ 1,578,398	12.8%	$ 3,961,735
6/30/2012	1,654,485	13.3%	5,396,782
6/30/2013	1,737,911	17.1%	6,836,859

NOTE K – OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions

Actuarial valuations involve estimates of the value of reported amount and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continued revision as results are compared to the past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the plan in effect at July 1, 2012. The assumptions used in the July 1, 2012 actuarial valuation are as follows:

Actuarial Valuation Information	
Current valuation date	July 1, 2012
Actuarial cost method	Unit credit
Actuarial asset valuation method	Market value
Amortization method	Level percent of payroll (closed)
Remaining amortization period	30 years
Actuarial assumptions:	
Discount rate	4.0%
Inflation rate	2.5%

NOTE L – 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 County carries commercial insurance. The County purchases commercial insurance to cover property and professional liability claims.

The County participates in the Georgia Municipal Association Workers' Compensation Self-Insurance Fund (GMAWCSIF), a risk management agency created under Georgia law. As a participant in the GMAWCSIF, the County has no legal obligation to pay its own workers' compensation claims. The County is required to make an annual contribution to the fund in an amount that is determined on the basis of actuarial projection of losses. With payment of the County's annual contribution, the County has effectively transferred the risk and responsibility for payment of its workers' compensation claims. However, the enabling statute creating the GMAWCSIF permits the fund to levy an assessment upon its members to make up any deficiency they may have in surplus or reserves. No amount has been recorded in the financial statements for the contingency, as management believes the likelihood for assessment is remote.

There were no significant reductions of insurance coverage compared to the prior year. Settled claims in the past three years have not exceeded the coverages.

NOTE M – COMMITMENTS AND CONTINGENCIES

Litigation

The County is involved in a number of legal matters, which have or could result in litigation. The nature of the lawsuits varies considerably. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the County.

Contractual Commitments

At June 30, 2013, in addition to the liabilities enumerated on the balance sheet, the County also had contractual commitments on uncompleted construction contracts in the amount of approximately $724,824 for the completion of the County's East End Annex and various other projects.

Grant Contingencies

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, management of the County believes such disallowances, if any, will not be significant.

NOTE N – RELATED ORGANIZATIONS

The County's governing council is responsible for all of the board appointments of the Liberty County Industrial Authority. However, the Liberty County Commission's powers with respect to the Liberty County Industrial Authority do not extend beyond these appointments and, accordingly, the County has no financial accountability for the Liberty County Industrial Authority.

NOTE O – JOINT VENTURE

South Georgia Regional Development Center

Under Georgia law, the County, in conjunction with other cities and counties in the 10-county coastal Georgia region, is a member of the Coastal Regional Commission of Georgia (CRC) and is required to pay annual dues thereto. During its year ended June 30, 2012, the County paid $21,273 in such dues. Membership in the regional commission is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the CRC in Georgia. The CRC 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 an RC. Separate financial statements may be obtained from the Coastal Regional Commission, 127 F Street, Brunswick, Georgia 31520.

NOTE P – HOTEL/MOTEL TAX

The County has imposed a 5% hotel/motel tax on lodging facilities within the County. Revenues collected during the fiscal year ended June 30, 2012, were $1,644. This entire amount was paid to the Liberty County Chamber of Commerce to promote tourism within Liberty County.

NOTE Q – DEFICIT FUND BALANCES / NET POSITION

The Multiple Grant Fund reported a deficit fund balance of $29,465; the Recreation Fund reported a deficit fund balance of $239,696; Record Service Center reported a deficit fund balance of $1,665; Liberty County Projects Corporation reported a deficit fund balance of $31,891; Capital Projects Fund reported a deficit fund balances of $306,981; Wright Army Airfield Grant Fund reported a deficit fund balance of $209,602; Water Project Fund reported a deficit fund balance of $54,743; and the Solid Waste Fund reported a deficit net position of $3,145,434 at June 30, 2013. The Capital Projects Fund, Wright Army Airfield Grant Fund, Water Project Fund and the Multiple Grant Fund deficits are intended to be eliminated through increased transfers from the General Fund and additional grant revenues. The Recreation Fund, Records Service Center Fund, and the Liberty County Projects Corporation deficits are intended to be eliminated through increased transfers from the General Fund. The Solid Waste Fund deficit is intended to be eliminated through increases in charges.

NOTE R – OPERATING LEASES

The County leases equipment under operating lease agreements. The rental expense was $12,142 during the fiscal year ended June 30, 2013. The following is a schedule by years of future minimum rental payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of June 30, 2013:

Year Ending June 30,		
2014	$	5,094
Total minimum lease payments	$	5,094

Required Supplementary Information

SCHEDULE OF FUNDING PROGRESS
DEFINED BENEFIT RETIREMENT PLAN

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UUAL as a Percentage of Covered Payroll (b-a)/c)
7/1/2012	$ 13,886,519	$ 23,345,404	$ 9,458,885	59.5	$ 11,855,232	79.8%
7/1/2011	12,996,032	22,020,668	9,024,636	59.0	11,785,415	76.6%
7/1/2010	10,740,357	18,905,723	8,165,366	56.8	11,770,926	69.4%
7/1/2009	10,787,258	17,397,489	6,610,231	62.0	11,959,009	55.3%
7/1/2008	10,746,539	16,591,518	5,844,979	64.8	11,939,422	49.0%
7/1/2007	9,688,155	12,491,704	2,803,549	77.6	10,847,316	25.8%
7/1/2006	8,519,662	10,637,325	2,117,663	80.1	8,294,061	25.5%
7/1/2005	7,439,098	9,507,719	2,068,621	78.2	8,446,192	24.5%

SCHEDULE OF FUNDING PROGRESS
OTHER POST-EMPLOYMENT BENEFIT PLAN

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	UUAL as a Percentage of Covered Payroll
7/1/2012	$ -	$ 15,893,813	$ 15,983,813	-	N/A	N/A
7/1/2011	-	13,853,841	13,853,841	-	N/A	N/A
7/1/2010	-	1,228,143	1,228,143	-	N/A	N/A
7/1/2009	-	11,580,261	11,580,261	-	N/A	N/A

The assumptions used in the preparation of the above schedules are disclosed in Notes J and K to the financial statements.

Supplementary Information
Combining and Individual Fund
Statements and Schedules

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Liberty County Projects Corporation Fund is used to account for the receipt of rental funds from the Georgia Department of Human Resources (DHR) that are used to pay maintenance cost and amortize debt incurred in the construction of a DHR building.

Law Library Fund is used to account for the resources received from the various courts of Liberty County and disbursements for the support of centralized law library.

Confiscated Assets Fund is used to account for cash received either as a result of a cash confiscation or cash received from a sale of capital assets acquired from a drug raid.

Jail Fund is used to account for revenues collected by the imposition of a 10% add-on fine as provided for by the Georgia Jail Construction and Staffing Act.

DARE Fund is used to account for donations and other proceeds restricted for County DARE projects.

E-911 System Fund is used to account for the County's emergency communications operations by providing an open channel between citizens and public safety providers.

Victim Witness Assistance Fund is used to account for the County's activities related to witnesses in legal proceedings.

Juvenile Services Fund is used to account for the County's funds collected for the support of juvenile services in the County.

Jail Commissary Fund is used to account for the proceeds of the jail inmate commissary sales.

Multiple Grant Fund is used to account for grant revenues and expenditures for various short lived projects.

Child Support Recovery Fund is used to account for activities related to the enforcement of child support payments.

Recreation Fund is used the account for the County's recreational activities.

Records Service Center Fund is used to account for funds received and expenditures incurred related to the housing of records by the County.

Hotel/Motel Fund is used to account for funds collected from the hotel/motel tax and disbursed to other agencies for the promotion of tourism.

Technology Fund is used to account for funds received from the various courts of Liberty County and disbursements for the support of a centralized law library.

CAPITAL PROJECTS FUNDS

Special Purpose Local Option Sales Tax II Fund is used to account for the proceeds of a 1% Special Purpose Local Option Sales Tax. Funds are used for: road and drainage improvements; hospital projects; public safety projects; recreation projects; public building projects; County administration projects; and debt service.

Special Purpose Local Option Sales Tax III Fund is used to account for the proceeds of a 1% Special Purpose Local Option Sales Tax. Funds are used for: road and drainage improvements; public safety projects; technical school projects; recreation projects; public building projects; County administration projects; debt service; and other City projects within Liberty County.

Capital Projects Fund is used to account for general appropriations and expenditures related to various County construction projects.

Wright Army Airfield Grant Fund is used to account for grant receipts and expenditures related to construction of the Wright Army Airfield project.

Water Project Fund is used to account for grant receipts and expenditures related to the construction of the County's new water system.

LIBERTY COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2013

	Special Revenue Funds				
	Liberty County Projects Corporation	Law Library Fund	Confiscated Assets Fund	Jail Fund	DARE Fund
ASSETS					
Cash and cash equivalents	$ 35,011	$ 55,506	$ 68,884	$ 13,733	$ 54,434
Investments	-	-	-	-	-
Accounts receivable	-	-	-	116,788	1,405
Due from other governments	-	-	-	-	-
Due from other funds	-	-	-	-	-
Total assets	$ 35,011	$ 55,506	$ 68,884	$ 130,521	$ 55,839
LIABILITIES					
Accounts payable	$ -	$ -	$ -	$ -	$ -
Retainage payable	-	-	-	-	-
Accrued expenses	-	-	-	-	-
Due to other funds	66,902	-	-	122	1,626
Advance from other funds	-	-	-	-	-
Total liabilities	66,902	-	-	122	1,626
FUND BALANCES					
Restricted for:					
Judicial	-	55,506	-	-	-
Public safety	-	-	68,884	130,399	54,213
Capital outlay	-	-	-	-	-
Committed to:					
Judicial	-	-	-	-	-
Assigned to:					
Public safety - jail	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unassigned	(31,891)	-	-	-	-
Total fund balances	(31,891)	55,506	68,884	130,399	54,213
Total liabilities and fund balances	$ 35,011	$ 55,506	$ 68,884	$ 130,521	$ 55,839

(Continued)

See independent auditors' report.

LIBERTY COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
June 30, 2013

	Special Revenue Funds				
	E-911 System Fund	Victim Witness Assistance Fund	Juvenile Services Fund	Jail Commissary Fund	Multiple Grant Fund
(Continued)					
ASSETS					
Cash and cash equivalents	$ 33,243	$ 308,988	$ 5,920	$ 159,382	$ 69,301
Investments	-	301,711	-	-	-
Accounts receivable	402,867	17,945	-	-	-
Due from other governments	-	-	-	-	323,533
Due from other funds	-	373	-	-	-
Total assets	$ 436,110	$ 629,017	$ 5,920	$ 159,382	$ 392,834
LIABILITIES					
Accounts payable	$ 11,580	$ 4,872	$ 1,870	$ -	$ 56,273
Retainage payable	-	-	-	-	-
Accrued expenses	18,646	919	-	-	909
Due to other funds	19,453	-	944	-	365,117
Advance from other funds	-	-	-	-	-
Total liabilities	49,679	5,791	2,814	-	422,299
FUND BALANCES					
Restricted for:					
Judicial	-	-	-	-	-
Public safety	386,431	623,226	3,106	(21,651)	-
Capital outlay	-	-	-	-	-
Committed to:					
Judicial	-	-	-	-	-
Assigned to:					
Public safety - jail	-	-	-	181,033	-
Capital outlay	-	-	-	-	-
Unassigned	-	-	-	-	(29,465)
Total fund balances	386,431	623,226	3,106	159,382	(29,465)
Total liabilities and fund balances	$ 436,110	$ 629,017	$ 5,920	$ 159,382	$ 392,834

(Continued)

See independent auditors' report.

LIBERTY COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
June 30, 2013

	Special Revenue Funds				
	Child Support Recovery Fund	Recreation Fund	Records Service Center Fund	Hotel/ Motel Fund	Technology Fund
(Continued)					
ASSETS					
Cash and cash equivalents	$ 207,904	$ 34,109	$ 3,945	$ -	$ 19,272
Investments	-	-	-	-	-
Accounts receivable	497,544	-	15,703	-	-
Due from other governments	-	-	-	-	-
Due from other funds	-	-	1,363	-	-
Total assets	$ 705,448	$ 34,109	$ 21,011	$ -	$ 19,272
LIABILITIES					
Accounts payable	$ 36,004	$ 7,604	$ 3,218	$ -	$ -
Retainage payable	-	-	-	-	-
Accrued expenses	22,886	9,557	965	-	-
Due to other funds	226,204	-	18,493	-	-
Advance from other funds	-	256,644	-	-	-
Total liabilities	285,094	273,805	22,676	-	-
FUND BALANCES					
Restricted for:					
Judicial	420,354	-	-	-	-
Public safety	-	-	-	-	-
Capital outlay	-	-	-	-	-
Committed to:					
Judicial	-	-	-	-	19,272
Assigned to:					
Public safety - jail	-	-	-	-	-
Capital outlay	-	-	-	-	-
Unassigned	-	(239,696)	(1,665)	-	-
Total fund balances	420,354	(239,696)	(1,665)	-	19,272
Total liabilities and fund balances	$ 705,448	$ 34,109	$ 21,011	$ -	$ 19,272

(Continued)

See independent auditors'report.

LIBERTY COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
June 30, 2013

(Continued)	Capital Projects Funds					
	Special Purpose Local Option Sales Tax II	Special Purpose Local Option Sales Tax III	Capital Projects Fund	Wright Army Airfield Grant Fund	Water Project Fund	Total Nonmajor Governmental Funds
ASSETS						
Cash and cash equivalents	$ 375,491	$ 315,201	$ 52,109	$ 325	$ 100	$ 1,812,858
Investments	-	-	-	-	-	301,711
Accounts receivable	-	-	-	-	-	1,052,252
Due from other governments	-	-	-	12,160	-	335,693
Due from other funds	-	-	-	-	-	1,736
Total assets	$ 375,491	$ 315,201	$ 52,109	$ 12,485	$ 100	$ 3,504,250
LIABILITIES						
Accounts payable	$ -	$ 23,254	$ 85,246	$ -	$ -	$ 229,921
Retainage payable	-	-	78,690	-	-	78,690
Accrued expenses	-	-	-	-	211	54,093
Due to other funds	-	43,407	195,154	222,087	54,632	1,214,141
Advance from other funds	-	-	-	-	-	256,644
Total liabilities	-	66,661	359,090	222,087	54,843	1,833,489
FUND BALANCES						
Restricted for:						
Judicial	-	-	-	-	-	475,860
Public safety	-	-	-	-	-	1,244,608
Capital outlay	375,491	248,540	-	-	-	624,031
Committed to:						
Judicial	-	-	-	-	-	19,272
Assigned to:						
Public safety - jail	-	-	-	-	-	181,033
Capital outlay	-	-	-	-	-	-
Unassigned	-	-	(306,981)	(209,602)	(54,743)	(874,043)
Total fund balances	375,491	248,540	(306,981)	(209,602)	(54,743)	1,670,761
Total liabilities and fund balances	$ 375,491	$ 315,201	$ 52,109	$ 12,485	$ 100	$ 3,504,250

See independent auditors' report.

LIBERTY COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2013

	Special Revenue Funds				
	Liberty County Projects Corporation	Law Library Fund	Confiscated Assets Fund	Jail Fund	DARE Fund
REVENUES					
Other taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeitures	-	68,460	97,502	350,464	47,033
Interest income	-	1	10	62	9
Other revenues	420,128	-	-	-	-
Total revenues	420,128	68,461	97,512	350,526	47,042
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Judicial	-	81,333	-	-	-
Public safety	-	-	53,420	332,370	-
Public works	-	-	-	-	-
Health and welfare	43,584	-	-	-	7,000
Culture and recreation	-	-	-	-	-
Economic development	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	144,928	-	-	-	-
Interest	232,090	-	-	-	-
Total expenditures	420,602	81,333	53,420	332,370	7,000
Excess (deficiency) of revenues over (under) expenditures	(474)	(12,872)	44,092	18,156	40,042
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
Net change in fund balances	(474)	(12,872)	44,092	18,156	40,042
Fund balances, beginning of year	(31,417)	68,378	24,792	112,243	14,171
Fund balances, end of year	$ (31,891)	$ 55,506	$ 68,884	$ 130,399	$ 54,213

(Continued)

See accompanying notes to financial statements.

LIBERTY COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
For the Year Ended June 30, 2013

	Special Revenue Funds				
	E-911 System Fund	Victim Witness Assistance Fund	Juvenile Services Fund	Jail Commissary Fund	Multiple Grant Fund
(Continued)					
REVENUES					
Other taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	3,242	-	435,409
Charges for services	1,240,352	300,124	-	110,255	-
Fines and forfeitures	-	34,714	1,675	-	16,972
Interest income	272	3,401	3	-	-
Other revenues	-	-	-	-	-
Total revenues	1,240,624	338,239	4,920	110,255	452,381
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Judicial	-	300,444	-	-	196,057
Public safety	1,648,715	-	9,242	131,906	30,516
Public works	-	-	-	-	-
Health and welfare	-	-	-	-	98,917
Culture and recreation	-	-	-	-	-
Economic development	-	-	-	-	82,955
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	1,648,715	300,444	9,242	131,906	408,445
Excess (deficiency) of revenues over (under) expenditures	(408,091)	37,795	(4,322)	(21,651)	43,936
OTHER FINANCING SOURCES (USES)					
Transfers in	408,022	-	-	-	-
Transfers out	-	-	-	-	-
Sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	408,022	-	-	-	-
Net change in fund balances	(69)	37,795	(4,322)	(21,651)	43,936
Fund balances, beginning of year	386,500	585,431	7,428	181,033	(73,401)
Fund balances, end of year	$ 386,431	$ 623,226	$ 3,106	$ 159,382	$ (29,465)

(Continued)

See independent auditors' report.

LIBERTY COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
For the Year Ended June 30, 2013

	Special Revenue Funds				
	Child Support Recovery Fund	Recreation Fund	Records Service Center Fund	Hotel/ Motel Fund	Technology Fund
(Continued)					
REVENUES					
Other taxes	$ -	$ -	$ -	$ 1,893	$ -
Intergovernmental	1,770,081	-	-	-	-
Charges for services	-	311,472	186,116	-	-
Fines and forfeitures	-	-	-	-	-
Interest income	161	-	10	-	3
Other revenues	-	21,500	-	-	6,786
Total revenues	1,770,242	332,972	186,126	1,893	6,789
EXPENDITURES					
Current:					
General government	-	-	187,217	-	-
Judicial	1,560,239	-	-	-	5,486
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	1,490,326	-	-	-
Economic development	-	-	-	1,893	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	1,560,239	1,490,326	187,217	1,893	5,486
Excess (deficiency) of revenues over (under) expenditures	210,003	(1,157,354)	(1,091)	-	1,303
OTHER FINANCING SOURCES (USES)					
Transfers in	-	1,157,475	-	-	-
Transfers out	-	-	-	-	-
Sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	-	1,157,475	-	-	-
Net change in fund balances	210,003	121	(1,091)	-	1,303
Fund balances, beginning of year	210,351	(239,817)	(574)	-	17,969
Fund balances, end of year	$ 420,354	$ (239,696)	$ (1,665)	$ -	$ 19,272

(Continued)

See independent auditors' report.

LIBERTY COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
For the Year Ended June 30, 2013

(Continued)	Capital Projects Funds					
	Special Purpose Local Option Sales Tax II	Special Purpose Local Option Sales Tax III	Capital Projects Fund	Wright Army Airfield Grant Fund	Water Project Fund	Total Nonmajor Governmental Funds
REVENUES						
Other taxes	$ -	$ -	$ -	$ -	$ -	$ 1,893
Intergovernmental	-	-	-	65,022	10,000	2,283,754
Charges for services	-	-	-	-	-	2,148,319
Fines and forfeitures	-	-	-	-	-	616,820
Interest income	198	367	91	-	-	4,588
Other revenues	-	-	-	-	-	448,414
Total revenues	198	367	91	65,022	10,000	5,503,788
EXPENDITURES						
Current:						
General government	-	-	-	-	-	187,217
Judicial	-	-	-	-	-	2,143,559
Public safety	-	-	-	-	-	2,206,169
Public works	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	149,501
Culture and recreation	-	-	-	-	-	1,490,326
Economic development	-	-	-	-	-	84,848
Capital outlay	-	462,606	774,890	18,110	64,743	1,320,349
Debt service:						
Principal	-	-	-	-	-	144,928
Interest	-	-	-	-	-	232,090
Total expenditures	-	462,606	774,890	18,110	64,743	7,958,987
Excess (deficiency) of revenues over (under) expenditures	198	(462,239)	(774,799)	46,912	(54,743)	(2,455,199)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	6,036	-	1,571,533
Transfers out	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	6,036	-	1,571,533
Net change in fund balances	198	(462,239)	(774,799)	52,948	(54,743)	(883,666)
Fund balances, beginning of year	375,293	710,779	467,818	(262,550)	-	2,554,427
Fund balances, end of year	$ 375,491	$ 248,540	$ (306,981)	$ (209,602)	$ (54,743)	$ 1,670,761

See independent auditors' report.

LIBERTY COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
LIBERTY COUNTY PROJECTS CORPORATION
For the Year Ended June 30, 2013

	Original Budget	Final Amended Budget	Actual	Variance
REVENUES				
Other taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest income	-	-	-	-
Other revenues	-	-	420,128	420,128
Total revenues	-	-	420,128	420,128
EXPENDITURES				
Current:				
General governement	-	-	-	-
Judicial	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	43,584	43,584	43,584	-
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	142,871	142,871	144,928	(2,057)
Interest	234,147	234,147	232,090	2,057
Total expenditures	420,602	420,602	420,602	-
Excess (deficiency) of revenues over (under) expenditures	(420,602)	(420,602)	(474)	420,128
OTHER FINANCING SOURCES (USES)				
Transfers in	420,601	420,601	-	(420,601)
Transfers out	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources (uses)	420,601	420,601	-	(420,601)
Net change in fund balances	(1)	(1)	(474)	(473)
Fund balances, beginning of year	(31,417)	(31,417)	(31,417)	-
Fund balances, end of year	$ (31,418)	$ (31,418)	$ (31,891)	$ (473)

See independent auditors' report.

LIBERTY COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
DARE FUND
For the Year Ended June 30, 2013

	Original Budget	Final Amended Budget	Actual	Variance
REVENUES				
Other taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	56,000	56,000	47,033	(8,967)
Interest income	-	-	9	9
Other revenues	-	-	-	-
Total revenues	56,000	56,000	47,042	(8,958)
EXPENDITURES				
Current:				
General governement	-	-	-	-
Judicial	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	56,000	56,000	7,000	49,000
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	56,000	56,000	7,000	49,000
Excess (deficiency) of revenues over (under) expenditures	-	-	40,042	40,042
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	40,042	40,042
Fund balances, beginning of year	14,171	14,171	14,171	-
Fund balances, end of year	$ 14,171	$ 14,171	$ 54,213	$ 40,042

See independent auditors' report.

LIBERTY COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
JAIL FUND
For the Year Ended June 30, 2013

	Original Budget	Final Amended Budget	Actual	Variance
REVENUES				
Other taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	360,000	360,000	350,464	(9,536)
Interest income	-	-	62	62
Other revenues	-	-	-	-
Total revenues	360,000	360,000	350,526	(9,474)
EXPENDITURES				
Current:				
General governement	-	-	-	-
Judicial	-	-	-	-
Public safety	360,000	360,000	332,370	27,630
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	360,000	360,000	332,370	27,630
Excess (deficiency) of revenues over (under) expenditures	-	-	18,156	18,156
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	18,156	18,156
Fund balances, beginning of year	112,243	112,243	112,243	-
Fund balances, end of year	$ 112,243	$ 112,243	$ 130,399	$ 18,156

LIBERTY COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
E-911 FUND
For the Year Ended June 30, 2013

	Original Budget	Final Amended Budget	Actual	Variance
REVENUES				
Other taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Charges for services	960,900	960,900	1,240,352	279,452
Fines and forfeitures	-	-	-	-
Interest income	233	233	272	39
Other revenues	-	-	-	-
Total revenues	961,133	961,133	1,240,624	279,491
EXPENDITURES				
Current:				
General governement	-	-	-	-
Judicial	-	-	-	-
Public safety	1,711,133	1,711,133	1,648,715	62,418
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	1,711,133	1,711,133	1,648,715	62,418
Excess (deficiency) of revenues over (under) expenditures	(750,000)	(750,000)	(408,091)	341,909
OTHER FINANCING SOURCES (USES)				
Transfers in	750,000	750,000	408,022	(341,978)
Transfers out	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources (uses)	750,000	750,000	408,022	(341,978)
Net change in fund balances	-	-	(69)	(69)
Fund balances, beginning of year	386,500	386,500	386,500	-
Fund balances, end of year	$ 386,500	$ 386,500	$ 386,431	$ (69)

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LIBERTY COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
VICTIM WITNESS ASSISTANCE FUND
For the Year Ended June 30, 2013

	Original Budget	Final Amended Budget	Actual	Variance
REVENUES				
Other taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Charges for services	228,522	228,522	300,124	71,602
Fines and forfeitures	-	-	34,714	34,714
Interest income	-	-	3,401	3,401
Other revenues	-	-	-	-
Total revenues	228,522	228,522	338,239	109,717
EXPENDITURES				
Current:				
General governement	-	-	-	-
Judicial	228,522	228,522	300,444	(71,922)
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	228,522	228,522	300,444	(71,922)
Excess (deficiency) of revenues over (under) expenditures	-	-	37,795	37,795
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	37,795	37,795
Fund balances, beginning of year	585,431	585,431	585,431	-
Fund balances, end of year	$ 585,431	$ 585,431	$ 623,226	$ 37,795

See independent auditors' report.

LIBERTY COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
JUVENILE SERVICES FUND
For the Year Ended June 30, 2013

	Original Budget	Final Amended Budget	Actual	Variance
REVENUES				
Other taxes	$ -	$ -	$ -	$ -
Intergovernmental	5,000	5,000	3,242	(1,758)
Charges for services	-	-	-	-
Fines and forfeitures	3,000	3,000	1,675	(1,325)
Interest income	-	-	3	3
Other revenues	-	-	-	-
Total revenues	8,000	8,000	4,920	(3,080)
EXPENDITURES				
Current:				
General governement	-	-	-	-
Judicial	-	-	-	-
Public safety	8,000	8,000	9,242	(1,242)
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	8,000	8,000	9,242	(1,242)
Excess (deficiency) of revenues over (under) expenditures	-	-	(4,322)	(4,322)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	-	-	(4,322)	(4,322)
Fund balances, beginning of year	7,428	7,428	7,428	-
Fund balances, end of year	$ 7,428	$ 7,428	$ 3,106	$ (4,322)

See independent auditors' report.

LIBERTY COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
MULTIPLE GRANT FUND
For the Year Ended June 30, 2013

	Original Budget	Final Amended Budget	Actual	Variance
REVENUES				
Other taxes	$ -	$ -	$ -	$ -
Intergovernmental	683,100	683,100	435,409	(247,691)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	16,972	16,972
Interest income	-	-	-	-
Other revenues	-	-	-	-
Total revenues	683,100	683,100	452,381	(230,719)
EXPENDITURES				
Current:				
General governement	-	-	-	-
Judicial	343,302	343,302	196,057	147,245
Public safety	30,700	30,700	30,516	184
Public works	-	-	-	-
Health and welfare	71,550	71,550	98,917	(27,367)
Culture and recreation	-	-	-	-
Economic development	85,400	85,400	82,955	2,445
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	530,952	530,952	408,445	122,507
Excess (deficiency) of revenues over (under) expenditures	152,148	152,148	43,936	(108,212)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	152,148	152,148	43,936	(108,212)
Fund balances, beginning of year	(73,401)	(73,401)	(73,401)	-
Fund balances, end of year	$ 78,747	$ 78,747	$ (29,465)	$ (108,212)

See independent auditors' report.

LIBERTY COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
CHILD SUPPORT RECOVERY FUND
For the Year Ended June 30, 2013

	Original Budget	Final Amended Budget	Actual	Variance
REVENUES				
Other taxes	$ -	$ -	$ -	$ -
Intergovernmental	1,827,575	1,827,575	1,770,081	(57,494)
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Interest income	-	-	161	161
Other revenues	-	-	-	-
Total revenues	1,827,575	1,827,575	1,770,242	(57,333)
EXPENDITURES				
Current:				
General governement	-	-	-	-
Judicial	1,830,975	1,830,975	1,560,239	270,736
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	1,830,975	1,830,975	1,560,239	270,736
Excess (deficiency) of revenues over (under) expenditures	(3,400)	(3,400)	210,003	213,403
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	(3,400)	(3,400)	210,003	213,403
Fund balances, beginning of year	210,351	210,351	210,351	-
Fund balances, end of year	$ 206,951	$ 206,951	$ 420,354	$ 213,403

See independent auditors' report.

LIBERTY COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
RECREATION FUND
For the Year Ended June 30, 2013

	Original Budget	Final Amended Budget	Actual	Variance
REVENUES				
Other taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Charges for services	337,400	337,400	311,472	(25,928)
Fines and forfeitures	-	-	-	-
Interest income	-	-	-	-
Other revenues	23,000	23,000	21,500	(1,500)
Total revenues	360,400	360,400	332,972	(27,428)
EXPENDITURES				
Current:				
General governement	-	-	-	-
Judicial	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	1,521,686	1,532,339	1,490,326	42,013
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	1,521,686	1,532,339	1,490,326	42,013
Excess (deficiency) of revenues over (under) expenditures	(1,161,286)	(1,171,939)	(1,157,354)	14,585
OTHER FINANCING SOURCES (USES)				
Transfers in	1,161,286	1,171,939	1,157,475	(14,464)
Transfers out	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources (uses)	1,161,286	1,171,939	1,157,475	(14,464)
Net change in fund balances	-	-	121	121
Fund balances, beginning of year	(239,817)	(239,817)	(239,817)	-
Fund balances, end of year	$ (239,817)	$ (239,817)	$ (239,696)	$ 121

See independent auditors' report.

LIBERTY COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
RECORDS SERVICE CENTER FUND
For the Year Ended June 30, 2013

	Original Budget	Final Amended Budget	Actual	Variance
REVENUES				
Other taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Charges for services	207,099	207,099	186,116	(20,983)
Fines and forfeitures	-	-	-	-
Interest income	-	-	10	10
Other revenues	-	-	-	-
Total revenues	207,099	207,099	186,126	(20,973)
EXPENDITURES				
Current:				
General governement	205,165	207,099	187,217	19,882
Judicial	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	205,165	207,099	187,217	19,882
Excess (deficiency) of revenues over (under) expenditures	1,934	-	(1,091)	(1,091)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	1,934	-	(1,091)	(1,091)
Fund balances, beginning of year	(574)	(574)	(574)	-
Fund balances, end of year	$ 1,360	$ (574)	$ (1,665)	$ (1,091)

See independent auditors' report.

Water System Fund is used to account for the activity related to providing water services to citizens of the County.

Revolving Loan Fund is used to account for the grant proceeds that were loaned to businesses for capital improvements with the goal of creating jobs.

LIBERTY COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
June 30, 2013

	Water System Fund	Revolving Loan Fund	Total Nonmajor Enterprise Funds
ASSETS			
Current assets			
Cash and cash equivalents	$ 15,149	$ 59,653	$ 74,802
Accounts receivable, net	-	-	-
Total current assets	15,149	59,653	74,802
Noncurrent assets			
Capital assets:			
Nondepreciable	223,913	-	223,913
Depreciable, net	-	-	-
Total noncurrent assets	223,913	-	223,913
Total assets	239,062	59,653	298,715
LIABILITIES			
Current liabilities			
Accounts payable	-	-	-
Accrued expenses	-	-	-
Customer deposits payable	15,200	-	15,200
Capital lease payable - current portion	-	-	-
Landfill postclosure care costs - current portion	-	-	-
Compensated absences - current portion	-	-	-
Total current liabilities	15,200	-	15,200
Noncurrent liabilities			
Advances from other funds	-	-	-
Capital lease payable - long-term portion	-	-	-
Landfill postclosure care costs - long-term portion	-	-	-
Compensated absences - long-term portion	-	-	-
Total noncurrent liabilities	-	-	-
Total liabilities	15,200	-	15,200
NET POSITION			
Invested in capital assets, net of related debt	223,913	-	223,913
Unrestricted	(51)	59,653	59,602
Total net position	$ 223,862	$ 59,653	$ 283,515

LIBERTY COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
For the Year Ended June 30, 2013

	Water System Fund	Revolving Loan Fund	Total Nonmajor Enterprise Funds
OPERATING REVENUES			
Charges for services	$ -	$ -	$ -
Miscellaneous	-	-	-
Total operating revenues	-	-	-
OPERATING EXPENSES			
Personnel costs	-	-	-
Cost of sales and service	-	-	-
Supplies	-	-	-
Administration	10	-	10
Depreciation expense	-	-	-
Total operating expenses	10	-	10
Operating income (loss)	(10)	-	(10)
NONOPERATING INCOME (EXPENSE)			
Intergovernmental	-	-	-
Interest expense	-	-	-
Interest income	3	30	33
Total nonoperating income (expense)	3	30	33
Income (loss) before contributions	(7)	30	23
CAPITAL CONTRIBUTIONS	45,065	-	45,065
Change in net position	45,058	30	45,088
Net position, beginning of year	178,804	59,623	238,427
Net position, end of year	$ 223,862	$ 59,653	$ 283,515

See independent auditors' report.

LIBERTY COUNTY, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Year Ended June 30, 2013

	Water System Fund	Revolving Loan Fund	Total Nonmajor Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITES			
Receipts from customers and users	$ 3,800	$ -	$ 3,800
Payments to suppliers	(10)	-	(10)
Net cash provided by operating activities	3,790	-	3,790
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES			
Intergovernmental revenue	-	-	-
Net cash provided by noncapital and related financing activities	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Interest paid	-	-	-
Net cash used in capital and related financing activities	-	-	-
CASH FLOWS FROM INVESTING ACTIVITES			
Interest received	3	30	33
Net cash provided by investing activities	3	30	33
Net change in cash and cash equivalents	3,793	30	3,823
Cash and cash equivalents, beginning of year	11,356	59,623	70,979
Cash and cash equivalents, end of year	$ 15,149	$ 59,653	$ 74,802
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	$ (10)	$ -	$ (10)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Change in assets and liabilities:			
Increase (decrease) in:			
Customer deposits payable	3,800	-	3,800
Net cash provided by operating activities	$ 3,790	$ -	$ 3,790
Noncash investing, capital and financing activities:			
Capital assets contributed from other funds	$ 45,065	$ -	$ 45,065
Net noncash investing, capital and financing activities	$ 45,065	$ -	$ 45,065

See independent auditors' report.

LIBERTY COUNTY, GEORGIA
AGENCY FUNDS
For the Year Ended June 30, 2013

Clerk of Count and **Probate Court** – These funds are used to account for fines, fees, and other moneys collected by the courts and remitted to other parties in accordance with court orders and state law.

Tax Commissioner – This fund is used to account for all real, personal and intangible taxes collected and forwarded to the County and other government units.

Jail Inmate – This fund accounts for jail inmate funds while in custody, and for the purchase of items from the Jail Commissary and related activities on behalf of inmates and the correctional institution.

Child Support Receiver Fund – This fund is used to account for payments collected for child support that are paid to or due to the state.

LIBERTY COUNTY, GEORGIA
COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2013

	Clerk of Court	Probate Court	Tax Commissioner	Jail Inmate	Child Support Receiver	Total Agency Funds
ASSETS						
Cash	$ 626,583	$ 11,207	$ 193,904	$ 12,311	$ -	$ 844,005
Investments	-	331,018	-	-	-	331,018
Taxes Recievable	-	-	5,740,713	-	-	5,740,713
Other Receivables	-	-	24,500	-	-	24,500
Total assets	$ 626,583	$ 342,225	$ 5,959,117	$ 12,311	$ -	$ 6,940,236
LIABILITIES						
Due to others	$ 626,583	$ 342,225	$ 218,404	$ 12,311	$ -	$ 1,199,523
Uncollected taxes	-	-	5,740,713	-	-	5,740,713
Total liabilities	$ 626,583	$ 342,225	$ 5,959,117	$ 12,311	$ -	$ 6,940,236

See independent auditors' report.

LIBERTY COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
For the Year Ended June 30, 2013

	Balance June 30, 2012	Increases	Decreases	Balance June 30, 2013
CLERK OF COURT:				
ASSETS				
Cash	$ 555,106	$ 283,234	$ 211,757	$ 626,583
Total assets	$ 555,106	$ 283,234	$ 211,757	$ 626,583
LIABILITIES				
Due to others	$ 555,106	$ 283,234	$ 211,757	$ 626,583
Total liabilities	$ 555,106	$ 283,234	$ 211,757	$ 626,583
PROBATE COURT:				
ASSETS				
Cash	$ 96,964	$ 188,775	$ 274,532	$ 11,207
Investments	372,565	83,985	125,532	331,018
Total assets	$ 469,529	$ 272,760	$ 400,064	$ 342,225
LIABILITIES				
Due to others	$ 469,529	$ 272,760	$ 400,064	$ 342,225
Total liabilities	$ 469,529	$ 272,760	$ 400,064	$ 342,225
TAX COMMISSIONER:				
ASSETS				
Cash	$ 194,795	$ 51,781,259	$ 51,782,150	$ 193,904
Taxes receivable	3,430,542	13,883,739	11,573,568	5,740,713
Other receivables	20,907	73,902	70,309	24,500
Total assets	$ 3,646,244	$ 65,738,900	$ 63,426,027	$ 5,959,117
LIABILITIES				
Due to others	$ 215,702	$ 51,855,161	$ 51,852,459	$ 218,404
Uncollected taxes	3,430,542	13,883,739	11,573,568	5,740,713
Total liabilities	$ 3,646,244	$ 65,738,900	$ 63,426,027	$ 5,959,117

(Continued)

See independent auditors' report.

LIBERTY COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS (CONTINUED)
For the Year Ended June 30, 2013

	Balance June 30, 2012	Increases	Decreases	Balance June 30, 2013
(Continued)				
JAIL INMATE:				
ASSETS				
Cash	$ 15,127	$ 275,209	$ 278,025	$ 12,311
Total assets	$ 15,127	$ 275,209	$ 278,025	$ 12,311
LIABILITIES				
Due to others	$ 15,127	$ 275,209	$ 278,025	$ 12,311
Total liabilities	$ 15,127	$ 275,209	$ 278,025	$ 12,311
CHILD SUPPORT RECEIVER:				
ASSETS				
Cash	$ 4	$ -	$ 4	$ -
Total assets	$ 4	$ -	$ 4	$ -
LIABILITIES				
Due to others	$ 4	$ -	$ 4	$ -
Total liabilities	$ 4	$ -	$ 4	$ -
TOTAL AGENCY FUNDS:				
ASSETS				
Cash	$ 861,996	$ 52,528,477	$ 52,546,468	$ 844,005
Investments	372,565	83,985	125,532	331,018
Taxes receivable	3,430,542	13,883,739	11,573,568	5,740,713
Other receivables	20,907	73,902	70,309	24,500
Total assets	$ 4,686,010	$ 66,570,103	$ 64,315,877	$ 6,940,236
LIABILITIES				
Due to others	$ 1,255,468	$ 52,686,364	$ 52,742,309	$ 1,199,523
Uncollected taxes	3,430,542	13,883,739	11,573,568	5,740,713
Total liabilities	$ 1,255,468	$ 52,686,364	$ 52,742,309	$ 1,199,523

See independent auditors' report.

Statistical Section

LIBERTY COUNTY, GEORGIA
STATISTICAL SECTION
For the Year Ended June 30, 2013

This part of the Liberty County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, required supplementary information, and supplementary information says about the County's overall financial health.

Contents Page No.

Financial Trends 89-93
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity 94-97
These schedules contain information to help the reader assess the County's most significant local revenue sources.

Debt Capacity 98-100
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information 101-104
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information 105-106
These schedules contain services and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the County's financial reports for the relevant year.

Note: Unless otherwise noted, the financial information in these schedules does not include the County's discretely presented component units.

LIBERTY COUNTY, GEORGIA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental Activities										
Invested in capital assets, net of related debt	$ 26,991,491	$ 26,180,482	$ 41,840,464	$ 77,128,581	$ 79,474,988	$ 83,475,829	$ 88,704,661	$ 84,246,053	$ 87,093,080	$ 87,093,080
Restricted	11,918,805	14,192,318	13,554,363	15,651,152	18,912,430	16,884,412	13,461,067	25,646,045	18,454,081	20,592,254
Unrestricted	11,195,129	13,690,269	15,263,160	16,795,945	15,545,791	13,225,589	12,763,174	5,932,517	11,883,706	9,210,743
Total Governmental Activities Net Assets	$ 50,105,425	$ 54,063,069	$ 70,657,987	$ 109,575,678	$ 113,933,209	$ 113,585,830	$ 114,928,902	$ 115,824,615	$ 117,430,867	$ 116,896,077
Business-Type Activities										
Invested in capital assets, net of related debt	$ (280,132)	$ (47,949)	$ 514,728	$ 827,068	$ 1,841,736	$ 1,625,913	$ 1,737,174	$ 1,543,797	$ 1,612,794	$ 1,432,559
Restricted	215,434	215,591	-	-	-	-	-	-	-	-
Unrestricted	(4,201,699)	(4,324,756)	(4,792,630)	(4,798,088)	(5,451,768)	(5,195,951)	(5,319,611)	(4,846,461)	(4,580,052)	(4,294,478)
Total Business-Type Activities	$ (4,266,397)	$ (4,157,114)	$ (4,277,902)	$ (3,971,020)	$ (3,610,032)	$ (3,570,038)	$ (3,582,437)	$ (3,302,664)	$ (2,967,258)	$ (2,861,919)
Primary Government										
Invested in capital assets, net of related debt	$ 26,711,359	$ 26,132,533	$ 42,355,192	$ 77,955,649	$ 81,316,724	$ 85,101,742	$ 90,441,835	$ 85,789,850	$ 88,705,874	$ 88,525,639
Restricted	12,134,239	14,407,909	13,554,363	15,651,152	18,912,430	16,884,412	13,461,067	25,646,045	18,454,081	20,592,254
Unrestricted	6,993,430	9,365,513	10,470,530	11,997,857	10,094,023	8,029,638	7,443,563	1,086,056	7,303,654	4,916,265
Total Primary Government	$ 45,839,028	$ 49,905,955	$ 66,380,085	$ 105,604,658	$ 110,323,177	$ 110,015,792	$ 111,346,465	$ 112,521,951	$ 114,463,609	$ 114,034,158

NOTES:

Amounts presented for fiscal years 2004-2006 have not been adjusted for the effects of prior period adjustments recorded in fiscal year 2007.

The County retroactively reported its major general infrastructure assets in fiscal year 2007.

LIBERTY COUNTY, GEORGIA
CHANGE IN NET POSITION
LAST TEN FISCAL YEARS

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
EXPENSES										
Governmental Activities										
General government	$ 4,092,881	$ 4,482,707	$ 4,347,521	$ 5,338,048	$ 5,768,288	$ 8,041,276	$ 8,347,853	$ 8,947,905	$ 8,095,198	$ 8,728,328
Judicial	2,900,938	3,483,490	3,309,068	5,020,035	5,328,755	5,825,756	5,772,664	5,989,511	6,284,728	7,086,496
Public safety	8,528,204	9,235,443	10,998,568	10,104,143	11,277,490	12,201,599	11,895,580	12,978,450	12,558,519	12,378,186
Public works	2,056,597	4,109,128	2,836,217	4,564,405	4,574,023	7,587,696	6,123,717	4,312,763	7,439,770	4,551,672
Health and welfare	926,878	978,236	817,167	770,607	765,016	744,575	770,039	1,285,612	917,052	843,117
Culture and recreation	1,652,674	1,721,969	1,588,230	1,787,767	505,648	2,352,136	2,100,438	2,194,226	2,293,664	2,385,867
Economic development	374,213	932,689	839,706	921,105	3,557,970	1,817,092	2,368,117	2,415,009	1,653,443	2,067,204
Interest on long-term debt	93,800	392,795	169,940	165,210	153,339	335,821	1,156,147	1,157,779	1,173,220	1,327,079
Total Governmental Activities	20,626,185	25,336,457	24,906,417	28,671,320	31,930,529	38,905,951	38,534,555	39,281,255	40,415,594	39,367,949
Business-Type Activities										
Solid waste	$ 2,290,012	$ 2,266,382	$ 2,373,476	$ 2,625,023	$ 2,454,542	$ 2,596,118	$ 2,517,015	$ 2,491,091	$ 2,626,844	$ 2,758,571
Water system	-	-	-	-	-	-	-	-	45	10
Other services - revolving loan	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	2,290,012	2,266,382	2,373,476	2,625,023	2,454,542	2,596,118	2,517,015	2,491,091	2,626,889	2,758,581
Total Primary Government	$ 22,916,197	$ 27,602,839	$ 27,279,893	$ 31,296,343	$ 34,385,071	$ 41,502,069	$ 41,051,570	$ 41,772,346	$ 43,042,483	$ 42,126,530
PROGRAM REVENUES										
Governmental Activities										
Charges for Services										
General government	$ 729,444	$ 904,756	$ 1,440,583	$ 2,096,176	$ 1,544,903	$ 1,712,778	$ 2,036,854	$ 1,914,424	$ 1,745,743	$ 2,353,145
Judicial	61,967	57,277	266,798	28,500	13,387	7,075	92,815	90,211	87,275	798,424
Public safety	2,887,388	2,916,911	3,080,621	4,474,129	5,083,730	5,522,021	5,274,043	4,882,066	5,102,762	4,795,969
Public works	4,040	-	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-	70,023	462,878
Culture and recreation	213,066	226,705	248,994	252,111	314,525	406,677	330,607	353,905	328,377	311,472
Intergovernmental programs	38,015	31,585	51,069	-	-	-	-	-	-	-
Operating grants and contributions	2,907,584	4,170,691	2,973,020	2,197,698	2,328,958	2,346,027	3,202,434	3,360,004	6,107,686	2,252,768
Capital grants and contributions	1,180,720	562,463	8,840,124	3,638,750	560,441	654,664	956,560	2,043,978	1,205,209	439,097
Total Governmental Activities	8,022,224	8,870,388	16,901,209	12,687,364	9,845,944	10,649,242	11,893,313	12,644,588	14,647,075	11,413,753
Business-Type Activities										
Charges for services	1,389,372	1,870,998	2,135,288	2,200,942	2,398,714	2,324,729	2,486,923	2,747,007	2,774,589	2,818,756
Operating grants and contributions	-	-	-	41,542	1,000	60,443	28,237	23,483	7,646	-
Capital grants and contributions	-	-	-	-	-	-	-	-	16,876	-
Total Business-Type Activities	1,389,372	1,870,998	2,135,288	2,242,484	2,399,714	2,385,172	2,515,160	2,770,490	2,799,111	2,818,756
Total Primary Government	$ 9,411,596	$ 10,741,386	$ 19,036,497	$ 14,929,848	$ 12,245,658	$ 13,034,414	$ 14,408,473	$ 15,415,078	$ 17,446,186	$ 14,232,509
NET PROGRAM (EXPENSE)/REVENUE										
Governmental Activities	$ (12,603,961)	$ (16,466,069)	$ (8,005,208)	$ (15,983,956)	$ (22,084,585)	$ (28,256,709)	$ (26,641,242)	$ (26,636,667)	$ (25,768,519)	$ (27,954,196)
Business-Type Activities	(900,640)	(395,384)	(238,188)	(382,539)	(54,828)	(210,946)	(1,855)	279,399	172,222	60,175
Total Primary Government Net Expense	$ (13,504,601)	$ (16,861,453)	$ (8,243,396)	$ (16,366,495)	$ (22,139,413)	$ (28,467,655)	$ (26,643,097)	$ (26,357,268)	$ (25,596,297)	$ (27,894,021)

(Continued)

LIBERTY COUNTY, GEORGIA
CHANGE IN NET POSITION
LAST TEN FISCAL YEARS

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
GENERAL REVENUES AND OTHER										
CHANGES IN NET POSITION										
Governmental Activities										
Property taxes	$ 10,566,537	$ 10,258,490	$ 11,758,720	$ 12,133,006	$ 13,021,556	$ 14,148,805	$ 14,179,782	$ 13,928,706	$ 13,802,287	$ 15,014,547
Sales taxes	8,780,406	8,987,413	10,150,985	10,886,320	11,218,653	11,520,469	11,845,896	11,738,477	12,072,731	10,707,753
Other taxes	143,142	643,961	706,608	1,356,128	1,402,905	1,694,945	1,714,723	1,847,311	1,595,644	1,720,307
Grants and contributions	-	1,130,608	637,516	-	-	-	-	-	-	-
Investment earnings	273,947	536,970	702,278	996,624	799,002	385,222	57,480	17,886	34,099	9,652
Miscellaneous	153,041	211,771	244,019	-	-	-	-	-	-	-
Gain on sale of capital assets	-	(1,345,500)	-	-	-	-	24,298	-	33,058	12,212
Transfers	-	-	400,000	-	-	159,889	162,135	-	(163,048)	(45,065)
Total Governmental Activities	19,917,073	20,423,713	24,600,126	25,372,078	26,442,116	27,909,330	27,984,314	27,532,380	27,374,771	27,419,406
Business-Type Activities										
Business taxes	911,949	500,000	500,000	500,000	400,000	400,000	150,000	-	-	-
Investment earnings	754	4,667	17,400	52,481	15,816	9,674	1,591	374	136	99
Gain on sale of capital assets	-	-	-	-	-	1,155	-	-	-	-
Transfers	-	-	(400,000)	-	-	(159,889)	(162,135)	-	163,048	45,065
Total Business-Type Activities	912,703	504,667	117,400	552,481	415,816	250,940	(10,544)	374	163,184	45,164
Total Primary Government	$ 20,829,776	$ 20,928,380	$ 24,717,526	$ 25,924,559	$ 26,857,932	$ 28,160,270	$ 27,973,770	$ 27,532,754	$ 27,537,955	$ 27,464,570
CHANGE IN NET POSITION										
Governmental Activities	$ 7,313,112	$ 3,957,644	$ 16,594,918	$ 9,388,122	$ 4,357,531	$ (347,379)	$ 1,343,072	$ 895,713	$ 1,606,252	$ (534,790)
Business-Type Activities	12,063	109,283	(120,788)	169,942	360,988	39,994	(12,399)	279,773	335,406	105,339
Total Primary Government	$ 7,325,175	$ 4,066,927	$ 16,474,130	$ 9,558,064	$ 4,718,519	$ (307,385)	$ 1,330,673	$ 1,175,486	$ 1,941,658	$ (429,451)

NOTES:

Amounts presented for fiscal years 2004-2007 have been restated for the effects of prior period adjustments recorded in fiscal year 2006.

Certain revenues and expenditures presented for fiscal year 2004 have been restated by function, in order to present the information consistent with current functional classifications.

In fiscal year 2004, 100% of the Insurance Premium Tax was recorded in the Solid Waste Fund.

In fiscal year 2004, the late submission of the 2003 tax digest delayed the receipt of the Homeowner's Tax Relief Grant.

In fiscal year 2005, the loss was related to the hospital building that was demolished by the County.

LIBERTY COUNTY, GEORGIA
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Fund										
Reserved	$ 63,863	$ 205,137	$ 279,114	$ 3,680,003	$ 4,472,339	$ 4,513,727	$ 4,531,285	$ -	$ -	$ -
Unreserved	10,176,981	12,930,212	14,745,648	11,979,441	9,681,077	9,528,137	9,426,345	-	-	-
Nonspendable	-	-	-	-	-	-	-	4,338,274	4,358,825	4,198,408
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	9,346,364	12,637,077	12,926,843
Total General Fund	10,240,844	13,135,349	15,024,762	15,659,444	14,153,416	14,041,864	13,957,630	13,684,638	16,995,902	17,125,251
All Other Governmental Funds										
Reserved	158,320	210,491	309,293	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	264,224	217,256	271,198	1,295,581	1,532,007	1,584,572	1,631,618	-	-	-
Capital projects funds	11,432,398	13,559,434	13,181,037	15,651,152	18,912,430	38,201,760	28,480,582	-	-	-
Nonspendable, reported in:										
Special revenue funds	-	-	-	-	-	-	-	9,147	-	-
Restricted, reported in:										
Special revenue funds	-	-	-	-	-	-	-	5,935,991	1,409,294	1,720,468
Capital projects funds	-	-	-	-	-	-	-	19,710,054	17,044,787	15,217,788
Committed, reported in:										
Special revenue funds	-	-	-	-	-	-	-	19,136	17,969	19,272
Assigned, reported in:										
Special revenue funds	-	-	-	-	-	-	-	196,329	181,033	181,033
Capital projects funds	-	-	-	-	-	-	-	500,001	467,818	-
Unassigned, reported in:										
Special revenue funds	-	-	-	-	-	-	-	(242,149)	(345,209)	(302,717)
Capital projects funds	-	-	-	-	-	-	-	(281,242)	(262,550)	(571,326)
Total All Other Governmental Funds	11,854,942	13,987,181	13,761,528	16,946,733	20,444,437	39,786,332	30,112,200	25,847,267	18,513,142	16,264,518
Total All Governmental Funds	$ 22,095,786	$ 27,122,530	$ 28,786,290	$ 32,606,177	$ 34,597,853	$ 53,828,196	$ 44,069,830	$ 39,531,905	$ 35,509,044	$ 33,389,769

NOTES:

Amounts presented for fiscal years 2004-2007 have been restated for the effects of prior period adjustments recorded in fiscal year 2006.

GASB 54 was implemented during fiscal year 2011

LIBERTY COUNTY, GEORGIA
CHANGES IN FUND BALANCES OF GOVERMENTAL FUNDS
LAST TEN FISCAL YEARS

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
REVENUES										
Taxes	$ 18,759,484	$ 21,195,907	$ 22,583,212	$ 24,486,610	$ 25,569,182	$ 26,909,525	$ 27,414,213	$ 27,805,097	$ 27,690,197	$ 27,205,854
Licenses and permits	219,935	335,206	296,667	217,650	222,260	151,781	103,555	178,309	120,297	144,641
Intergovernmental	4,088,304	4,733,154	12,450,660	4,082,602	2,423,194	2,498,558	3,736,209	5,257,824	7,260,881	2,650,422
Charges for services	2,104,708	2,312,353	3,008,620	3,640,381	3,850,930	4,404,214	4,554,839	4,204,153	4,248,088	4,337,098
Fines	1,955,724	1,940,892	1,771,851	2,306,261	2,349,918	2,523,056	2,458,190	2,281,178	2,307,792	2,805,367
Investment earnings	273,947	536,970	702,278	996,624	799,002	385,222	456,488	140,327	55,862	21,401
Miscellaneous	153,040	211,771	232,536	2,440,470	999,642	597,321	641,512	600,683	679,754	1,464,476
Total Revenues	27,555,142	31,266,253	41,045,824	38,170,598	36,214,128	37,469,677	39,365,006	40,467,571	42,362,871	38,629,259
EXPENDITURES										
General Government	3,955,787	4,055,276	4,501,798	5,337,381	5,413,662	5,704,132	5,273,355	5,729,380	5,738,274	6,065,051
Judicial	2,863,197	3,315,280	3,346,181	5,091,873	5,290,308	5,642,955	5,735,116	5,944,242	6,234,481	6,006,579
Public Safety	8,506,868	9,089,373	9,834,654	9,481,481	10,977,630	11,849,767	10,809,864	11,359,082	10,798,915	11,611,923
Public Works	1,524,320	1,514,225	1,615,917	1,651,620	2,791,306	2,132,151	1,720,956	1,792,249	1,811,849	1,889,032
Health and welfare	892,599	940,080	812,109	747,527	756,820	705,568	730,033	1,244,055	5,005,870	665,248
Culture and recreation	1,440,706	1,253,857	1,367,736	1,505,427	1,920,019	1,809,735	1,784,400	1,889,283	1,849,490	1,840,824
Economic development	524,368	940,398	704,091	913,903	2,772,346	1,269,475	1,713,037	1,811,123	1,062,399	982,378
Intergovernmental payments	-	-	-	-	-	-	-	-	2,349,058	1,073,502
Capital outlay	7,444,841	9,223,862	16,519,838	11,265,908	9,335,509	9,213,671	18,618,016	16,488,150	9,175,769	7,983,169
Debt service:										
Principal	400,376	1,379,206	1,288,422	1,442,542	1,533,078	7,844,916	2,874,510	2,395,457	1,289,574	1,426,262
Interest and fees	124,758	409,183	186,328	161,878	131,574	1,280,680	1,137,973	1,128,445	1,103,111	1,216,778
Total Expenditures	27,677,820	32,120,740	40,177,074	37,599,540	40,922,252	47,453,050	50,397,260	49,781,466	46,418,790	40,760,746
Excess (deficiency) of revenues over (under) expenditures	(122,678)	(854,487)	868,750	571,058	(4,708,124)	(9,983,373)	(11,032,254)	(9,313,895)	(4,055,919)	(2,131,487)
OTHER FINANCING SOURCES										
Proceeds from sale of assets	205,072	-	22,410	-	14,120	35,189	-	-	33,058	12,212
Inception of capital lease	61,563	104,298	357,100	-	535,559	378,172	-	-	-	-
Transfers in	1,443,361	1,492,339	2,168,118	2,456,567	2,247,478	2,211,980	1,972,001	2,460,892	2,690,766	1,571,533
Transfers out	(1,443,361)	(1,492,339)	(1,768,118)	(2,456,567)	(2,247,478)	(2,052,091)	(1,809,866)	(2,460,892)	(2,690,766)	(1,571,533)
Issuance of notes payable	-	-	15,500	2,878,972	3,744,784	2,855,466	1,086,228	-	-	-
Settlement proceeds	-	-	-	-	2,405,337	-	25,525	3,931	-	-
Issuance of bonds	-	7,191,933	-	-	-	25,785,000	-	4,772,039	-	-
Early retirement of long-term debt	-	(1,415,000)	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	266,635	5,881,231	795,010	2,878,972	6,699,800	29,213,716	1,273,888	4,775,970	33,058	12,212
Net Change in Fund Balances	$ 143,957	$ 5,026,744	$ 1,663,760	$ 3,450,030	$ 1,991,676	$ 19,230,343	$ (9,758,366)	$ (4,537,925)	$ (4,022,861)	$ (2,119,275)
Debt Service as a Percentage of Noncapital Expenditures	2.7%	8.5%	6.6%	6.5%	5.6%	31.3%	14.5%	11.8%	6.9%	8.8%

NOTES:

Amounts presented for fiscal years 2004-2007 have been restated for the effects of prior period adjustments recorded in fiscal year 2006.

The increase in debt service as a percentage of noncapital expenditures increase in fiscal year 2009 is due to the repayment of the construction loan related to Wright Army Airfield.

LIBERTY COUNTY, GEORGIA

ASSESSED AND ACTUAL VALUE OF TAXABLE PROPERTY (in thousands)

LAST TEN FISCAL YEARS

Fiscal Year	Tax Digest Year	Real Property			Motor Vehicle	Motor Homes	Other Personal Property (1)	Less: Exempt Real Property	Total Taxable Assessed Value	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value	Total Direct Tax Rate
		Residential	Utility Industrial and Commercial	Agricultural								
2004	2003	$ 361,600	$ 124,275	$ 27,117	$ 69,274	$ 19,513	$ 102,325	$ 59,235	$ 644,869	$1,612,173	40.00%	14.615
2005	2004	458,250	148,805	44,242	71,238	21,145	105,525	65,628	783,577	1,958,943	40.00%	13.279
2006	2005	488,563	156,233	37,352	71,261	18,576	110,954	73,763	809,176	2,022,940	40.00%	13.230
2007	2006	533,756	158,726	37,336	71,515	18,505	135,566	82,189	873,215	2,183,038	40.00%	12.684
2008	2007	609,038	285,253	35,473	71,790	14,968	13,129	98,798	930,853	2,327,133	40.00%	12.684
2009	2008	716,353	267,759	51,848	86,750	15,348	157,069	87,096	1,208,031	3,020,078	40.00%	11.980
2010	2009	798,319	316,708	51,694	91,944	15,314	165,519	135,859	1,303,639	3,259,098	40.00%	11.980
2011	2010	800,341	376,430	61,155	84,359	13,632	185,194	198,231	1,322,880	3,307,200	40.00%	11.980
2012	2011	762,729	483,986	54,034	93,513	11,562	194,688	255,123	1,345,389	3,363,473	40.00%	11.980
2013	2012	763,719	417,598	36,870	94,477	9,885	39,549	183,675	1,178,423	2,946,058	40.00%	12.580

SOURCE:

Georgia Department of Revenue Property Tax Division Consolidation Summary

NOTES:

The County assesses property at 40 percent of actual value. Actual taxable value is calculated by dividing assessed value by 40 percent.

(1) Includes timber at 100%

LIBERTY COUNTY, GEORGIA
PROPERTY TAX RATES
LAST TEN TAX DIGEST YEARS

Fiscal Year	Tax Digest Year	County Direct Rate	Overlapping Rates (1)				Total Direct and Overlapping Rates
		Liberty County General Fund	Board of Education	Hospital Authority	Industrial Authority	State of Georgia	
2004	2003	14.615	16.000	2.000	2.000	0.250	34.865
2005	2004	13.279	16.000	2.000	2.000	0.250	33.529
2006	2005	13.230	16.000	2.000	2.000	0.250	33.480
2007	2006	12.684	16.000	1.917	2.000	0.250	32.851
2008	2007	12.684	15.600	3.000	2.000	0.250	33.534
2009	2008	11.980	15.600	3.100	2.000	0.250	32.930
2010	2009	11.980	15.600	3.100	2.000	0.250	32.930
2011	2010	11.980	15.500	3.100	2.000	0.250	32.830
2012	2011	12.580	15.500	3.250	2.000	0.250	33.580
2013	2012	12.580	15.500	3.250	2.000	0.250	33.580

SOURCE:
Office of the Liberty County Tax Commissioner

NOTES:
(1) Overlapping rates are those of the local governments that apply to property owners within Liberty County, Georgia.

LIBERTY COUNTY, GEORGIA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

	2012			2003		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**
Chemtall, Inc.	$ 46,636,170	1	3.96%	$ 20,279,893	1	3.14%
Hugo Boss Distribution Center	23,998,708	2	2.04%			
Georgia Power Company	18,036,396	3	1.53%	10,621,896	4	1.65%
Interstate Paper LLC	15,573,395	4	1.32%	10,988,878	3	1.70%
Coastal EMC	9,862,197	5	0.84%	6,590,946	6	1.02%
Magnolia Enterprises	9,330,058	6	0.79%			
ICG SA c/o Chemtall	5,839,684	7	0.50%			
Canoochee	5,792,034	8	0.49%			
Liberty Independence Associates	5,623,132	9	0.48%			
Fort Stewart LLC	4,803,330	10	0.41%			
Coastal Communications				16,785,569	2	2.60%
NCF Manufacturing, Inc.				8,502,215	5	1.32%
BIO Flocryl				6,572,302	7	1.02%
HYSIL Manufacturing, Inc.				5,585,402	8	0.87%
Sustainable Forests LLC (IP)				5,215,337	9	0.81%
CSX Transportation				4,891,196	10	0.76%
Total	145,495,104		12.35%	96,033,634		14.89%
All other	1,032,927,896			548,835,366		
Total taxable assessed value	$ 1,178,423,000			$ 644,869,000		

SOURCE:
Office of the Liberty County Tax Commissioner

NOTES:
The above information is based on the tax digest year

LIBERTY COUNTY, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year	Tax Digest Year	Taxes Levied (Original Levy)	Errors Releases and Adjustments	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
					Amount	Percentage of Adjusted Levy		Amount	Percentage of Adjusted Levy
2004	2003 (1)	$ 8,715,705	$ 486,747	$ 9,202,452	$ 8,170,157	88.78%	$ 1,005,176	$ 9,175,333	99.71%
2005	2004	8,917,773	(119,135)	8,798,638	8,264,746	93.93%	501,806	8,766,552	99.64%
2006	2005	9,627,107	(160,212)	9,466,895	8,805,592	93.01%	628,997	9,434,589	99.66%
2007	2006	9,997,045	(176,002)	9,821,043	9,217,728	93.86%	568,364	9,786,092	99.64%
2008	2007	11,306,496	(485,178)	10,821,318	9,972,123	92.15%	778,075	10,750,198	99.34%
2009	2008	11,544,563	(125,624)	11,418,939	10,573,398	92.60%	741,502	11,314,900	99.09%
2010	2009	12,295,875	(42,072)	12,253,803	11,076,008	90.39%	1,036,595	12,112,603	98.85%
2011	2010	12,311,840	(296,295)	12,015,545	11,124,026	92.58%	702,967	11,826,993	98.43%
2012	2011	12,297,835	(34,877)	12,262,958	11,371,974	92.73%	623,594	11,995,568	97.82%
2013	2012	12,476,013	-	12,476,013	11,770,084	94.34%	-	11,770,084	94.34%

SOURCE:
Office of the Liberty County Tax Commissioner

NOTES:
(1) The County conducted a re-evaluation in tax year 2003. The re-evaluation was not completed in time to send out the 2003 tax bills using the re-evaluated values.
The County billed tax payers based on the 2002 property values and when the re-evaluation was complete property values were adjusted to reflect the re-evaluated value.

LIBERTY COUNTY, GEORGIA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	Governmental Activities				Business-Type Activities				
Fiscal Year	General Obligation Sales Tax Bonds	Contractual Obligations	Capital Leases	Notes Payable	Revenue Bonds	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita
2004	$ -	$ 1,535,000	$ 453,044	$ -	$ 1,275,000	$ 65,445	$ 3,328,489	0.27%	$ 55
2005	4,405,545	1,760,000	308,136	-	943,829	10,419	7,427,929	0.22%	129
2006	3,350,000	1,640,000	486,814	15,500	642,535	-	6,134,849	0.34%	104
2007	2,285,000	1,455,000	301,888	2,886,856	335,000	-	7,263,744	0.50%	116
2008	1,130,000	1,265,000	656,104	6,624,905	-	-	9,676,009	0.63%	160
2009	-	26,855,000	814,211	2,706,208	-	-	30,375,419	1.81%	519
2010	-	25,950,000	606,758	1,311,169	-	-	27,867,927	1.63%	448
2011	-	29,665,020	427,469	719,211	-	84,814	30,896,514	1.69%	487
2012	-	28,702,681	345,318	487,081	-	74,353	29,609,433	1.50%	452
2013	-	27,600,404	483,832	247,404	-	377,435	28,709,075	**	**

NOTES:

Details regarding Liberty County's outstanding debt can be found in the notes to the financial statements.

See the Schedule of Demographic and Economic Statistics for personal income and population data.
These ratios are calculated using personal income and population for the prior calendar year.

** Information not yet available.

LIBERTY COUNTY, GEORGIA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Sales Tax Bonds	Contractual Obligations	Total	Percentage of Actual Taxable Value of Property	Per Capita
2004	$ -	$ 1,535,000	$ 1,535,000	0.20%	$ 25
2005	4,405,545	1,760,000	6,165,545	0.76%	107
2006	3,350,000	1,640,000	4,990,000	0.57%	85
2007	2,285,000	1,455,000	3,740,000	0.40%	60
2008	1,130,000	1,265,000	2,395,000	0.20%	40
2009	-	26,855,000	26,855,000	2.06%	459
2010	-	25,950,000	25,950,000	1.96%	417
2011	-	29,665,020	29,665,020	2.20%	468
2012	-	28,702,681	28,702,681	2.44%	439
2013	-	27,600,404	27,600,404	2.30%	**

NOTES:

Details regarding Liberty County's outstanding debt can be found in the notes to the financial statements.

See the Schedule of Demographic and Economic Statistics for population data.

See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

** Information not yet available.

LIBERTY COUNTY, GEORGIA
LEGAL DEBT MARGIN INFORMATION (In thousands)
LAST TEN FISCAL YEARS

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
LEGAL DEBT MARGIN										
Debt limit	$ 70,410	$ 84,921	$ 88,294	$ 95,540	$ 102,965	$ 129,513	$ 143,950	$ 152,111	$ 160,051	$ 136,210
Total net debt applicable	1,535	1,760	1,640	1,455	1,265	26,855	25,950	29,665	28,703	27,600
Legal debt margin	$ 68,875	$ 83,161	$ 86,654	$ 94,085	$ 101,700	$ 102,658	$ 118,000	$ 122,446	$ 131,348	$ 108,610
Total net debt applicable to the limit as a percentage of debt limit	2.18%	2.07%	1.86%	1.52%	1.23%	20.74%	18.03%	19.50%	17.93%	20.26%
LEGAL DEBT MARGIN CALCULATION										
Assessed value	$ 644,869	$ 783,577	$ 809,176	$ 873,215	$ 930,853	$ 1,208,031	$ 1,303,639	$ 1,322,880	$ 1,345,389	$ 1,178,423
Add back: exempt property	59,235	65,628	73,763	82,189	98,798	87,096	135,859	198,231	255,123	183,675
Total assessed value	704,104	849,205	882,939	955,404	1,029,651	1,295,127	1,439,498	1,521,111	1,600,512	1,362,098
Debt limit (10% of total assessed value)	70,410	84,921	88,294	95,540	102,965	129,513	143,950	152,111	160,051	136,210
Debt applicable to limit										
Contractual obligations debt	1,535	1,760	1,640	1,455	1,265	26,855	25,950	29,665	28,703	27,600
Total net debt applicable to limit	1,535	1,760	1,640	1,455	1,265	26,855	25,950	29,665	28,703	27,600
Legal debt margin	$ 68,875	$ 83,161	$ 86,654	$ 94,085	$ 101,700	$ 102,658	$ 118,000	$ 122,446	$ 131,348	$ 108,610

NOTES:

Under State of Georgia law, Liberty County's outstanding general obligation debt should not exceed 10 percent of total assessed property value.

The legal debt margin is the difference between the debt limit and the County's net general obligation debt outstanding applicable to the limit, and represents the County's legal borrowing authority.

LIBERTY COUNTY, GEORGIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Personal Income (millions) (2)	Per Capita Personal Income	Median Age (1)	Unemployment Rate (3)	School Enrollment (4)	
						Private	Public
2004	60,493	1,493	24,681	25	6.30%	308	11,122
2005	57,544	1,638	28,465	25	5.40%	430	11,500
2006	58,925	1,818	30,853	25	7.00%	546	11,052
2007	62,571	1,464	24,216	25	6.50%	513	10,853
2008	60,503	1,531	25,342	25	6.60%	410	11,051
2009	58,491	1,680	27,020	27	8.50%	460	10,356
2010	62,186	1,711	27,263	27	8.50%	506	10,537
2011	63,453	1,829	27,940	27	9.20%	400	10,511
2012	65,451	1,971	30,111	27	9.60%	398	10,179
2013	**	**	**	27	9.80%	**	**

SOURCES:

(1) U.S. Bureau of the Census

(2) Bureau of Economic Analysis (BEA): Regional Economic Accounts

(3) Georgia Department of Labor

(4) Liberty County Board of Education

** Information not yet available.

LIBERTY COUNTY, GEORGIA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

	2012			2004		
Employer (1)	**Number of Employees (1)**	**Rank**	**Percentage of Total County Employment (2)**	**Number of Employees (3)**	**Rank**	**Percentage Of Total County Employment [D]**
Fort Stewart Civilian Employees	3,575	1	15.06%	2,298	1	11.48%
Liberty County Board of Education	1,825	2	7.69%	1,675	2	8.37%
SNF, Inc.	1,275	3	5.37%	560	4	2.80%
Liberty Regional Medical Center	550	4	2.32%	340	5	1.70%
Wal-Mart Super Center	495	5	2.09%	575	3	2.87%
Target Regional Distribution Center	475	6	2.00%	-	-	
Liberty County Board of Commissioners	348	7	1.47%	280	7	1.40%
Interstate Paper Corporation	232	8	0.98%	286	6	1.43%
The City of Hinesville	205	9	0.86%	179	9	0.89%
Hugo Boss	211	10	0.84%	147	10	0.73%
International Greetings Corporation				270	8	1.35%
Totals	9,191		38.68%	6,610		33.02%

SOURCES:

(1) Middle Georgia Regional Development Center.

(2) Georgia Department of Labor.

NOTES:

2013 information not available, amounts presented are for 2012.

LIBERTY COUNTY, GEORGIA
FULL TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

FUNCTION	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
Governing Body	7	7	7	7	7	7	7	7	7	7
County Administrator	5	6	6	6	6	5	5	5	5	5
Elections	4	4	4	5	5	5	4	4	5	5
Financial Administration	5	5	5	5	6	6	6	6	6	6
Data processing	2	3	3	3	4	4	4	4	4	4
Tax Commissioner	12	14	14	14	14	14	13	13	14	14
Tax Assessor	12	15	15	15	18	18	18	18	19	19
Government Buildings	10	12	12	12	12	12	11	11	14	14
Records Service Center	2	3	3	3	3	3	3	3	3	3
Financial Administration - SPLOST	2	2	1	1	1	1	1	1	1	1
Judicial										
Clerk of Superior Court	16	17	17	17	17	17	17	17	18	18
District Attorneys Office	7	9	9	12	9	9	9	9	10	10
State Court	2	2	2	2	2	2	2	2	3	3
State Court Judge	1	1	1	1	1	2	2	2	2	2
Magistrate Court	5	5	5	6	6	7	7	7	9	9
Probate Court	5	5	5	5	5	5	5	6	6	6
Victim Assistance - State Court	1	1	1	1	1	1	1	1	1	1
Victim Assistance - District Attorney	3	3	3	4	4	4	3	3	3	3
Child Support Recovery Unit	34	34	34	30	29	29	29	29	28	28
Public Safety										
Sheriff	30	33	33	33	36	37	38	39	52	55
Vice Control	10	10	10	10	11	11	11	11	10	10
Jail	38	55	56	56	61	61	62	62	61	61
Traffic Control	4	4	4	4	5	5	6	6	6	7
School Resource Officer	1	1	1	1	1	2	1	1	1	1
DARE	-	1	1	1	1	1	-	-	-	-
Walthourville Law Enforcement	4	4	4	4	4	-	-	-	-	-
Flemington Law Enforcement	1	1	1	1	1	1	1	1	1	1
Coroner	2	2	2	2	2	2	2	2	2	2
Animal Control	4	6	8	8	5	5	5	5	6	6
Emergency Management Agency	2	3	3	3	3	3	3	3	3	3
E911	27	33	33	33	29	29	25	25	28	28
MACE	6	6	6	6	6	6	5	5	5	4

(Continued)

LIBERTY COUNTY, GEORGIA
FULL TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

FUNCTION	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Public Works										
Roads and Walkways	24	24	23	21	21	22	19	19	18	18
Drainage Team	5	5	5	4	5	5	5	5	5	5
Culture and Recreation										
Recreation	22	21	21	26	26	26	32	32	23	23
Health and Welfare										
Mosquito Control	4	5	5	3	5	5	5	5	2	2
Summer Food Service	16	16	17	17	17	17	17	17	17	17
Intergovernmental Programs										
Agricultural Resources	4	2	5	3	5	5	4	4	4	4
Urban Development and Housing	1	5	1	1	1	1	1	1	-	0
Planning and Zoning	5	6	6	6	6	6	6	6	6	6
Solid Waste										
Solid Waste Collection	6	6	6	9	11	11	11	11	10	10
Solid Waste Disposal	6	7	7	5	5	5	5	5	4	4
Recycling	2	2	2	2	2	2	2	2	2	2
Clean and Beautiful	1	1	1	1	1	1	1	1	1	1
Total	360	407	408	409	420	420	414	416	425	428

SOURCE:
County payroll records.

LIBERTY COUNTY, GEORGIA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General government										
Tax bills generated	23,675	24,251	25,058	25,507	25,507	26,149	26,699	26,883	32,316	32,316
Building permits issued	601	560	439	627	335	217	375	350	344	336
Judicial										
Clerk of Courts										
Number of civil cases filed	2,312	2,121	2,357	2,367	n/a	n/a	n/a	n/a	n/a	n/a
Number of criminal cases filed	3,851	6,958	6,537	3,419	n/a	n/a	n/a	n/a	n/a	n/a
Probate Court										
Marriage licenses	1,083	1,034	848	1,224	895	1,359	978	1,115	1,216	926
Pistol permits	337	247	394	327	367	899	585	720	646	919
Child Support Enforcement Unit										
Average number of active support orders	7,929	7,563	7,711	6,446	7,785	6,464	6,674	6,500	6,813	6,900
Percentage collected	76.2%	77.1%	77.5%	66.6%	66.6%	65.0%	64.9%	64.9%	64.8%	65.5%
Public safety										
Sheriff										
Number of papers served	9,424	9,822	8,419	10,185	9,845	8,735	8,760	6,301	6,712	6,229
Fire										
Emergency responses	N/A	1,689	1,569	1,085	1,085	191	3,869	4,167	4,373	1,828
Culture and recreation										
Parks										
Number of parks	12	12	12	12	13	13	13	13	13	13
Acreage developed	160	160	160	160	165	165	165	165	165	165
Acreage undeveloped	89	89	89	89	89	89	89	89	89	89
Miles of trails	3	3	3	3	4	4	4	4	4	4
Refuse collection										
Refused collected (tons per day)	36,802	40,163	41,407	40,759	40,515	40,515	55,115	51,465	52,643	64,273

SOURCE:
Liberty County Department Heads

NOTES:
n/a - Information not available

LIBERTY COUNTY, GEORGIA
CAPITAL ASSETS STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Judicial										
Courthouse	1	1	1	1	1	1	1	1	2	2
Public Safety										
Sheriff										
Stations	3	3	3	3	3	3	3	3	1	1
Patrol units and vehicles	46	46	46	57	56	56	56	56	60	70
Jail	1	1	1	1	1	1	1	1	1	1
Public Works										
Solid Waste										
Collection trucks	5	5	5	5	9	9	9	9	8	9
Highways and streets										
Street lights	-	-	2	2	2	5	5	5	5	5
Culture and recreation										
Number of county parks	12	12	12	12	13	13	13	13	13	13
County parks acreage	249	249	249	249	254	254	254	254	254	254
Baseball/softball fields	12	12	12	12	12	12	12	12	12	12
Football/soccer fields	4	4	4	4	4	4	4	4	4	4
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	1	-	-	-	-	-	-	-	-	1
Community centers	1	1	2	2	2	2	2	2	2	2
Skate parks	-	-	-	-	-	-	-	-	1	1

SOURCE:
Liberty County Departmental Records

Compliance Section

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
202 Love Avenue
Tifton, GA 31794
P.O. Box 7650
Tifton, GA 31793

(229) 382-8576
(229) 238-0643 (fax)
www.cricpa.com

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

To the Board of Commissioners
of Liberty County, Georgia
Hinesville, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Liberty County, Georgia, as of and for the year ended June 30, 2013, which collectively comprise Liberty County, Georgia's basic financial statements and have issued our report thereon dated October 31, 2013. We did not audit the financial statements of the Liberty County Board of Health or the Liberty County Hospital Authority. Those financial statements were audited by other auditors whose reports have been furnished to us. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. The financial statements of the Liberty County Hospital Authority were audited in accordance with auditing standards generally accepted in the United States of America but were not audited in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be 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 described in the accompanying schedule of findings and questioned costs as item 2013-1 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2013-2 through 2013-6 to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Liberty County, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance that is required to be reported under *Government Auditing Standards* and is described in the accompanying schedule of findings and questioned costs as item 2013-6.

Liberty County, Georgia's Responses to Findings

Liberty County Georgia's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit Liberty County, Georgia's responses and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

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

Decemeber 16, 2013
Tifton, Georgia

CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
202 Love Avenue
Tifton, GA 31794
P.O. Box 7650
Tifton, GA 31793

(229) 382-8576
(229) 238-0643 (fax)
www.cricpa.com

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

To the Board of Commissioners
of Liberty County, Georgia
Hinesville, Georgia

Report on Compliance for Each Major Federal Program

We have audited Liberty County, Georgia's compliance, with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Liberty County, Georgia's major federal programs for the year ended June 30, 2013. Liberty County, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Liberty County, Georgia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Liberty County, Georgia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Liberty County, Georgia's compliance.

Opinion on Each Major Federal Program

In our opinion, Liberty County, Georgia, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of Liberty County, Georgia, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Liberty County, Georgia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Liberty County, Georgia's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

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

December 16, 2013
Tifton, Georgia

LIBERTY COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2013

Federal / Grantor / Pass - Through Grantor / Program Title	Federal CFDA Number	Grant Identification Number	Expenditures
U. S. Department of Agriculture			
Passed through the Georgia Office of School Readiness			
Summer Food Service Program for Children	10.559	S13-8047	$ 38,513
Summer Food Service Program for Children	10.559	S12-8047	29,661
Total U. S. Department of Agriculture			68,174
U. S. Department of Health and Human Services			
Passed through Georgia Department of Human Resources			
Child Support Enforcement - Title IV D	93.563	42700-401-0000004834	1,595,419
Total U. S. Department of Health and Human Services			1,595,419
U. S. Department of Justice			
Passed through the Criminal Justice Coordinating Council			
Drug Court Discretionary Grant Program	16.579	2012-DC-BX-0039	18,578
Edward Byrne Memorial Justice Assistance Grant - ARRA	16.585	B82-8-321	144,500
Accountability Court	16.803	2012-SOG-AC-001	75,501
Total U. S. Department of Justice			238,579
U. S. Department of Transportation			
Passed through Governor's Office of Highway Safety			
Highway Enforcement of Aggressive Traffic	20.600	GA-2012-000-00534	2,706
Total U. S. Department of Transportation			2,706
U. S. Department of Homeland Security			
Passed through Georgia Emergency Management Agency			
Homeland Security Cluster	97.067	2010-SS-TO-034	344,132
Total U. S. Department of Homeland Security			344,132
U. S. Department of Energy			
Passed through Georgia Environmental Facilities Authority			
Energy Efficiency and Conservation Block Grant - AARA	81.128	EECBG-ARRA-GOV-2010-151	2,042
Total U. S. Department of Energy			2,042
Total Expenditures of Federal Awards			$ 2,251,052

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Schedule of Expenditures of Federal Awards is prepared using the modified accrual basis of accounting.

Measurement Focus

The determination of when an award is expended is based on when the activity related to the award occurs.

Program Type Determination

Type A programs are defined as federal programs with federal expenditures exceeding the larger of $300,000 or three percent of total federal expenditures. The threshold of $300,000 was used in distinguishing between Type A and Type B programs.

Method of Major Program Selection

The risk based approach was used in the selection of federal programs to be tested as major programs. The County did not qualify as a low - risk auditee for the year ended June 30, 2013.

NOTE B - SUBRECIPIENTS

The County had no major programs that provided amounts to subrecipients.

LIBERTY COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2013

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:		*[unmodified]*
Internal control over financial reporting:		
Material weakness(es) identified?		X yes ____ no
Significant deficiencies identified not considered to be material weaknesses?		X yes ____ none reported
Noncompliance material to financial statements noted?		____ yes X no

Federal Awards

Internal Control over major programs:		
Material weakness(es) identified?		____ yes X no
Significant deficiencies identified not considered to be material weaknesses?		____ yes X none reported
Type of auditors' report issued on compliance for major programs:		*[unmodified]*
Any audit findings disclosed that are required to be reported in accordance with OMB Circular A - 133, Section 510(a)?		____ yes X no
Identification of major programs:		
Name of Federal Program	CFDA Number	
Child Support Enforcement - Title IV D	93.563	
Homeland Security Cluster	97.067	
Dollar threshold used to distinguish between Type A and Type B programs:	$ 300,000	
Auditee qualified as low-risk auditee?		____ yes X no

SECTION II - FINANCIAL STATEMENT FINDINGS AND RESPONSES

Findings noted on the 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.*

Material Weaknesses:

2013 - 1 Segregation of Duties

Criteria:

Duties should be segregated between employees so that the responsibility for authorizing transactions recording transactions and maintaining custody of assets are assigned to different personnel.

Condition:

Liberty County, Georgia is a small local government and has a limited amount of resources and employees. Therefore, the County does not have an adequate number of employees to provide for proper segregation of duties

Cause of Condition:

Since the County is a small local government, it is not financially feasible for the County to hire additional employees to provide for an adequate segregation of duties.

Effect of Condition:

The County's internal control structure does not contain adequate safeguarding controls provided by segregation of duties that would provide for the prevention or timely detection of unauthorized transactions and unauthorized access to assets that could result in losses that are material to the financial statements.

Recommendation:

Duties for authorizing transactions, recording transactions, and maintaining custody of assets should be segregated whenever possible.

Views of Responsible Officials:

Management concurs with the finding and is continually working to improve controls whenever economically feasible to mitigate the risks associated with this condition.

Significant Deficiencies:

2013 - 2 Accounts Receivable Transactions

Criteria:

Policies, procedures, and monitoring controls should be in place to provide for the recording of accounts receivable transactions.

Condition:

The County's policies and procedures for recording and monitoring accounts receivable did not prevent misstatements in the funds.

Cause of Condition:

The County's monitoring controls were not implemented.

Effect of Condition:

Accounts receivable for property taxes was not adjusted in the general fund.

Recommendation:

Controls for reconciling and recording accounts receivable should be reviewed and implemented.

Views of Responsible Officials:

Management concurs with this finding and is developing additional policies, procedures, and monitoring activities over accounts receivable.

SECTION II - FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

Findings noted on the 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.*

Significant Deficiencies (Continued):

2013 - 3 Interfund Accounts Transactions

Criteria:

Policies, procedures, and monitoring controls should be in place to provide for the recording of interfund accounts transactions.

Condition:

The County's policies and procedures for recording and monitoring interfund accounts did not prevent misstatements in the funds.

Cause of Condition:

The County's monitoring controls were not implemented.

Effect of Condition:

Interfund accounts were not reconciled and adjusted in the funds.

Recommendation:

Controls for reconciling and recording interfund accounts should be reviewed and implemented

Views of Responsible Officials:

Management concurs with this finding and is developing additional policies, procedures, and monitoring activities over interfund accounts.

2013 - 4 Long-Term Debt Transactions

Criteria:

Policies, procedures, and monitoring controls should be in place to provide for the recording of transactions to long-term debt.

Condition:

The County's policies and procedures for recording and monitoring long-term debt did not prevent misstatements in the funds.

Cause of Condition:

The County's monitoring controls were not implemented.

Effect of Condition:

Long-term debt incurred for acquiring capital assets was not recorded in the solid waste fund.

Recommendation:

Controls for identifying and recording the issuance of long-term debt should be reviewed and implemented

Views of Responsible Officials:

Management concurs with this finding and is developing additional policies, procedures, and monitoring activities over-long term debt.

SECTION II - FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

Findings noted on the 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.*

Significant Deficiencies (Continued):

2013 - 5 Capital Assets

Criteria:

Policies, procedures, and monitoring controls should be in place to provide for the recording of transactions to capital assets.

Condition:

The County's policies and procedures for recording and monitoring capital assets did not prevent misstatements in the funds.

Cause of Condition:

The County's monitoring controls were not implemented.

Effect of Condition:

Capital assets acquired through the issuance of long-term debt was not recorded in the solid waste fund.

Recommendation:

Controls for identifying and recording the acquisition of capital assets should be reviewed and implemented

Views of Responsible Officials:

Management concurs with this finding and is developing additional policies, procedures, and monitoring activities over capital assets.

2013 - 6 Special Revenue Fund Budgets

Criteria:

State statues require an annual balanced budget for each special revenue fund.

Condition:

The County's policies and procedures for budget administration did not prevent formal budgets not being adopted for the Law-Library Fund, the Confiscated Asset Fund, the Jail Commissary Fund, the Hotel / Motel Fund and the Technology Fund.

Cause of Condition:

The County's monitoring controls were not implemented as a result of these funds being managed outside of the Finance Department in separate locations.

Effect of Condition:

The County is not in compliance with state law by not adopting budgets for all special revenue funds.

Recommendation:

Controls for budget administration should be reviewed and implemented.

Views of Responsible Officials:

Management concurs with this finding and is developing additional policies, procedures, and monitoring activities over budget administration.

SECTION III - FINDINGS AND QUESTIONED COSTS - MAJOR AWARDS PROGRAM AUDIT

Findings noted on the Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and Internal Control over Compliance in Accordance With *OMB Circular A-133.*

none reported

SECTION II - FINANCIAL STATEMENT FINDINGS AND RESPONSES

FINANCIAL STATEMENT FINDINGS

Findings noted on the 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.*

2012-1. Management of Accounts Receivable

Criteria:

Generally accepted accounting principles require revenues to be recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. As a part of this process, the County should review all revenue transactions to determine reporting in the proper period.

Condition:

The County did not property record due from other governments in the Special Purpose Local Option Sales Tax V Fund and the Non-Major Funds. Additionally, the County did not properly record its solid waste assessments in the Solid Waste Fund as of June 30, 2012.

Status:

Unresolved - See current year audit finding 2013-2.

2012-2. Management of Due To/From (Interfund) Accounts

Criteria:

Generally accepted accounting principles require reporting of interfund activity expected to be repaid within a reasonable time as due to/from (interfund receivable and payables) accounts. As part of that process, the County should review the amounts that should be included in due to/from accounts in each fund to determine the proper amounts to be reported at any given time during the fiscal year.

Condition:

We noted the County did not properly report the interfund accounts from the County's agency funds in the General Fund and Non-Major Funds.

Status:

Unresolved - See current year audit finding 2013-3.

2012-3. Debt Transactions

Criteria:

Governmental funds use the current financial resources measurement focus, which requires debt service expenditures to be recorded when due or paid. Proprietary funds use the economic resources measurement focus, which requires those funds to report all assets and liabilities, including long-term debt.

Condition:

The County did not appropriately record debt transactions in the Solid Waste Fund or the Non-Major Funds as of June 30, 2012.

Status:

Unresolved - See current year audit finding 2013-4.

SECTION II - FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

FINANCIAL STATEMENT FINDINGS (CONTINUED)

2012-4. Management of Capital Assets

Criteria:

Generally accepted accounting principles generally require the reporting of all capital assets at their historica cost, which is written off periodically, or depreciated, in a systematic and rational manner

Condition:

The County did not properly capitalize capital assets and record accumulated depreciation in the Solid Waste Fund.

Status:

Unresolved - See current year audit finding 2013-5.

2012-5. Segregation of Duties

Criteria:

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

Condition:

There is not appropriate segregation of duties among recording, distribution, and reconciliation of cash accounts and other operational functions in the various funds maintained by the County. This is especially prominent in the offices of the Clerk of Court, Probate Court, Jail, Child Support Receiver, Law Library, Victims Witness Assistance, Child Support Recovery, and Recreation Funds.

Status:

Unresolved - See current year audit finding 2013-1.

2012-6. Special Revenue Funds

Criteria:

House Bill 1364 of the 1998 session of the Georgia General Assembly requires an annual balanced budget for the general fund, each special revenue fund, each debt service fund and requires a project length balanced budget for each capital projects fund.

Condition:

For the fiscal year ending June 30, 2012, no annual budget was adopted for the Law Library Fund, Technology Fund, Confiscated Assets Fund, and Jail Inmate Commissary Fund in accordance with the Official Code of Georgia (OCGA) Sections 36-81-2 through 36-81-6.

Status:

Unresolved - See current year audit finding 2013-6.

SECTION III - FINDINGS AND QUESTIONED COSTS - MAJOR AWARDS PROGRAM AUDIT

Findings noted on the Report on Compliance With Requirements That Could Have a Direct and Material Effect on Each Major Program and Internal Control over Compliance in Accordance With *OMB Circular A-133.*

none reported

LIBERTY COUNTY, GEORGIA
SCHEDULE OF SPECIAL PURPOSE LOCAL
OPTION SALES TAX EXPENDITURES – #2 ISSUE
For the Year Ended June 30, 2013

Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year Total	Total
Roads and drainage	$ 9,416,000	$ 12,890,753	$ 12,952,534	$ -	$ 12,952,534
Hospital	4,173,000	3,287,139	3,289,963	-	3,289,963
Multi-purpose building	2,577,630	1,917,723	1,917,723	-	1,917,723
Recreation	1,142,370	878,403	985,525	-	985,525
Fire protection	802,500	582,845	582,845	-	582,845
Jail	535,000	1,572,600	1,214,754	-	1,214,754
Management	-	930,204	939,411	-	939,411
Debt service on sales tax bonds	-	3,441,148	3,441,148	-	3,441,148
Total	$ 18,646,500	$ 25,500,815	$ 25,323,903	$ -	$ 25,323,903

LIBERTY COUNTY, GEORGIA
SCHEDULE OF SPECIAL PURPOSE LOCAL
OPTION SALES TAX EXPENDITURES – 1999 ISSUE
For the Year Ended June 30, 2013

Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year Total	Total
Roads and drainage	$ 13,018,000	$ 14,404,000	$ 13,893,013	$ 450,367	$ 14,343,380
Recreation	2,001,000	2,132,000	2,617,044	-	2,617,044
Fire protection	1,104,000	1,118,000	1,155,834	-	1,155,834
Technical school	2,691,000	2,912,000	2,547,085	-	2,547,085
Jail expansion	2,001,000	2,106,000	2,702,253	-	2,702,253
Court facility	1,196,000	1,196,000	1,185,574	-	1,185,574
Records retention	989,000	1,066,000	1,059,023	-	1,059,023
Management	-	1,066,000	1,223,954	12,239	1,236,193
Debt service	-	616,893	616,893	-	616,893
Total	$ 23,000,000	$ 26,616,893	$ 27,000,673	$ 462,606	$ 27,463,279

LIBERTY COUNTY, GEORGIA
SCHEDULE OF SPECIAL PURPOSE LOCAL
OPTION SALES TAX EXPENDITURES – 2004 ISSUE
For the Year Ended June 30, 2013

Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year Total	Total
Road, streets, bridges and drainage	$ 16,750,000	$ 16,040,700	$ 15,482,044	$ 155,730	$ 15,637,774
Other capital outlay projects:	22,250,000				
Courthouse facility	-	6,727,500	6,686,226	-	6,686,226
Jail expansion	-	6,318,000	5,097,139	-	5,097,139
Fire protection	-	1,076,400	959,751	12,753	972,504
Emergency 911 center	-	1,345,500	1,589,037	-	1,589,037
Recreation	-	2,016,300	1,988,627	114,000	2,102,627
Water and sewer	-	335,400	-	-	-
Liberty annex east end	-	670,800	-	-	-
Hinesville public works expansion	-	713,700	580,046	-	580,046
Hinesville city hall expansion	-	495,300	173,545	-	173,545
Tech school expansion	-	269,100	-	264,821	264,821
Historical cultural facility	-	335,400	-	-	-
Management	-	1,345,000	2,599,003	63,153	2,662,156
Wright Army Airfield	-	1,345,500	943,494	-	943,494
Debt service	-	1,875,000	6,842,450	-	6,842,450
Total	$ 39,000,000	$ 40,909,600	$ 42,941,362	$ 610,457	$ 43,551,819

LIBERTY COUNTY, GEORGIA
SCHEDULE OF SPECIAL PURPOSE LOCAL
OPTION SALES TAX EXPENDITURES – 2009 ISSUE
For the Year Ended June 30, 2013

Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year Total	Total
Justice Center	$ 8,000,000	$ 8,000,000	$ 19,232,204	$ 253,000	$ 19,485,204
Library	5,000,000	5,000,000	-	4,200	4,200
Roads	14,930,000	14,930,000	2,222,123	523,906	2,746,029
Drainage	2,000,000	2,000,000	793,846	275,707	1,069,553
Courthouse renovations	1,000,000	1,000,000	1,581,383	365,968	1,947,351
Fire protection	2,000,000	2,000,000	1,710,381	27,871	1,738,252
Jail	1,000,000	1,000,000	24,800	69,568	94,368
Records retention center	1,000,000	1,000,000	797,541	-	797,541
Liberty annex east end	3,320,000	3,320,000	-	3,687,341	3,687,341
Recreation	3,000,000	3,000,000	345,226	287,303	632,529
Hospital improvements	750,000	750,000	-	-	-
Public safety equipment	500,000	500,000	849,231	84,707	933,938
Animal control	1,000,000	1,000,000	3,028	-	3,028
Interoperable communication system	1,000,000	1,000,000	1,076,760	175,361	1,252,121
Wright Army Airfield	1,000,000	1,000,000	-	-	-
Administration	2,000,000	2,000,000	2,408,338	297,431	2,705,769
City of Hinesville projects	4,000,000	4,000,000	1,595,467	1,073,502	2,668,969
Debt service	22,800,000	22,890,448	7,174,333	1,971,565	9,145,898
Total	$ 74,300,000	$ 74,390,448	$ 39,814,661	$ 9,097,430	$ 48,912,091