SUMTER COUNTY, GEORGIA

FINANCIAL REPORT

FOR THE YEAR ENDED
JUNE 30, 2013

SUMTER COUNTY, GEORGIA

Annual Financial Report
For the Year Ended June 30, 2013

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SUMTER COUNTY, GEORGIA

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FINANCIAL SECTION

CHAMBLISS, SHEPPARD, ROLAND & BAXTER, LLP

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners of Sumter County, Georgia
Americus, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Sumter County, Georgia (the "County"), as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Sumter County, Georgia's basic financial statements as listed in the table of contents.

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

Auditor's Responsibility
Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Sumter County Department of Public Health or the Sumter County Livestock Authority, which statements reflect total assets of $459,193 and $239,765, respectively, as of June 30, 2013, and total revenues of $988,897 and $225,313, respectively, for the year then ended. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion on the basic financial statements, insofar as it relates to the amounts included for the Sumter County Department of Public Health and the Sumter County Livestock Authority in the component unit's columns is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

CERTIFIED PUBLIC ACCOUNTANTS
Ross M. Chambliss, Jr. William H. Sheppard
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Opinions

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

Emphasis of Matter

As discussed in Note 1, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 63, *Financial Reporting of Deferred Outflows of* Resources, *Deferred Inflows of Resources, and Net Position* as well as Statement No. 65, *Items Previously Reported* as Assets *and Liabilities* as of July 1, 2012. Our opinions are not modified with respect to this matter.

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 through 11) and the Schedules of Funding Progress and Schedule of Employer Contributions (on page 45) 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 Sumter County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia 48-8-21, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is also not a required part of the financial statements of Sumter County, Georgia.

The combining and individual nonmajor fund financial statements and schedules, the schedule of expenditures of federal awards, and the schedule of expenditures of special purpose local option sales tax proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the schedule of expenditures of federal awards and the schedule of expenditures of special purpose local option sales tax proceeds are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated June 25, 2014 on our consideration of Sumter County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Sumter County, Georgia's internal control over financial reporting and compliance.

Chambliss Sheppard Roland Baxter LLP

Americus, Georgia
June 25, 2014

SUMTER COUNTY, GEORGIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2013

This section of Sumter County, Georgia's ("the County") annual financial report presents a narrative overview and analysis of the financial activities of the County for the fiscal period ended June 30, 2013.

Financial Highlights

- The assets of the Primary Government exceeded its liabilities at June 30, 2013, by $70.9 million (Net Position). Of this amount, $4.37 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The Primary Government's total net position increased by $3.48 million for the year.
- Included in net position of the Primary Government is an investment of $63.19 million in net investment in capital assets.
- The County's General Fund unassigned fund balance increased by $1.46 million to $3.03 million, this equates to 18.94% of total General Fund expenditures.
- Fund balances of $3.78 million of the Capital Improvements, SPLOST 2007, TSPLOST, Fire Fund, and Other Governmental Funds brings the County's combined ending fund balance to $6.84 million at the end of the year. This represents an increase from the previous fiscal year in the amount of $2.88 million, or approximately 72.9%.
- The County acquired new capital leases of $1,009,453 and paid principal on capital leases and notes payable of $1,552,901 and interest of $239,612.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Sumter County's basic financial statements. The County's basic financial statements comprise three components:

1) government-wide financial statements,
2) fund financial statements, and
3) notes to the financial statements.

This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of Sumter County's finances, in a manner similar to a private-sector business. All governmental and business-type activities are consolidated to arrive at a total for the Primary Government. There are two government-wide statements, the statement of net position and the statement of activities, which are described below.

The statement of net position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. It is important to note that this statement consolidates the governmental funds' current financial resources (short-term) with capital assets and long-term liabilities.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal period. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The governmental activities of the County include general government, judicial, public safety, public works, health and welfare, culture and recreation, and housing and development.

The government-wide financial statements include not only Sumter County itself (known as the primary government), but also the Sumter County Department of Public Health and the Sumter County Livestock Authority. These are legally separate entities that are component units of the County due to the significance of their operational or financial relationships with the County. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Sumter County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

Sumter County maintains governmental funds to account for the following activities: General; Special Revenue (Fire, Victim and Witness Assistance, Law Library, 2012 CDBG Housing Rehabilitation, 2010 CDBG Housing Rehabilitation, CDBG—Business Loan Recovery, Drug Abuse Treatment and Education, Sheriff Forfeiture Recovery Fund, Sheriff's Discretionary Fund, Correctional Institute Commissary, and Jail Commissary); and Capital Projects (2004 SPLOST, 2007 SPLOST, TSPLOST and Capital Improvements Fund).

Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Fire Fund, Capital Improvements, 2007 SPLOST, and TSPLOST funds which are considered major funds. Data from the other governmental funds are combined into a single, aggregated column. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. Sumter County adopts an annual appropriated budget for its general and special revenue funds. A budgetary comparison statement has been provided for the General Fund, and the Fire Fund within the basic financial statements.

Proprietary Funds. Services for which the government charges customers a fee are generally reported in proprietary funds. The Solid Waste Management Fund is a major enterprise fund and its business-like activities are reported with detail including cash flows.

Fiduciary Funds. Agency funds are custodial in nature; the only required financial statements are the balance sheet and statement of fiduciary assets and liabilities. Fiduciary funds are not reflected in the government-wide financial statements. Agency funds include the cash funds maintained by the Probate Court, Magistrate Court, Clerk of Courts, Sheriff, and Tax Commissioner. Sumter County serves as "fiscal agent" by providing accounting and cash management services for the following offices of the Southwestern Judicial Circuit: The Alternative Dispute Resolution Fund, the Juvenile Court, the Public Defender, and the District Attorney.

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

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds and the Agency Funds are presented immediately following the notes to the financial statements.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position.

A large portion of the County's net position, 97.56%, reflects its investment in capital assets (e.g. and, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Sumter County's Net Position
(in millions of dollars)

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Current and other assets	$ 8.65	$ 5.49	$ 1.05	$ 0.83	$ 9.70	$ 6.32
Capital assets	69.55	69.77	-	-	69.55	69.77
Total Assets	78.20	75.26	1.05	0.83	79.25	76.09
Long-term liabilities outstanding	5.08	5.74	-	-	5.08	5.74
Other liabilities	3.17	2.82	0.09	0.09	3.26	2.91
Total liabilities	8.25	8.56	0.09	0.09	8.34	8.65
Net position:						
Invested in capital assets net of related debt	63.19	62.87	-	-	63.19	62.87
Restricted	3.36	2.47	-	-	3.36	2.47
Unrestricted	3.40	1.36	0.96	0.74	4.36	2.10
Total net position	$ 69.95	$ 66.70	$ 0.96	$ 0.74	$ 70.91	$ 67.44

The following table summarizes the changes in net position for the primary government for the fiscal years ended June 30, 2013 and 2012:

Sumter County's Changes in Net Position
(in millions of dollars)

	Governmental Activities		Business-type Activities		Total Activities	
	2013	2012	2013	2012	2013	2012
Revenues						
Program revenues:						
Charges for Services	$ 6.86	$ 6.82	$ 1.30	$ 1.23	$ 8.16	$ 8.05
Operating grants & contributions	.13	.39	-	-	.13	.39
Capital grants & contributions	1.90	.42	-	-	1.90	.42
General Revenues						
Property taxes	9.12	9.01	-	-	9.12	9.01
Other taxes	7.63	7.55	-	-	7.63	7.55
Investment income	-	-	-	-	-	-
Late payment penalties & fees	-	-	-	0.05	-	0.05
Gain on sale of capital assets	0.01	0.02	-	-	0.01	0.02
Total Revenues	25.65	24.21	1.30	1.28	26.95	25.49
Expenses						
General Government	3.18	3.10	-	-	3.18	3.10
Judicial	1.89	2.15	-	-	1.89	2.15
Public safety	11.27	11.51	-	-	11.27	11.51
Public works	3.96	2.20	-	-	3.96	2.20
Health & welfare	.39	.57	-	-	.39	.57
Recreation	.89	1.03	-	-	.89	1.03
Housing & development	.60	.75	-	-	.60	.75
Interest on long-term debt	.24	.37	-	-	.24	.37
Solid waste	-	-	1.06	1.02	1.06	1.02
Total expenses	22.42	21.68	1.06	1.02	23.48	22.70
Increase (decrease) in net position before transfers	3.23	2.53	0.24	.26	3.47	2.79
Transfers	0.02	0.02	(0.02)	(0.02)	-	-
Change in net position	3.25	2.55	0.22	.24	3.47	2.79
Net position, beginning of year	66.70	63.34	.74	.50	63.44	63.84
Net position, end of year	$ 69.95	$ 66.70	$ 0.96	$ .74	$ 70.91	$67.44

Financial Analysis of the Government's Funds

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

General Fund

The General Fund is the chief operating fund of Sumter County. At the end of the current fiscal year unassigned fund balance of the General Fund was $3,032,845, while the total fund balance was $3,055,085.

Fire Fund

Financial position and operating results of the County-wide fire department is accounted for in the Fire Fund. At the end of the current fiscal year the fund's unassigned fund balance was a deficit of $121,033. Total fund balance at year end was a deficit of $121,033.

SPLOST 2007

SPLOST (Special purpose local option sales tax) Referendum passed on September 18, 2007. Proceeds of $25,400,000 will fund multiple capital projects which started in 2008. At the end of the current fiscal year, expenditures were $3,918,068 and revenues were $4,216,368. Fund balance at the end of the current fiscal year was $2,305,831.

Capital Improvements Fund

This fund accounts for major capital acquisitions not funded through SPLOST or TSPLOST. Total expenditures for the year were $845,793 which included start of the County-wide early warning siren system and completion of the Safe Room at the State Patrol facility. These projects were funded with FEMA grants totaling $527,057. Georgia Local Maintenance and Improvement Grant (LMIG) funds of $431,856 was received, but no projects were started before the end of the year. Fund balance at June 30, 2013 is $802,723.

TSPLOST

The passage of the Transportation Improvement Act in the River Valley Region produced the County $412,106 from the special 1% sales tax. Fund expenditures totaled $410,915 which included purchase of road equipment by lease/purchase. Debt service was $28,251. Fund balance at June 30, 2013 is $372,388.

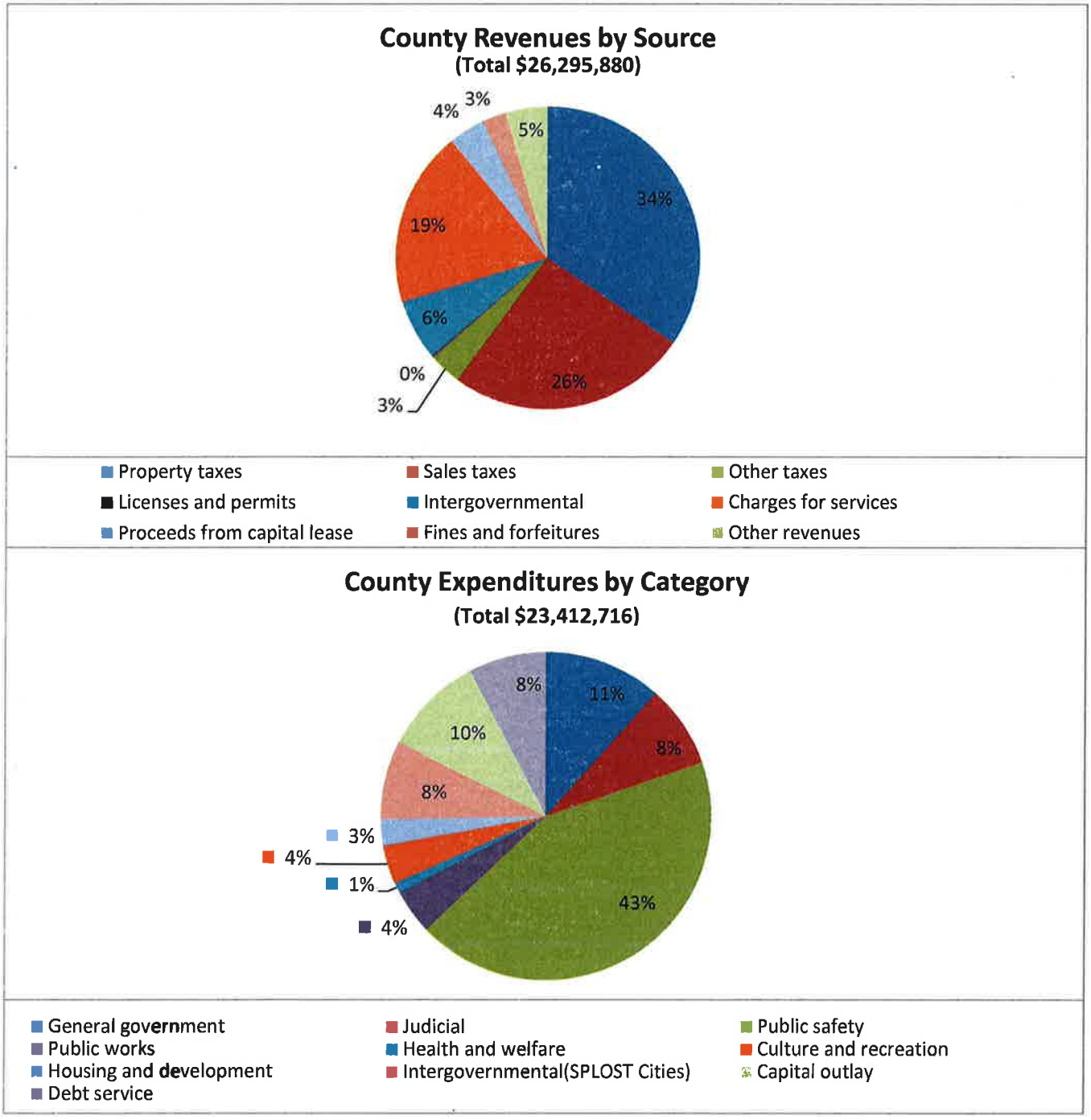
Proprietary funds. Sumter County's proprietary fund provides that same type of information found in the government-wide financial statements, but in more detail. The County's only proprietary fund is the Solid Waste Management Fund.

Solid Waste Management

At the end of the current fiscal period, net position for the Solid Waste fund was $961,830, an increase of 220,857.

Governmental Funds Revenues and Expenditures

The following charts depict the percentage that the various categories of revenues and expenditures contribute to the total for the year ended June 30, 2013.



Capital Asset and Debt Administration

Capital assets. Sumter County's investment in capital assets for its governmental activities as of June 30, 2013, amounts to $69,552,200 (net of accumulated depreciation). This investment in capital assets includes land, site improvements, buildings, machinery and equipment, and infrastructure.

Sumter County's Capital Assets
(net of depreciation)

	Governmental Activities		Percentage Change
	2013	2012	2012-2013
Land	$ 924,068	$ 862,468	7.14%
Construction in progress	2,120,859	9,045,863	(76.55)
Buildings and improvements	39,008,079	31,537,009	23.69
Machinery and equipment	1,296,428	1,406,936	(7.85)
Infrastructure	26,202,766	26,919,524	(2.66)
Total	$ 69,552,200	$ 69,771,800	(0.31)

Major additions for the year included the completion of the Human Services Center for $7,149,657 and the Safe Room at the Georgia State Patrol facility for $811,774. Also, road widening on Shiloh Road for $311,238; vehicles and equipment for the Fire Department for $354,825; and motor graders for the Road Department for $399,448. Additional information on the County's capital assets can be found in Note 5 of this report.

Long-term Debt. Sumter County's long-term debt for the period ended June 30, 2013, is summarized below.

	Beginning Balance	Additions	Reductions	Ending Balance
Governmental Activities:				
Capital leases	$ 6,814,737	$ 1,009,453	$ (1,466,728)	$ 6,357,462
Notes payable	86,173	-	(86,173)	-
Compensated absences	354,799	328,199	(363,335)	319,663
Landfill postclosure care costs	335,195	80,261	(26,684)	388,772
Net pension obligation	24,027	7,075	-	31,102
Total	$ 7,614,931	$ 1,424,988	$ (1,942,920)	$ 7,096,999

The County negotiated new lease/purchase agreements of $610,005 for Capital Improvement projects and $399,448 for motor graders.

The County's share of the Engineering and post-closure costs associated with the closing of the Sumter County landfill are estimated to be approximately $388,772 over an estimated 16 year period of monitoring. The liability at the beginning of the year was adjusted to accurately report the County's pro-rata share of the costs which are allocated among the Cities and the County.

See Note 6 of this report for additional information regarding the County's long-term debt.

Economic Factors and Next Year's Budgets

- Based on the current continued economic conditions, Sumter County expects to continue to feel the effect of the slowdown, and expects little improvement in the property tax base. Management and the Board of Commissioners follow conservative spending policies.
- The Board of Commissioners approved to end employee furlough days beginning with fiscal year 2014.
- The County fire department has four manned and 18 unmanned fire stations which are staffed by 17 full-time and 12 part-time career firefighters and 15 inmate firefighters. The fire department continues to improve equipment and service. Allocation of the insurance premium tax to revenue, and continued cost controls will enable rates to remain stable.

Requests for information

This financial report is designed to provide a general overview of Sumter County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Sumter County, P.O. Box 295, Americus, Georgia 31709.

SUMTER COUNTY, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2013

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Sumter County Department of Public Health	Sumter County Livestock Authority
ASSETS					
Cash and cash equivalents	$ 6,122,874	$ 872,799	$ 6,995,673	$ 452,417	$ 136,001
Sales taxes receivable	579,935	-	579,935	-	-
Property taxes receivable	801,109	-	801,109	-	-
Accounts receivable, net of allowances	83,596	154,598	238,194	939	76,159
Notes receivable	3,255	-	3,255	-	-
Due from other governments	1,040,326	23,558	1,063,884	-	-
Inventories	22,740	-	22,740	-	-
Capital assets, non-depreciable	3,044,927	-	3,044,927	-	600
Capital assets, depreciable, net of accumulated depreciation	66,507,273	-	66,507,273	5,837	27,005
Total assets	78,206,035	1,050,955	79,256,990	459,193	239,765
LIABILITIES					
Accounts payable	122,655	89,125	211,780	-	36,497
Accrued liabilities	823,515	-	823,515	-	-
Funds held for the Airport Authority	9,094	-	9,094	-	-
Unclaimed funds	194,587	-	194,587	-	-
Capital leases due within one year	1,685,708	-	1,685,708	-	-
Capital leases due in more than one year	4,671,754	-	4,671,754	-	-
Compensated absences due within one year	319,663	-	319,663	23,631	-
Compensated absences due in more than one year	-	-	-	45,243	-
Landfill postclosure costs due within one year	13,456	-	13,456	-	-
Landfill postclosure costs due in more than one year	375,316	-	375,316	-	-
Net pension obligation due in more than one year	31,102	-	31,102	-	-
Total liabilities	8,246,850	89,125	8,335,975	68,874	36,497
NET POSITION					
Net investment in capital assets	63,194,738	-	63,194,738	5,837	27,605
Restricted for:					
Judicial	61,849	-	61,849	-	-
Public safety	272,936	-	272,936	-	-
Housing and development	66,389	-	66,389	-	-
Capital projects	2,958,156	-	2,958,156	-	-
Other purposes	-	-	-	60,578	-
Unrestricted	3,405,117	961,830	4,366,947	323,904	175,663
Total net position	$ 69,959,185	$ 961,830	$ 70,921,015	$ 390,319	$ 203,268

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

SUMTER COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Total	Component Units: Sumter County Department of Public Health	Component Units: Sumter County Livestock Authority
Primary government:									
Governmental activities:									
General government	$ 3,177,922	$ 1,098,633	$ 18,083	$ -	$ (2,061,206)	$ -	$ (2,061,206)	$ -	$ -
Judicial	1,895,198	835,029	94,646	-	(965,523)	-	(965,523)	-	-
Public safety	11,271,317	4,630,894	14,806	1,223,164	(5,402,453)	-	(5,402,453)	-	-
Public works	3,955,700	61,285	-	431,856	(3,462,559)	-	(3,462,559)	-	-
Health and welfare	392,564	-	-	-	(392,564)	-	(392,564)	-	-
Recreation	886,768	175,785	-	-	(710,983)	-	(710,983)	-	-
Housing and development	601,121	62,678	-	240,811	(297,632)	-	(297,632)	-	-
Interest on long-term debt	237,412	-	-	-	(237,412)	-	(237,412)	-	-
Total governmental activities	22,418,002	6,864,304	127,535	1,895,831	(13,530,332)	-	(13,530,332)	-	-
Business-type activities:									
Solid waste management	1,059,361	1,303,260	-	-	-	243,899	$ 243,899	-	-
Total business-type activities	1,059,361	1,303,260	-	-	-	243,899	243,899	-	-
Total primary government	$ 23,477,363	$ 8,167,564	$ 127,535	$ 1,895,831	$ (13,530,332)	$ 243,899	$ (13,286,433)	$ -	$ -
Component units:									-
Sumter County Department of Public Health	$ 919,109	$ 296,890	$ 449,926	$ -	$ -	$ -	$ -	$ (172,293)	$ -
Sumter County Livestock Authority	210,034	225,313	-	-	-	-	-	-	15,279
Total component units	$ 1,129,143	$ 522,203	$ 449,926	$ -	$ -	$ -	$ -	$ (172,293)	$ 15,279
General revenues:									
Property taxes					9,113,648	-	9,113,648	-	-
Sales taxes					6,718,856	-	6,718,856	-	-
Insurance premium taxes					631,967	-	631,967	-	-
Other taxes					280,149	-	280,149	-	-
Allotment from Sumter County government					-	-	-	239,537	-
Late payment penalties and fees					-	1,957	1,957	-	-
Unrestricted investment earnings					2,903	1	2,904	2,544	-
Gain on sale of capital assets					13,158	-	13,158	-	-
Transfers					25,000	(25,000)	-	-	-
Total general revenues and transfers					16,785,681	(23,042)	16,762,639	242,081	-
Change in net assets					3,255,349	220,857	3,476,206	69,788	15,279
Net position, beginning of year					66,703,836	740,973	67,444,809	320,531	187,989
Net position, end of year					$ 69,959,185	$ 961,830	$ 70,921,015	$ 390,319	$ 203,268

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

SUMTER COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013

	General	Sumter County Fire	Capital Improvements Fund	2007 SPLOST	Transportation Special 1% Sales Tax Fund	Other Governmental Funds	Total
ASSETS							
Cash and cash equivalents	$ 3,528,970	$ 5,219	$ 610,167	$ 1,234,402	$ 318,493	$ 425,623	$ 6,122,874
Sales taxes receivable	172,652	-	-	336,382	70,901	-	579,935
Property taxes receivable	616,566	184,543	-	-	-	-	801,109
Notes receivable	-	-	-	-	-	3,255	3,255
Accounts receivable	83,596	-	-	-	-	-	83,596
Due from other governments	546,878	-	439,314	46,346	-	7,788	1,040,326
Due from other funds	364,492	-	-	688,701	-	-	1,053,193
Inventories	22,740	-	-	-	-	-	22,740
Total assets	$ 5,335,894	$ 189,762	$ 1,049,481	$ 2,305,831	$ 389,394	$ 436,666	$ 9,707,028
LIABILITIES							
Accounts payable	$ 92,473	$ 15,320	$ -	$ -	$ 838	$ 14,024	122,655
Accrued liabilities	725,629	23,270	-	-	-	-	748,899
Due to other funds	688,701	101,566	246,758	-	16,168	-	1,053,193
Grant funds held for Airport Authority	9,094	-	-	-	-	-	9,094
Unclaimed funds	194,587	-	-	-	-	-	194,587
Total liabilities	1,710,484	140,156	246,758	-	17,006	14,024	2,128,428
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - Property tax	570,325	170,639	-	-	-	-	740,964
Total deferred inflows of resources	570,325	170,639	-	-	-	-	740,964
FUND BALANCES (DEFICITS)							
Nonspendable	22,740	-		-	-	3,255	25,995
Restricted	-	-	192,555	2,305,831	372,388	317,917	3,188,691
Committed	-	-		-	-	101,470	101,470
Assigned	-	-	610,168	-	-	-	610,168
Unassigned	3,032,345	(121,033)	-	-	-	-	2,911,312
Total fund balances (deficit)	3,055,085	(121,033)	802,723	2,305,831	372,388	422,642	6,837,636
Total liabilities, deferred inflows of resources and fund balances	$ 5,335,894	$ 189,762	$ 1,049,481	$ 2,305,831	$ 389,394	$ 436,666	

Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in the government activities are not financial resources and, therefore, are not reported in the funds.			69,552,200
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.			
Taxes		$ 570,325	
Public Safety		170,639	740,964
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.			
Accrued interest payable		$ (74,616)	
Capital leases		(6,357,462)	
Landfill postclosure costs		(388,772)	
Compensated absences		(319,663)	(7,140,513)
Net pension obligation used in governmental activities is not a financial resource and, therefore is not reported in the funds.			(31,102)
Net position of governmental activities			$ 69,959,185

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

SUMTER COUNTY, GEORGIA

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

	General	Sumter County Fire	Capital Improvements Fund	2007 SPLOST	Transportation Special 1% Sales Tax Fund	Other Governmental Funds	Total
Revenues:							
Property taxes	$ 9,070,556	$ -	$ -	$ -	$ -	$ -	$ 9,070,556
Sales taxes	2,138,508	-	-	4,168,242	412,106	-	6,718,856
Other taxes	612,116	300,000	-	-	-	-	912,116
Licenses and permits	91,203	-	-	-	-	-	91,203
Intergovernmental	64,720	293,740	958,912	46,345	-	335,413	1,699,130
Charges for services	3,829,134	1,096,681	-	-	-	6,005	4,931,820
Fines and forfeitures	557,075	-	-	-	-	120,718	677,793
Interest	896	-	163	1,781	-	63	2,903
Other revenues	1,070,464	3,318	-	-	-	58,781	1,132,563
Total revenues	17,434,672	1,693,739	959,075	4,216,368	412,106	520,980	25,236,940
Expenditures:							
Current							
General government	2,692,407	-	-	-	-	-	2,692,407
Judicial	1,707,754	-	-	-	-	194,054	1,901,808
Public safety	9,057,715	1,009,927	-	-	-	56,502	10,124,144
Public works	1,024,465	-	-	-	11,467	-	1,035,932
Health and welfare	249,055	-	-	-	-	-	249,055
Culture and recreation	884,095	-	-	-	-	5,133	889,228
Housing and development	302,291	-	58,252	-	-	241,341	601,884
Intergovernmental	-	-	-	1,816,650	-	-	1,816,650
Capital outlay	-	308,806	787,541	792,691	399,448	20,609	2,309,095
Debt service:							
Principal	86,173	308,059	-	1,133,547	25,122	-	1,552,901
Interest	3,802	57,501	-	175,180	3,129	-	239,612
Total expenditures	16,007,757	1,684,293	845,793	3,918,068	439,166	517,639	23,412,716
Excess (deficiency) of revenues over (under) expenditures	1,426,915	9,446	113,282	298,300	(27,060)	3,341	1,824,224
Other financing sources (uses):							
Proceeds from sale of assets	7,647	16,840	-	-	-	-	24,487
Proceeds from capital lease	-	-	610,005	-	399,448	-	1,009,453
Transfers in	25,000	-	-	-	-	-	25,000
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	32,647	16,840	610,005	-	399,448	-	1,058,940
Net change in fund balances	1,459,562	26,286	723,287	298,300	372,388	3,341	2,883,164
Fund balance(deficit), beginning of year	1,595,523	(147,319)	79,436	2,007,531	-	419,301	3,954,472
Fund balance(deficit), end of year	$ 3,055,085	$ (121,033)	$ 802,723	$ 2,305,831	$ 372,388	$ 422,642	$ 6,837,636

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

SUMTER COUNTY, GEORGIA

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

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds		$ 2,883,164
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlay	1,965,163	
Depreciation expense	(2,500,034)	(534,871)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets.		(11,329)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Increase in unavailable revenue-property tax	43,092	
Increase in unavailable revenue-fire fees	30,925	
Decrease in unavailable revenue-CDBG	(2,364)	
Acquisition of land and building by gift	326,600	398,253
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, however, has any effect on net assets. This amount is the payments made on notes payable and capital leases.		
Principal paid on Capital Leases	1,466,728	
Principal paid on Notes Payable	86,173	
Proceeds from Capital Lease	(1,009,453)	
Compensated absences	35,136	578,584
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.		
Net pension obligation	(7,075)	
Landfill postclosure costs	(53,577)	
Accrued interest	2,200	(58,452)
Change in net position - governmental activities		$ 3,255,349

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

SUMTER COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues:				
Property taxes	$ 8,546,643	$ 8,546,643	$ 9,070,556	$ 523,913
Sales taxes	2,505,000	2,505,000	2,138,508	(366,492)
Other taxes	855,300	555,300	612,116	56,816
Licenses and permits	87,550	87,550	91,203	3,653
Intergovernmental	22,960	22,960	64,720	41,760
Charges for services	3,752,232	3,806,232	3,829,134	22,902
Fines and forfeitures	592,300	592,300	557,075	(35,225)
Interest income	3,500	3,500	896	(2,604)
Miscellaneous	908,604	908,604	1,070,464	161,860
Total revenues	17,274,089	17,028,089	17,434,672	406,583
Expenditures:				
Current:				
General government				
Board of commissioners	70,531	70,687	73,265	(2,578)
County clerk	62,120	61,902	58,185	3,717
Administrator	124,992	115,230	108,871	6,359
Elections	200,090	199,579	177,934	21,645
Financial administration	312,989	312,265	287,516	24,749
Legal	87,500	87,500	93,480	(5,980)
Information systems	81,999	81,999	65,910	16,089
Human resources	82,803	82,535	85,838	(3,303)
Tax commissioner's office	340,053	338,911	329,864	9,047
Tax assessor's office	451,162	449,778	359,435	90,343
Board of equalization	7,913	7,913	4,741	3,172
Risk management	273,500	273,500	244,803	28,697
Building and grounds	644,272	643,372	762,101	(118,729)
General administration	39,315	39,315	40,464	(1,149)
Total general government	2,779,239	2,764,486	2,692,407	72,079
Judicial:				
Court administration	38,294	37,902	35,619	2,283
Judge of superior court	191,916	191,858	142,058	49,800
Clerk of courts	440,687	438,424	383,497	54,927
District attorney	162,032	162,032	146,470	15,562
State court	82,098	82,064	50,489	31,575
Magistrate court	357,501	355,509	330,790	24,719
Probate court	147,230	146,621	141,010	5,611
Juvenile court	74,907	74,907	52,439	22,468
Grand jury	23,700	23,700	6,382	17,318
Public defense	415,121	415,121	419,000	(3,879)
Total judicial	1,933,486	1,928,138	1,707,754	220,384

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

(Continued)

SUMTER COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Expenditures: (Continued)				
Current (Continued)				
Public safety:				
Sheriff's office	$ 3,103,417	$ 3,096,985	$ 3,322,461	$ (225,476)
Jail operations	2,590,430	2,586,768	2,662,165	(75,397)
Correctional institute	2,951,046	2,946,963	2,862,291	84,672
Coroner	50,035	49,942	42,099	7,843
E911	66,504	66,504	70,286	(3,782)
Animal control	90,887	90,789	54,845	35,944
Emergency management	4,751	29,220	43,568	(14,348)
Total public safety	8,857,070	8,867,171	9,057,715	(190,544)
Public works:				
Public works department	1,071,378	1,069,119	961,803	107,316
Landfill closure/postclosure	110,000	110,000	62,662	47,338
Total public works	1,181,378	1,179,119	1,024,465	154,654
Health and welfare:				
Public health	241,063	241,063	240,905	158
Public welfare	-	5,150	8,150	(3,000)
Total health and welfare	241,063	246,213	249,055	(2,842)
Culture and recreation:				
Recreation	932,185	933,738	767,780	165,958
Libraries	116,315	116,315	116,315	-
Total culture and recreation	1,048,500	1,050,053	884,095	165,958
Housing and development:				
County agent's office	112,242	112,226	95,299	16,927
Forest resources	17,989	17,989	17,989	-
Building inspection	48,030	47,768	44,667	3,101
Planning and zoning	126,806	126,852	105,589	21,263
Code enforcement	6,350	6,350	3,031	3,319
Airport	35,716	35,716	35,716	-
Total housing and development	347,133	346,901	302,291	44,610

(Continued)

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

SUMTER COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Expenditures: (Continued)				
Debt service:				
Principal	$ 438,728	$ 438,728	$ 85,955	$ 352,773
Interest	120,577	120,577	4,020	116,557
Total debt service	559,305	559,305	89,975	469,330
Total expenditures	16,947,174	16,941,386	16,007,757	933,629
Excess (deficiency) of revenues over (under) expenditures	326,915	86,703	1,426,915	1,340,212
Other financing sources (uses):				
Proceeds from sale of assets	150,000	150,000	7,647	(142,353)
Contingencies	(79,175)	(84,963)	-	84,963
Transfers in	51,260	51,260	25,000	(26,260)
Transfers out	(449,000)	(203,000)	-	203,000
Total other financing sources (uses)	(326,915)	(86,703)	32,647	119,350
Net change in fund balances	-	-	1,459,562	1,459,562
Fund balance, beginning of year	1,595,523	1,595,523	1,595,523	-
Fund balance, end of year	$ 1,595,523	$ 1,595,523	$ 3,055,085	$ 1,459,562

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

SUMTER COUNTY, GEORGIA

FIRE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues:				
Insurance premiums tax	$ -	$ 300,000	$ 300,000	$ -
Intergovernmental	246,000	293,740	293,740	-
Charges for services	1,055,570	1,055,570	1,096,681	41,111
Other revenues	500	500	3,318	2,818
Total revenues	1,302,070	1,649,810	1,693,739	43,929
Expenditures:				
Current:				
Public safety:				
County fire department	925,250	979,644	1,009,927	(30,283)
Capital outlay	-	308,806	308,806	-
Total public safety	925,250	1,288,450	1,318,733	(30,283)
Debt service:				
Principal	308,059	308,059	308,059	-
Interest	57,501	57,501	57,501	-
Total debt service	365,560	365,560	365,560	-
Total expenditures	1,290,810	1,654,010	1,684,293	(30,283)
Excess (deficiency) of revenues over (under) expenditures	11,260	(4,200)	9,446	13,646
Other financing sources (uses):				
Proceeds from sale of assets	15,000	15,000	16,840	1,840
Transfers out	(26,260)	(26,260)	-	26,260
Transfers in	-	15,460	-	(15,460)
Total other financing sources (uses)	(11,260)	4,200	16,840	12,640
Net change in fund balances	-	-	26,286	26,286
Fund balance(deficit), beginning of year	(147,319)	(147,319)	(147,319)	-
Fund balance(deficit), end of year	$ (147,319)	$ (147,319)	$ (121,033)	$ 26,286

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

SUMTER COUNTY, GEORGIA

Capital Improvements Fund
Statement of Revenues, Expenditures and Changes in Fund Balances -
Budget (GAAP BASIS) AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues:				
Intergovernmental	$ -	$ 976,178	$ 958,912	$ (17,266)
Interest	-	-	163	163
Total revenues	-	976,178	959,075	(17,103)
Expenditures:				
Current:				
Housing and development	-	-	58,252	(58,252)
Capital outlay	203,000	1,179,178	787,541	391,637
Total expenditures	203,000	1,179,178	845,793	333,385
Excess (deficiency) of revenues over (under) expenditures	(203,000)	(203,000)	113,282	316,282
Other financing sources (uses):				
Transfer in	203,000	203,000	-	(203,000)
Proceeds from capital lease	-	-	610,005	610,005
Total other financing sources (uses)	203,000	203,000	610,005	407,005
Net change in fund balances	-	-	723,287	723,287
Fund balance, beginning of year	79,436	79,436	79,436	-
Fund balance, end of year	$ 79,436	$ 79,436	$ 802,723	$ 723,287

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

SUMTER COUNTY, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2013

	Major Enterprise Fund Solid Waste Management
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	$ 872,799
Accounts receivable, net of allowances	154,598
Due from other governments	23,558
Total current assets	1,050,955
Total assets	1,050,955
LIABILITIES	
CURRENT LIABILITIES	
Accounts payable	89,125
Total current liabilities	89,125
Total liabilities	89,125
NET POSITION	
Unrestricted	961,830
Total net position	$ 961,830

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

SUMTER COUNTY, GEORGIA

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

	Major Enterprise Fund Solid Waste Management
OPERATING REVENUES	
Charges for services:	
Solid waste collection fees	$ 1,303,260
Late payment penalties and fees	1,957
Total operating revenues	1,305,217
OPERATING EXPENSES	
Contracted services	1,059,361
Total operating expenses	1,059,361
Operating income	245,856
NONOPERATING INCOME	
Interest income	1
Total nonoperating income	1
Income (Loss) before transfers	245,857
TRANSFERS	
Transfers out	(25,000)
Total transfers	(25,000)
Change in net assets	220,857
NET ASSETS, beginning of year	740,973
NET ASSETS, end of year	$ 961,830

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

SUMTER COUNTY, GEORGIA

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

	Major Enterprise Fund Solid Waste Management
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	$ 1,261,024
Late payment penalties and fees collected from customers	1,957
Receipts from other governments	49,071
Payments to suppliers and service providers	(1,057,707)
Net cash provided by operating activities	254,345
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers to other funds	(25,000)
Net cash provided by noncapital financing activities	(25,000)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on investments	1
Net cash provided by investing activities	1
Net increase in cash and cash equivalents	229,346
Cash and cash equivalents:	
Beginning of year	643,453
End of year	$ 872,799
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	$ 245,856
Adjustments to reconcile operating income to net cash provided by operating activities:	
Increase in accounts receivable	(42,236)
Decrease in due from other governments	49,071
Increase in accounts payable	1,654
Net cash provided by operating activities	$ 254,345

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

SUMTER COUNTY, GEORGIA

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

	Agency Funds
ASSETS	
Cash	$ 252,422
Taxes receivable	1,372,277
Due from other governments	252,451
Total assets	$ 1,877,150
LIABILITIES	
Due to others	1,877,150
Total liabilities	$ 1,877,150

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Sumter County, Georgia (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.

A. Reporting Entity

Sumter County was created by legislative act on December 26, 1831, and operates under a County Commissioner form of government with five elected commissioners who represent the district of their residence. The chairman and vice chairman are elected each year by the five-member board. The commissioners serve on a part-time, basis, and are elected to staggered four year terms. The Board of County Commissioners' meets in regular session on the third Tuesday of each month. Sumter County provides the following services as authorized by its charter: public safety, highways and streets, health and social services, culture and recreation, courts, correctional institute, public improvements, planning and zoning, and general administrative services.

As required by GAAP the financial statements of the reporting entity include those of Sumter County, Georgia (the "primary government") and its component units.

The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County. The primary government includes the offices of elected officials: Tax Commissioner, Sheriff, Probate Judge, Magistrate Judge, State Court Judge, and Clerk of Superior and State Courts.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organizations; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to the organization; or the County is obligated for the debt of the organization. Component units are reported in the County's financial statements as "discretely presented component units" or "blended component unit" depending on the degree of the relationship between a component unit and the primary government. Sumter County has no blended component units.

The following component units are discretely presented component units to emphasize that they are legally separate from the County:

The Sumter County Department of Public Health (the "Health Department") is governed by a seven member board consisting of one member of the County's Board of Commissioners and three members as appointed by the County Commissioners. The County provides a significant amount of funding, and it has the authority to modify and approve the Health Department's budget and the ability to approve environmental health service fees. Amounts included in the Government-wide Statement of Net Position and Statement of Activities for the Health Department are for the year ended June 30, 2013.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

A. Reporting Entity (continued)

The Sumter County Department of Public Health (continued)
The Health Department's financial statements can be obtained by writing to the Sumter County Health Department, 1601 N. Martin Luther King, Jr. Blvd., Suite 100, Americus, Georgia 31719.

The Sumter County Livestock Authority (the "Authority") is governed by a nine-member board consisting of one member of the County's Board of Commissioners and eight members as appointed by the County Commissioners. The Authority provides auction facilities for buying and selling of livestock, primarily cattle and hogs. The County is financially obligated to supplement operating deficits and also has the ability to claim operating surpluses. Amounts included in the Government-wide Statement of Net Position and Statement of Activities for the Authority are for the year ended June 30, 2013.

The Authority's financial statements can be obtained by writing to the Sumter County Livestock Authority, 186 Southerfield Road, Americus, Georgia 31709.

B. Basis of Presentation

The **government-wide financial statements** report information on all of the non-fiduciary activities of the primary government and its component units in the statement of net position and the statement of activities. The effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the County's solid waste function and various other functions of the County, because elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. *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 financially accountable.

The statement of net position presents the financial position of the governmental activities, business-type activities and the discretely presented component units of the County at year-end. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; 2) grants and contributions that are restricted to meeting the operational requirements of a particular function or segment; and 3) grants and contributions that are restricted to meeting the capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues.*

The **fund financial statements** provide information about the County's funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as nonmajor funds.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Basis of Presentation (continued)

The **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 and internal service 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.

The **fiduciary funds** are used to account for the assets held by the county in trustee capacity or as agent for individuals, other governmental units and/or other funds.

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.

C. Measurement Focus and Basis of Accounting

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

The **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, franchise taxes, licenses, 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 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus and Basis of Accounting (continued)

The County reports the following major governmental funds:

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

The **Fire Fund** accounts for the fees billed to property owners and expenditures of operating the County-Wide fire department.

The **Capital Improvements Fund** is used to account for the acquisition or construction of capital facilities. This fund will account for the revenues and expenditures of the Local Maintenance and Improvement Grant Program (LMIG).

The **2007 Special Purpose Local Option Sales Tax Fund (2007 SPLOST)** is a capital projects fund used to account for the revenues and expenditures relating to the 2007 1% Special Purpose Local Option Sales Tax.

The **Transportation Special 1% Sales Tax Fund (TSPLOST)** is a capital projects fund used to accounts for the revenues and expenditures relating to the **Transportation Investment Act (TIA)** referendum passed by voters in the River Valley Region. The County will receive a designated allocation of the 1% sales tax over a 10-year period to fund transportation improvements.

The County reports the following major proprietary fund:

The **Solid Waste Management Fund** is used to account for the receipts from services billed to customers and the payment of costs of collection.

Additionally, the County reports the following fund types:

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

The **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. These include the Tax Commissioner, Clerk of Courts, Probate Court, Magistrate Court, Sheriff Department, Jail Inmate Fund, and Correctional Institute Inmate Fund. The County serves as "fiscal agent" by providing accounting and cash management services for the following funds which are maintained as a courtesy to the Southwestern Judicial Circuit: Alternative Dispute Resolution Fund, the Juvenile Court, the Public Defender, and the District Attorney.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Budgets

Formal budgetary accounting is employed as a management control device for the General Fund and the Special Revenue Funds. Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance as required for all governmental funds. Budgets are adopted on a basis consistent with generally accepted accounting principles. Budgets for Capital Project Funds are adopted on a project basis, spanning more than one fiscal year. Budgetary control (the level at which expenditures may not legally exceed appropriations) is exercised at the department level or by projects. The Board of commissioners must approve, by amendment, any departmental level changes to a previously adopted budget. The Board of Commissioners must approve transfers of any salary related items.

E. 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.

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

Investments are stated at fair value.

F. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. For the most part, the effect of interfund activity has been removed from the government-wide statement of net position. Any residual balances outstanding between the governmental and business-type activities are reported in the government-wide statement of net position as "internal balances." In the major fund balance sheets, these receivables and payables are classified as "due from other funds" and "due to other funds."

G. Inventories

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of $10,000 and an estimated useful life in excess of one year. Such assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. In accordance with GASB 34, general infrastructure assets, which includes roads, bridges, sidewalks, and similar items with an acquisition date of January 1, 1980 or later, have been capitalized. Interest incurred during the construction of capital assets used by the enterprise fund is capitalized.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred. Major outlays for capital assets and improvements are capitalized as projects are completed.

Capital assets of the primary government are depreciated using the straight line method over the following useful lives:

Asset Category	Years
Site improvements	20
Buildings	50
Machinery and equipment	3 - 10
Infrastructure	20 - 50

I. Deferred Outflows / Inflows of Resources

The County implemented GASB Statements No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and No. 65, *Items Previously Reported as Assets and Liabilities,* as of July 1, 2012. These new standards establish accounting and financial reporting for deferred outflows/inflows of resources and the concept of net position as the residual of all other elements presented in a statement of net position.

In addition to assets, the statement of net position and the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. The County has no items that qualify for reporting in this category.

In addition to liabilities, the statement of net position and the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two items, which arise only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: Property taxes and ambulance fees receivable. These amounts are deferred and recognized as an inflow of resources in the period that they become available.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. Compensated Absences

The County's personnel policy permits employees to accumulate earned but unused vacation and sick pay benefits. The County's sick pay policy does not provide for payment of any amount when employees separate from service with the County. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

K. Long-Term Obligations

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources 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.

L. 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 Commission through the adoption of a resolution. Only the County Commission may modify or rescind the commitment.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. Fund Equity (continued)

- *Assigned* - Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through policy, authorization to assign fund balance remains with the Board.
- *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.

Net Position - Net position represent 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 are reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position are reported as unrestricted. The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

M. Property Taxes, Fire Fees and Solid Waste Charge

The Sumter County Tax Commissioner bills and collects tax for the County as well as for the State of Georgia, and the Sumter County Board of Education. County fire fees and solid waste assessments are also billed annually on the property tax bills. The County property tax was levied on July 31, 2012, billed on September 29, 2012, and payable on or before December 1, 2012. Liens for delinquent 2012 property taxes, including fire fees and solid waste fees (FiFa's) were filed on June 17, 2013.

N. Use of Estimates

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

NOTE 2. LEGAL COMPLIANCE — BUDGETS

A. Budgets and Budgetary Accounting

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

1. Prior to May 1, the Department Heads submit to the County Administrator a proposed operating budget for the fiscal year commencing on July 1. The operating budget includes proposed expenditures and the means of financing them. The proposed budgets are then submitted to the Board of Commissioners by the County Administrator for study.
2. Public hearings are conducted at the County Courthouse to obtain taxpayer comments.
3. Prior to July 1, the budget is legally adopted by the Board of Commissioners.
4. Budget amounts can be transferred between line items within any department; however, any revisions of the budget must be approved by the Board of Commissioners.
5. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP) for all funds. Annual appropriated budgets are legally adopted for the General Fund, Fire fund, Capital Improvements Fund, and Special Revenue Funds. Annual operating budgets are prepared for each Capital Projects Fund and Enterprise Fund for planning, control, and evaluation purposes.

Budgeted amounts are as originally adopted on June 19, 2012, or as amended by the Board of Commissioners. The millage rate for 2012 for the unincorporated areas, incorporated areas, and the City of Americus District was set at the July 17, 2012 Board of Commissioners meeting.

All appropriations, except for items encumbered at year end, lapse. Encumbrances for items not lapsing at year end are re-appropriated in the ensuing year's budget. Budget information for expenditures and encumbrances represents the operating budget as approved by the Board of Commissioners. There were no encumbrances as of June 30, 2013.

B. Excess Expenditures over Appropriations

For the year ended June 30, 2013, expenditures exceeded budget in the General Fund and the Fire Fund, as follows:

General Fund

Department	Excess	Department	Excess
Board of Commissioners	$ 2,578	Sheriff's Office	225,476
Legal	5,980	Jail Operations	75,397
Human Resources	3,303	E-911	3,782
Building and Grounds	118,729	Emergency Management	14,348
General Administration	1,149	Public Welfare	3,000
Public Defense	3,879		

Fire Fund

Department	Excess
County Fire Department	$30,283

The over-expenditures in the General Fund were funded by under-expenditures in other departments. The over-expenditure in the Fire Fund was funded by fee collection exceeding budget. For future years the commissioners will utilize budget amendments, and emphasize cost controls.

NOTE 3. CASH AND INVESTMENTS

Credit risk. The risk that an issuer or other counterparty to an investment will not fulfill its obligations. Sumter County's investment policy includes investigating the creditworthiness of the financial institutions holding their deposits and of the custodian of collateral, and having uninsured deposits collateralized.

Interest rate risk. The risk that changes in interest rates will adversely affect the fair value of an investment. The objectives of the County's investment policy include safety, liquidity and return on investment. To achieve the objective of adequate liquidity within County's portfolio, the County shall attempt to match investment maturities with anticipated cash flow requirements. Unless matched to a specific cash flow, the maximum maturity of any instrument in the County's portfolio may not exceed two years from the date of acquisition by the County. The maturity of non-negotiable time deposits may not exceed one year.

The County had no investments as of June 30, 2013.

Custodial credit risk — deposits. 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 (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S government, or bonds of public authorities, counties, or municipalities. As of June 30, 2013, all of the County's bank balances were either insured by FDIC coverage or collateralized by the bank pledging its securities in the County's name, in accordance with GASB pronouncements and Georgia State law.

NOTE 4. RECEIVABLES

Receivables at June 30, 2013, for the County's individual major and nonmajor funds in the aggregate are as follows:

	General	Fire Fund	Solid Waste Management	Nonmajor and Other Funds	Total
Receivables:					
Taxes	$ 916,746	$ 211,246	$ -	$ -	$ 1,127,992
Notes	-	-	-	3,255	3,255
Accounts	83,596	-	186,879	-	270,475
Gross receivables	1,000,342	211,246	186,879	3,255	1,401,722
Less: allowance for uncollectibles	(300,180)	(26,703)	(32,281)	-	(359,164)
Net Receivables	$ 700,162	$ 184,543	$ 154,598	$ 3,255	$ 1,042,558

General and Fire Funds taxes receivable includes only the County's portion of real and personal property taxes for years 1995 through 2012 which were unpaid at June 30, 2013. Taxes collected during the year ended June 30, 2013, and collected by August 31, 2013, are recognized as revenues in the year ended June 30, 2013. Net receivables estimated to be collected subsequent to August 31, 2013, are recorded as revenue when received. Prior year levies were recorded using substantially the same principles, and remaining receivables are reevaluated annually.

NOTE 5. CAPITAL ASSETS

A. Primary Government

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

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital assets, not being depreciated:					
Land	$ 862,468	$ 61,600	$ -	$ -	$ 924,068
Construction in progress	9,045,863	1,036,427	-	(7,961,431)	2,120,859
Total capital assets, not being depreciated	9,908,331	1,098,027	-	(7,961,431)	3,044,927
Capital assets, being depreciated					
Site improvements	488,113	-	-	-	488,113
Buildings	36,783,028	265,000	-	7,961,431	45,009,459
Equipment	9,322,221	617,498	(364,050)	-	9,575,669
Infrastructure	48,276,074	311,238	-	-	48,587,312
Total capital assets, being depreciated	94,869,436	1,193,736	(364,050)	7,961,431	103,660,553
Less accumulated depreciation for:					
Site improvements	60,766	12,301	-	-	73,067
Buildings	5,673,366	743,060	-	-	6,416,426
Equipment	7,915,285	716,677	(352,721)	-	8,279,241
Infrastructure	21,356,550	1,027,996	-	-	22,384,546
Total accumulated depreciation	35,005,967	2,500,034	(352,721)	-	37,153,280
Total capital assets, being depreciated, net	59,863,469	(1,306,298)	(11,329)	7,961,431	66,507,273
Governmental activities capital assets, net	$ 69,771,800	$ (208,271)	$ (11,329)	$ -	$ 69,552,200

Increase to Land and Buildings is to record: (1) a gift of land of $56,600 and building of $200,000 from the Board of Education; and (2) the acquisition by lease/purchase of land of $5,000 and building of $65,000 for a fire house.

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

Governmental activities:	
General government	$ 478,727
Judicial	353
Public safety	814,287
Public works	1,062,037
Culture & recreation	143,509
Housing & development	1,121
Total depreciation expense – governmental activities	$ 2,500,034

NOTE 5. CAPITAL ASSETS (continued)

B. Discretely Presented Component Unit – Department of Public Health

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated				
Machinery & equipment	$ 30,989	$ -	-	$ 30,989
Total capital assets, being depreciated	30,989	-	-	30,989
Less accumulated depreciation for:				
Machinery & equipment	24,419	733	-	25,152
Total accumulated depreciation	23,419	733	-	25,152
Total capital assets, net	$ 6,570	$ (733)	-	$ 5,837

C. Discretely Presented Component Unit – Livestock Authority

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 600	$ -	$ -	$ 600
Total capital assets, not being depreciated	600	-	-	600
Capital assets, being depreciated				
Buildings	482,254	-	-	482,254
Machinery & equipment	222,330	-	-	222,330
Total capital assets, being depreciated	704,584	-	-	704,584
Less accumulated depreciation for:				
Buildings	469,740	8,210	-	477,950
Machinery & equipment	197,034	2,595	-	199,629
Total accumulated depreciation	666,774	10,805	-	677,579
Total capital assets, being depreciated, net	37,810	(10,805)	-	27,005
Total capital assets, net	$ 38,410	$ (10,805)	$ -	$ 27,605

NOTE 6. LONG-TERM DEBT

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:					
Capital leases	$ 6,814,737	$ 1,009,453	$ (1,466,728)	$ 6,357,462	$ 1,685,708
Notes payable	86,173	-	(86,173)	-	-
Compensated absences	354,799	328,199	(363,335)	319,663	319,663
Landfill postclosure care costs	335,195	80,261	(26,684)	388,772	13,456
Net pension obligation	24,027	7,075	-	31,102	-
Governmental activities long-term liabilities	$ 7,614,931	$ 1,424,988	$ (1,942,920)	$ 7,096,999	$ 2,018,827

NOTE 6. LONG-TERM DEBT (continued)

Component Unit – Health Department:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated absences	$ 79,763	$ 12,200	$ (23,089)	$ 68,874	$ 23,631

For governmental activities, compensated absences, landfill postclosure care costs, and net pension obligation are liquidated by the General Fund. For the Component Unit – Health Department, the liability is anticipated to be paid with operating revenues.

Capital Leases. The County has entered into six lease/purchase agreements as lessee for financing the acquisition of vehicles, road equipment, early warning siren system, communication equipment, and fire equipment. The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease term) and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of inception.

The following is a schedule of future minimum lease payments under the capital leases, and the present value of the net minimum lease payments at June 30, 2013:

Year Ending June 30,	
2014	1,890,971
2015	1,890,977
2016	1,109,694
2017	676,423
2018	454,299
2018-2022	930,537
Total minimum lease payments	6,952,901
Less: amount representing interest	595,439
Present value of future minimum lease payments	$ 6,357,462

Landfill postclosure costs. Effective October 1999, the Sumter County Landfill was closed and no additional waste has been accepted. In compliance with state and federal laws and regulations, the County must perform certain maintenance and monitoring functions at the site for a minimum of 30 years. As of June 30, 2013, the County has a remaining 16 years of monitoring. Engineering studies estimate postclosure costs of approximately $1,526,991 over the 16-year period. These costs are based on what it would cost to perform all postclosure care in 2013, adjusted annually for inflation. 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.

The County and the cities of Sumter County agreed in 2001 to share the costs of the postclosure costs based on their respective usages over the life of the landfill. The County's percentage of the obligation is 25.46%. The County estimates that its share of the estimated postclosure costs for the 16 year period would be $388,772.

NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund receivables and payables as of June 30, 2013, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Fire Fund	$ 101,566
General Fund	T-SPLOST	16,168
General Fund	Capital Improvement Fund	246,758
2007 SPLOST	General Fund	688,701

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The transaction between the General Fund and the 2007 SPLOST Fund was the result of an error caused when a bank account was closed. The funds have been transferred.

Interfund transfers:

Transfers In	Transfers Out	Amount
General Fund	Solid Waste Fund	$ 25,000

Transfers from the Solid Waste Fund to the General were for administrative services provided by the General Fund.

NOTE 8. FUND BALANCE

At June 30, 2013, fund balance consists of the following classifications as described in Note 1.L:

	General Fund	Fire Fund	Capital Improvement Fund	2007 SPLOST Fund	TSPLOST Fund	Other Governmental Funds	Total Governmental Funds
FUND BALANCES							
Nonspendable							
Inventories	$ 22,740	$ -	$ -	$ -	$ -	$ -	$ 22,740
Non-Current Loans Receivable	-	-	-	-	-	3,255	3,255
	22,740	-	-	-	-	3,255	25,995
Restricted for:							
Judicial:							
Victim & witness assistance	-	-	-	-	-	14,253	14,253
Law Library	-	-	-	-	-	47,596	47,596
Public Safety							
Sheriff operations (forfeiture funds)	-	-	-	-	-	44,956	44,956
Sheriff's discretion	-	-	-	-	-	825	825
Drug treatment & education	-	-	-	-	-	56,516	56,516
Housing & Development:							
Business loans	-	-	-	-	-	64,550	64,550
Housing rehabilitation	-	-	-	-	-	1,839	1,839
Capital Projects	-	-	192,555	2,305,831	372,388	87,382	2,958,156
	-	-	192,555	2,305,831	372,388	317,917	3,188,691
Committed for:							
Public Safety							
Correctional Institute inmates	-	-	-	-	-	83,906	83,906
Jail inmates	-	-	-	-	-	17,564	17,564
	-	-	-	-	-	101,470	101,470
Assigned for:							
Capital projects	-	-	610,168	-	-	-	610,168
Unassigned	3,032,345	(121,033)	-	-	-	-	2,911,312
Total Fund Balances	$ 3,055,085	$ (121,033)	$802,723	$2,305,831	$372,388	$ 422,642	$6,837,636

The deficit balance in the Fire Fund is due to payment of services in anticipation of future fees. The County plans to liquidate the deficit through proceeds from the Insurance Premium Tax.

NOTE 9. DEFINED CONTRIBUTION PENSION PLAN

The County participates in the Association of County Commissioners of Georgia 401(a) Defined Contribution Plan (the Plan) which is administered by GEBCorp. The Plan provides retirement benefits to plan participants and beneficiaries. Plan provisions and contribution requirements are established and may be amended by the County. Employees are not required to contribute to the Plan. The County contributes an amount equal to 50% of the amount contributed by participants to the County's deferred compensation plan, with a maximum match from the County of 3% of the participant's annual compensation. In addition to the County employee's matching pension plan, a Resolution was adopted in November, 2011, to also have a separate Defined Contribution Program for Senior Management. This plan is exclusively for the County administrator position and the matching rate is 7-1/2%. The resolution excludes Senior Management from participation in the Defined Benefit Plan. The County's contribution for each employee is 100% vested after five (5) years of continuous service.

For the year ending June 30, 2013, the Board of Commissioners, in a cost-cutting measure, voted to suspend the plan for all employees except the County Administrator. County's contribution to the Plan was $6,067.

NOTE 10. DEFINED BENEFIT PENSION PLAN

Primary Government

Plan Description

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

Complete financial statements for the Association County Commissioners of Georgia (ACCG) defined Benefit Pension Plan can be obtained from GEBCorp, 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339.

Funding Policy

The County is required to contribute an actuarially determined amount annually to The Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by The ACCG Plan trustees and intended to satisfy the minimum contribution requirements as set forth in controlling State of Georgia statutes. Plan participants are not required or permitted to contribute to the plan. The County meets all costs of the plan.

NOTE 10. DEFINED BENEFIT PENSION PLAN (continued)

Primary Government (continued)

Annual Pension Cost

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

	2013	2012
Derivation of Annual Pension Cost		
Annual Required Contribution	$ 264,692	$ 262,646
Interest on Net Pension Obligation	2,410	1,862
Amortization of Net Pension Obligation	(2,579)	(1,992)
Annual Pension Cost	$ 264,523	$ 262,516
Derivation of Net Pension Obligation		
Annual Pension Cost for Prior Year	$ 262,516	$ 261,657
Actual Contributions to Plan for Prior Year	255,441	255,523
Increase (Decrease) in Net Pension Obligation	7,075	6,134
Net Pension Obligation as of Beginning of Prior Year	24,027	17,893
Net Pension Obligation as of Beginning of the Year	$ 31,102	$ 24,027

Basis of Valuation	
Current Valuation Date	January 1, 2012
Annual Return on Invested Plan Assets	7.75%
Projected Annual Salary Increases	3.5 - 6% based on age
Expected Annual Inflation	3.0%
Actuarial Value of Assets	Market Value
Actuarial Funding Method	Projected Unit Credit
Amortization Method	Level Percent of Pay (Closed)
Remaining Amortization Period	10

Trend Information for The Plan

Fiscal Year Beginning	Annual Pension Cost (APC)	Actual County Contribution	Percentage of APC Contributed	Net Pension Obligation (Asset)
1/1/13	$ 264,523	$ N/A	N/A	$ N/A
1/1/12	262,516	255,441	97%	31,102
1/1/11	261,657	255,523	98%	24,027
1/1/10	239,807	239,905	100%	17,893
1/1/09	221,693	221,791	100%	17,991
1/1/08	194,358	107,234	55%	18,089

As of the most recent valuation date, January 1, 2013, the funded status of the Plan was as follows:

Measurement Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Accrued Liability as a Percentage of Covered Payroll
12/31/2012	$ 1,580,456	$ 2,484,389	$ 903,933	63.6%	$ 5,563,299	16.2%

NOTE 10. DEFINED BENEFIT PENSION PLAN (continued)

Primary Government (continued)

The required schedule of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan net position is increasing or decreasing over time relative to the actuarial accrued liability.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of January 1, 2013.

NOTE 11. RETIREMENT PLAN

Component Unit – Department of Public Health

Retirement Plan – The employees of the Health Department participate in the Georgia State Employees Retirement System, a multi-employer, defined contribution plan. The Plan is administered by the State of Georgia, and accumulated benefits and Plan assets are not determined or allocated to the individual participating governmental entities. The Georgia State Employees Retirement System requires ten years of continuous service to become fully vested. The total retirement contributions to the Georgia State Employees Retirement System for the year ended June 30, 2013, were $75,443 based on qualifying salaries of $479,667. Ten year historical trend information and relevant actuarial information may be obtained from the Employees Retirement System of Georgia.

Component Unit – Livestock Authority

Deferred Compensation Plan – The Livestock Authority offers a deferred compensation (defined contribution) plan to its employees. In order for an employee to participate in this program he/she must have a minimum gross salary paid by the Sumter County Livestock Authority of five dollars ($5.00). If the employee is eligible, and elects to participate in this program, the Sumter County Livestock Authority will contribute 3% of the employee's gross salary and the employee can contribute up to 25% of his/her gross salary.

NOTE 12. 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. To cover these risks, the County participates in the Association of County Commissioners of Georgia - Interlocal Risk Management Agency (ACCG-IRMA), and the Association of County Commissioners of Georgia Group Self-Insurance Workers' Compensation Fund (ACCG-GSIWCF), public entity risk pools currently operating as common risk management and insurance programs for member local governments.

NOTE 12. RISK MANAGEMENT (continued)

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

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

There have been no significant reductions of insurance coverage from coverage in the prior year, and settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 13. COMMITMENTS AND CONTINGENCIES

Litigation:

The County is involved in several pending lawsuits. 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.

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, County management believes such disallowances, if any, will not be significant.

Commitment to Intergovernmental Contract:

In 2009 the Board of Commissioners obligated itself to pay the sum of $272,208 in five annual installments of $54,441.60 plus interest at 3.5% per annum to the Americus-Sumter County Payroll Development Authority. The agreement was negotiated to allow the PDA to provide an incentive for a major national retail company to build a store in Americus. At June 30, 2013, the balance remaining on the commitment was $56,347 which is payable in one annual installment, on December 15, 2013.

NOTE 14. JOINT VENTURES

A joint venture is a legal entity or other organization that results from a contractual arrangement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to joint control, in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility. Sumter County is a member of the following:

River Valley Regional Commission

Under Georgia law, the County, in conjunction with other cities and counties in the 16-county west central Georgia area, is a member of the River Valley Regional Commission and is required to pay annual dues thereto. During the year ended June 30, 2013, the County paid $14,143 in such dues. Membership in the River Valley Regional Commission is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of regional development commissions in Georgia. The Regional Commission Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a regional commission. Separate financial statements may be obtained from: River Valley Regional Commission, 228 West Lamar Street, Americus, Georgia 31709.

Americus/Sumter County Airport Authority

The Americus/Sumter County Airport Authority (the "Airport Authority") is comprised of five board members; two appointed by the County, two appointed by the City, and one joint appointment. The County allocated to the Airport Authority $35,716 during the year to assist with general operating expenses. The County governing body does not approve the budget nor does it have any oversight of the day to day operations of the Airport Authority. The Airport Authority was established to buy, sell, and own property. Separate financial statements are not available.

Middle Flint Regional E-911 Authority

The Middle Flint Regional E-911 Authority (the "E-911 Authority) is comprised of eight board members; two appointed by the County and the remaining six appointed by the other representative counties. The County allocated to the E-911 Authority $66,204 during the year to assist with general operating expenses. The County governing body does not approve the budget nor does it have any oversight of the day to day operations of the E-911 Authority. The E-911 Authority was established to provide emergency communications services to Dooly, Macon, Marion, Schley, Sumter, Taylor and Webster counties. Separate financial statements may be obtained from: Middle Flint Regional E-911 Authority, 222 Hayes Avenue, Ellaville, GA 31806.

NOTE 15. RELATED ORGANIZATIONS

The County's officials are also responsible for appointing the members to the following boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments: The Americus Sumter County Payroll Development Authority, the Sumter County Development Authority, the Schley-Sumter-Macon Joint Development Authority, and the Crisp-Sumter Joint Development Authority.

REQUIRED SUPPLEMENTARY INFORMATION

Defined benefit pension plan schedule of funding progress:

Measurement Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Accrued Liability as a Percentage of Covered Payroll
12/31/2012	$ 1,580,456	$ 2,484,389	$ 903,933	63.6%	$ 5,563,299	16.2%
12/31/2011	1,298,607	2,156,636	858,029	60.2%	5,417,032	15.8%
12/31/2010	1,045,084	1,856,190	811,106	56.3%	5,187,103	15.6%
12/31/2009	797,789	1,602,402	804,613	49.8%	5,180,103	15.5%
12/31/2008	591,074	1,297,448	706,374	45.6%	4,866,202	14.5%

The assumptions used in the preparation of this schedule are disclosed in Note 10 in the Notes to the Financial Statements.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Special Revenue Funds

Sheriff's Forfeiture Recovery Fund is used to account for confiscated cash seizures by Sumter County law enforcement from drug related crimes. Funds may be used for any public safety purpose except salaries of law enforcement personnel.

Sheriff's Discretionary Fund is used to account for receipt of commissions from Social Security Administration, sales of calendars and other special revenues for the Sheriff's Department.

CDBG — Business Loan Recovery Fund is used to account for the receipt of grant funds for use in the business loan project in accordance with grant specifications.

Victim and Witness Assistance Fund is used to account for the receipt of fine surcharges from the State Court and Superior Court of Sumter County designated by the County Commissioners for this purpose.

Law Library Fund is used to account for revenues generated through special filing charges in the County court system which are used to acquire and maintain library materials.

2010 CDBG — Housing Rehabilitation Fund is used to account for the receipt of grant funds for use in the housing rehabilitation project in accordance with grant specifications.

2012 CDBG — Housing Rehabilitation Fund is used to account for the receipt of grant funds for use in the housing rehabilitation project in accordance with grant specifications

Drug Abuse Treatment and Education Fund is used to account for collection of additional penalties for certain drug related crimes and for expenditures of those funds solely and exclusively for drug abuse treatment and education programs relating to controlled substances and marijuana. (OCGA 15-21-100) This fund is administered by the Sheriff.

Correctional Institute Commissary Fund is used to account for proceeds of correctional institute inmate commissary sales.

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

Capital Projects Funds

2004 Special Purpose Local Option Sales Tax Fund (SPLOST) accounts for the revenues and expenditures relating to the 2004 1% Special Purpose Local Option Sales Tax.

2007 Special Purpose Local Option Sales Tax Fund (SPLOST) accounts for the revenues and expenditures relating to the 2007 1% Special Purpose Local Option Sales Tax.

Capital Improvements Fund accounts for all purchases or construction of capital assets of the government, not legally required to be accounted for in another fund.

TSPLOST accounts for the revenues and expenditures relating to the 1% special purpose sales tax relating to the **Transportation Investment Act (TIA)** referendum for 10 years starting in 2013.

SUMTER COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

	Special Revenue										Capital Projects	
	Sheriffs Forfeiture Recovery	Sheriff's Discretionary Fund	CDBG - Business Loan Recovery	Victim and Witness Assistance	Law Library	2010 CDBG Housing Rehabilitation	2012 CDBG Housing Rehabilitation	Drug Abuse Treatment and Education	Correctional Institute Commissary	Jail Commissary	2004 SPLOST	Total
ASSETS												
Cash and cash equivalents	$ 44,956	$ 825	$ 64,550	$ 11,072	$ 47,476	$ 624	$ 1,215	$ 53,464	$ 96,495	$ 17,564	$ 87,382	$ 425,623
Notes receivable	-	-	3,255	-	-	-	-	-	-	-	-	3,255
Due from other governments	-	-	-	4,616	120	-	-	3,052	-	-	-	7,788
Total assets	$ 44,956	$ 825	$ 67,805	$ 15,688	$ 47,596	$ 624	$ 1,215	$ 56,516	$ 96,495	$ 17,564	$ 87,382	$ 436,666
LIABILITIES AND FUND BALANCES												
LIABILITIES												
Accounts payable	$ -	$ -	$ -	$ 1,435	$ -	$ -	$ -	$ -	$ 12,589	$ -	$ -	$ 14,024
Due to General Fund	-	-	-	-	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-	-	-	-	-
Total liabilities	-	-	-	1,435	-	-	-	-	12,589	-	-	14,024
FUND BALANCES (DEFICIT)												
Nonspendable for:												
Noncurrent loans receivable	-	-	3,255	-	-	-	-	-	-	-	-	3,255
Restricted for:												
Judicial	-	-	-	14,253	47,596	-	-	-	-	-	-	61,849
Public safety	44,956	825	-	-	-	-	-	56,516	-	-	-	102,297
Housing and development	-	-	64,550	-	-	624	1,215	-	-	-	-	66,389
Capital projects	-	-	-	-	-	-	-	-	-	-	87,382	87,382
Committed for:												
Public safety	-	-	-	-	-	-	-	-	83,906	17,564	-	101,470
Assigned	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-
Total fund balances (deficit)	44,956	825	67,805	14,253	47,596	624	1,215	56,516	83,906	17,564	87,382	422,642
Total liabilities and fund balances	$ 44,956	$ 825	$ 67,805	$ 15,688	$ 47,596	$ 624	$ 1,215	$ 56,516	$ 96,495	$ 17,564	$ 87,382	$ 436,666

SUMTER COUNTY, GEORGIA

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

	Special Revenue										Capital Projects	
	Sheriffs Forfeiture Recovery	Sheriff's Discretionary Fund	CDBG - Business Loan Recovery	Victim and Witness Assistance	Law Library	2010 CDBG Housing Rehabilitation	2012 CDBG Housing Rehabilitation	Drug Abuse Treatment and Education	Correctional Institute Commissary	Jail Commissary	2004 SPLOST	Total
Revenues:												
Intergovernmental	$ -	$ -	$ -	$ 92,238	$ -	$ 159,229	$ 83,946	$ -	$ -	$ -	$ -	$ 335,413
Charges for service	1,680	1,340	-	-	2,985	-	-	-	-	-	-	6,005
Fines and forfeitures	22,135	-	-	67,708	10,593	-	-	20,282	-	-	-	120,718
Interest income	16	1	11	-	21	-	-	-	-	6	8	63
Other revenues	926	16,511	-	-	-	-	5	-	25,311	16,028	-	58,781
Total revenues	$ 24,757	$ 17,852	$ 11	$ 159,946	$ 13,599	$ 159,229	$ 83,951	$ 20,282	$ 25,311	$ 16,034	$ 8	$ 520,980
Expenditures:												
Current:												
Judicial	-	-	-	179,205	14,849	-	-	-	-	-	-	194,054
Public safety	10,323	11,942	-	-	-	-	-	12,183	15,539	6,515	-	56,502
Culture and recreation		5,133										5,133
Housing and development	-	-	-	-	-	158,605	82,736	-	-	-	-	241,341
Capital outlay	13,385		-	-	-	-	-	-	-	3,750	3,474	20,609
Total expenditures	23,708	17,075	-	179,205	14,849	158,605	82,736	12,183	15,539	10,265	3,474	517,639
Excess (deficiency) of revenues over (under) expenditures	1,049	777	11	(19,259)	(1,250)	624	1,215	8,099	9,772	5,769	(3,466)	3,341
Other financing sources (uses):												
Proceeds from lease/purchase agreement	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in / (out)	3,461	48	-	-	-	-	-	-	-	(3,509)	-	-
Total other financing sources (uses)	3,461	48	-	-	-	-	-	-	-	(3,509)	-	-
Net change in fund balances	4,510	825	11	(19,259)	(1,250)	624	1,215	8,099	9,772	2,260	(3,466)	3,341
Fund balances, beginning of year	40,446	-	67,794	33,512	48,846	-	-	48,417	74,134	15,304	90,848	419,301
Fund balances (deficit), end of year	$ 44,956	$ 825	$ 67,805	$ 14,253	$ 47,596	$ 624	$ 1,215	$ 56,516	$ 83,906	$ 17,564	$ 87,382	$ 422,642

SUMTER COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL
OPTION SALES TAX PROCEEDS
2004 SPLOST
FOR THE YEAR ENDED JUNE 30, 2013

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Recreation facilities and equipment	$ 1,989,826	$ 1,975,991	$ 1,974,756	$ -	$ 1,974,756
Public safety equipment, vehicles, and facilities	2,018,352	1,152,266	1,007,270	-	1,007,270
Water and drainage infrastructure improvements	345,000	220,000	198,396	69	198,465
Construction of county courthouse and administrative buildings	13,500,000	16,085,890	15,892,125	1,365	15,893,490
Library facilities and resources	174,333	174,333	174,332	-	174,332
Agricultural related administrative facilities	1,412,638	1,412,638	1,405,438	-	1,405,438
Cultural facilities and historical preservation	172,225	172,216	117,513	-	117,513
Renovation of senior center	40,000	40,000	37,592	-	37,592
Projects for the following cities:					
Andersonville	300,000	307,423	307,423	-	307,423
Desoto	58,786	58,786	33,908	-	33,908
Leslie	138,840	138,840	138,840	-	138,840
Plains	100,000	73,437	73,438	-	73,438
Road, street, and bridge improvements	1,750,000	188,180	107,484	2,040	109,524
	$ 22,000,000	$ 22,000,000	$ 21,468,515	$ 3,474	$ 21,471,989

SUMTER COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL
OPTION SALES TAX PROCEEDS
2007 SPLOST
FOR THE YEAR ENDED JUNE 30, 2013

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Humane Society facilities and equipment	$ 300,000	$ 300,000	$ 294,028	$ -	$ 294,028
Recreation facilities	1,530,000	1,530,000	1,611,388	-	1,611,388
Judicial complex facility improvements	1,000,000	1,000,000	999,845	-	999,845
Vehicle replacement plan	750,000	750,000	659,920	118,240	778,160
Fire service equipment and facilities	250,000	250,000	1,016,196	55,887	1,072,083
Public works heavy equipment	450,000	450,000	432,284	-	432,284
Public works infrastructure	6,000,000	5,000,000	211,385	311,238	522,623
Georgia State Patrol facility	1,900,000	1,900,000	1,563,837	2,654	1,566,491
Human services center	2,000,000	3,000,000	5,967,779	(37,511)	5,930,268
Jail/correctional institute renovation	2,000,000	2,000,000	1,203,792	290,004	1,493,796
Library facilities and resources	250,000	250,000	15,469	2,051	17,520
Library drainage remediation	100,000	100,000	3,500	-	3,500
Hospital construction	3,000,000	3,000,000	40,526	-	40,526
Projects for the following cities:					
Americus	4,307,288	4,307,288	1,246,110	1,710,000	2,956,110
Andersonville	359,000	359,000	242,598	-	242,598
Desoto	310,000	310,000	311,529	-	311,529
Leslie	551,000	551,000	429,687	31,758	461,445
Plains	342,712	342,712	267,289	74,892	342,181
Interest and project management	-	-	1,047,032	178,963	1,225,995
	$ 25,400,000	$ 25,400,000	$ 17,564,194	$ 2,738,176	$ 20,302,370
Intergovernmental revenue; revenue credited to Human Services Center project.				46,345	
Repayment of principal on debt; proceeds included in projects above.				1,133,547	
Total 2007 SPLOST Fund expenditures.				$ 3,918,068	

AGENCY FUNDS

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.

The following agency 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:

Clerk of Courts
Probate Court
Magistrate Court

Sheriff - This fund is used to account for collection of fees, proceeds from judicial sales, and cash bonds, which are disbursed to other agencies, the County, and individuals.

Jail Inmate Fund - 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 jail.

Correctional Institute Inmate Fund - This fund is used to account for inmate funds held while in custody, and for purchase of items from the Correctional Institute Commissary and related activities on behalf of the inmates.

ADR SWJC Fund - This fund is used to account for the receipt of special fees collected by the County courts and the transfer of those funds to the Southwestern Judicial Circuit.

Juvenile Court SWJC Fund - This fund is used to account for the receipt of the appropriations for the Juvenile Court made by the counties belonging to the Southwestern Judicial Circuit and the disbursement of those funds for the purposes of the Circuit Juvenile Court.

Public Defender SWJC Fund - This fund is used to account for the receipt of the appropriations for the Public Defender's Office made by the counties belonging to the Southwestern Judicial Circuit and the disbursement of those funds for the purposes of the Circuit Public Defender.

District Attorney SWJC Fund - This fund is used to account for the receipt of the appropriations for the District Attorney's Office made by the counties belonging to the Southwestern Judicial Circuit and the disbursement of those funds for the purposes of the Circuit District Attorney.

SUMTER COUNTY, GEORGIA

COMBINING BALANCE SHEET
AGENCY FUNDS
JUNE 30, 2013

ASSETS	Tax Commissioner	Clerk of Courts	Probate Court	Magistrate Court	Sheriff	Jail Inmate Fund	Correctional Institute Inmate Fund	ADR SWJC Fund	Juvenile Court SWJC Fund	Public Defender SWJC Fund	District Attorney SWJC Fund	Total
Cash	$ 491	$ 85,119	$ 544	$ 12,419	$ 223,041	$ 16,902	$ 10,372	$ 116,270	$ (50,646)	$ (161,830)	$ (260)	$ 252,422
Taxes receivable	1,372,277	-	-	-	-	-	-	-	-	-	-	1,372,277
Due from other governments	-	-	-	-	-	-	-	-	77,300	169,780	5,371	252,451
Total assets	$ 1,372,768	$ 85,119	$ 544	$ 12,419	$ 223,041	$ 16,902	$ 10,372	$ 116,270	$ 26,654	$ 7,950	$ 5,111	$ 1,877,150
LIABILITIES												
Due to others	$ 1,372,768	$ 85,119	$ 544	$ 12,419	$ 223,041	$ 16,902	$ 10,372	$ 116,270	$ 26,654	$ 7,950	$ 5,111	$ 1,877,150

COMPLIANCE SECTION

CHAMBLISS, SHEPPARD, ROLAND & BAXTER, LLP

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

Board of Commissioners of Sumter County, Georgia
Americus, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sumter County, Georgia, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Sumter County, Georgia's basic financial statements and have issued our report thereon dated June 25, 2014. Other auditors audited the financial statements of the Sumter County Department of Public Health and Sumter County Livestock Authority, as described in our report on the County's financial statements. This report does not include the results of the other auditors testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiency described in the accompanying schedule of findings and questioned costs to be material weaknesses: 2013-1.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiencies described in the accompany schedule of findings and questioned costs to be significant deficiencies: 2013-2 through 2013-4.

CERTIFIED PUBLIC ACCOUNTANTS
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Donald R. Roland Cary S. Baxter
Patricia H. Webb William D. Krenson, Jr.
James R. Roland

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Sumter 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 one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as items 2013-5 and 2013-6.

Sumter County, Georgia's Response to Findings

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

Purpose of this Report

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

Chamblis Sheppard Roland Barter LLP

Americus, Georgia
June 25, 2014

CHAMBLISS, SHEPPARD, ROLAND & BAXTER, LLP

INDEPENDENT AUDITOR'S 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

Board of Commissioners of Sumter County, Georgia
Americus, Georgia

Report on Compliance for Each Major Federal Program

We have audited Sumter 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 Sumter County, Georgia's major federal programs for the year ended June 30, 2013. Sumter 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.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Sumter 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 Sumter 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 Sumter County, Georgia's compliance.

Opinion on Each Major Federal Program

In our opinion, Sumter 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.

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Report on Internal Control Over Compliance

The management of Sumter County, Georgia is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Sumter County, Georgia's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance 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 Sumter 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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. 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.

Chambliss Sheppard Roland & Baxter LLP

Americus, Georgia
June 25, 2014

SUMTER COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

Federal Agency/ Pass-through Entity/Program Title	Federal CFDA Number	Agency or Pass-through Grantor's Number	Federal Expenditures	Notes
U.S. Department of Justice :				
Passed-Through Council of Juvenile Court Judges of Georgia:				
Juvenile Accountability Block Grants	16.523	JB-09ST-0004	2,950	
JAG Program Cluster:				
2011 Bulletproof Vest Partnership	16.738	87401	13,973	(1)
Passed-Through Office of the Governor Criminal Justice Coordinating Council:				
Edward Byrne Memorial Justice Assistance Grant Program - DA VWAP	16.738	2012-VA-GX-0035	47,650	
Edward Byrne Memorial Justice Assistance Grant Program - DA VWAP	16.738	2011-VA-GX-0073	44,588	
			92,238	
Total U.S. Department of Justice			109,161	
Federal Aviation Administration				
Passed-Through Georgia Department of Transportation:				
Construct Apron Expansion	20.106	APO13-9021-25(261)Sumter	16,200	(3)
Total Federal Aviation Administration			16,200	
U.S. Department of Housing and Urban Development:				
Passed-Through Department of Community Affairs				
CDBG - State-Administered CDBG Cluster:				
Community Development Block Grant	14.228	12b-y-129-1-5499	82,736	
Community Development Block Grant	14.228	10H-Y-129-1-5235	158,606	
Total U.S. Department of Housing and Urban Development			241,342	
U.S. Department of Homeland Security				
Direct Award				
FEMA Assistance to Firefighters (AFG)				
Operations and Safety Program	97.044	EMW-2011-FO-06665	293,740	
Passed-Through Georgia Emergency Management Agency:				
Hazard Mitigation Grant Program -Pre Disaster Plan	97.039	HMPG-1858-0017	15,450	
Hazard Mitigation Grant Program - Sirens	97.039	HMGP 1686-0020	382,055	
Hazard Mitigation Grant Program - GSP	97.039	HMGP 1686-0049	83,635	
Pre-Disaster Mitigation	97.047	LPDM08-005	46,345	
2012 Performance Partnership Agreement	97.042	OEM12-131	9,960	
C.E.R.T		2010-SS-T0-0034	4,846	(2)
			542,291	
Total U.S. Department of Homeland Security			836,031	
Total Expenditures of Federal Awards			$ 1,202,734	

Note: The accompanying schedule of expenditures of federal awards is prepared on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

(1) Funds expended in fiscal year ended June 30, 2012; grant funds received July 11, 2012
(2) Funds expended in 2010 & 2011; grant funds received April 9, 2013
(3) Grant funds received included $10,951 for airport land used by GADOT as "local share", not included in Federal Funds Expended above.

SUMTER COUNTY, GEORGIA

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

Section I—Summary of Auditor's Results:

Financial Statements

Type of auditor's report issued .....*unqualified*

Internal control over financial reporting:

- Material weakness(es) identified?_X_yes ___no
- Significant deficiency(ies) identified that are not considered to be material weaknesses?_X_ yes __none reported

Noncompliance material to financial statements noted?_X_yes __no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified?____ yes _X_no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)?____ yes _X_none reported

Type of auditor's report issued on compliance for major programs.....*unqualified*

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?____ yes _X_no

Identification of major programs:

CFDA Number	Name of Federal Program
97.044	Assistance to Firefighters Grant
97.039	Hazard Mitigation Grant

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

Auditee qualified as low-risk auditee? ____ yes _X_no

SUMTER COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

Section II—Financial Statement Findings:

2013 - 1. Incomplete Bank Reconciliations, and financial reporting

Criteria: Each month as part of the closing routine, bank statement balances should be reconciled to amounts recorded in the general ledger and reported on the financial statements.

Condition: Bank accounts of the General Fund were not reconciled for the year.

Cause: County's accounting policy was not complied with.

Effect: Revenues were not posted to the general ledger and erroneous financial reports were issued. Annual audit was delayed while accounting was completed.

Recommendation: Monthly bank reconciliations should be prepared. Procedures should be in place and followed that provide for the Finance Director's monthly review.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We have made the bank reconciliations for the year and revenues and expenditures have been recorded. The annual audit has been completed.

2013 - 2. 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: Appropriate segregation of duties does not exist between recording, distribution, reconciliation of cash accounts and other operational functions in various areas of County operations. This is especially prominent in the offices of the Sheriff, Jail, Clerk of Court, Magistrate Court, and Probate Court.

Cause: The failure to properly segregate duties is due to the limited number of individuals available in these offices to perform each of the duties.

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

Recommendation: The duties of recording, distribution, approving, writing and signing of checks, and reconciliation of accounts should be segregated among employees.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We have considered the benefit of adding additional staff for this purpose, and we conclude that the costs would outweigh the benefit. The offices listed continue to review their respective systems and accounting in their offices. The County Finance Director will continue to provide oversight and technical advice.

Section II—Financial Statement Findings (continued):

2013 - 3. Capital Assets and Depreciation

Criteria: County should maintain a schedule of capital assets and record depreciation as appropriate.

Condition: Schedule of capital assets and depreciation is incomplete.

Cause: Ineffective or lack of oversight by management.

Effect: Capital asset acquisitions for the year were not added and assets disposed of were not removed from the schedule. Depreciation had not been calculated.

Recommendation: County management should review the schedule of capital assets and depreciation for completeness and consistency to insure that the capitalization policies and procedures are followed. Each department should conduct an inventory of furniture and equipment.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We will insure that the schedule of assets and depreciation is reviewed at least annually for completeness and accuracy. An inventory was completed as of December 31, 2013. Management will request another inventory be conducted as of June 30, 2014

2013 - 4. Fiscal Agency Services for Southwestern Judicial Circuit Public Defender, Juvenile Court and District Attorney

Criteria: The County has agreed to provide fiscal agent services in the form of accounting and custodial management for officials of the Southwestern Judicial Circuit. These services include preparing and mailing invoices to Counties in the Circuit for reimbursement of costs of those offices (District Attorney does his own invoicing), receiving revenues, paying bills, record keeping, and financial reporting. Each county should pay its fair share based on population.

Condition: Billings for reimbursements have not been sufficient to cover costs and the County has used its general revenues to make-up the difference.

Cause: Inaccurate accumulation of costs or misunderstanding of criteria.

Effect: Costs have exceeded revenues such that June 30, 2013, cash balances in the Public Defender's Account is overdrawn by $161,830.13; the Juvenile Court is overdrawn by $71,724.41; and the District Attorney is overdrawn by $260.40.

Recommendation: The Finance Manager should review the invoicing procedures and computations to insure that costs are recovered. Invoices should be reviewed for accuracy prior to mailing.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We will review our procedures for billing, and insure that the Counties in in the Circuit are billed for their share of the reimbursable costs.

Section II—Financial Statement Findings (continued):

2013 - 5. County Jail Fund

Criteria: Monies collected pursuant to the Jail Construction and Staffing Act are by Georgia Law required to be paid over to the governing authority and shall be deposited by the governing authority into a special account to be known as the "county jail fund" (O.C.G.A. 15-21-93).

Condition: "County Jail Fund" has not been established.

Cause: County management determined that a separate fund was not required.

Effect: The additional penalty equal to 10 percent of the original fine has been recorded by the County as General Government unassigned revenue.

Recommendation: The County should establish a separate "county jail fund" and deposit all fine "additional penalties" paid into that fund.

Views of Responsible Officials and Planned Corrective Action: Our accounting system has the funds separately identified in the General Fund. Costs for constructing, operating and staffing of the county jail and the correctional institute are also accounted for and reported in the General Fund. We feel that our accounting and reporting is in compliance with the State law.

2013 - 6. Budget Amendments

Criteria: Budgets should be amended as needed.

Condition: Eleven departments were over budget for the year.

Cause: Poor financial reporting and lack of adequate management oversight.

Effect: Violation of the budget ordinance.

Recommendation: The County Finance Director should review budget to actual reports at least monthly and communicate with department heads or responsible individuals when conditions appear that budgets may be exceeded. County Commissioners should take prompt action to amend the budget or cut spending to prevent overages.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We will review budget reports monthly and take action as necessary to prevent budget overages.

Section III—Federal Awards Findings and Questioned Costs:

None reported.

SUMTER COUNTY, GEORGIA

SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2012

2012 - 1. Incomplete Revenue Information

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.

Condition: The County did not appropriately record all transactions involving the County's receivable and revenue accounts during the year ended June 30, 2012.

Auditee Response/Status: Resolved.

2012 - 2. Solid Waste Fund Receivables

Criteria: Generally accepted accounting principles for enterprise funds require revenues to be recorded when earned.

Condition: The County has not been properly recording revenue and receivables in the Solid Waste Fund and reconciling the amount at the end of each period.

Auditee Response/Status: Resolved.

2012 - 3. 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: Appropriate segregation of duties is insufficient among recording, distribution, reconciliation of cash accounts and other operational functions in various areas of County operations. This is especially prominent in the offices of the Sheriff, Jail, Clerk of Court, Magistrate Court, and Probate Court.

Auditee Response/Status: Unresolved. This is included in current finding number 2013-2.

2012 - 4. County Jail Fund

Criteria: Monies collected pursuant to the Jail Construction and Staffing Act are by Georgia Law required to be paid over to the governing authority and shall be deposited by the governing authority into a special account to be known as the "county jail fund" (O.C.G.A. 15-21-93)

Condition: "County Jail Fund" has not been established

Auditee Response/Status: Unresolved. County management believes their accounting for these fines is sufficient and no need to establish a separate bank account. This is included in current finding number 2013-6.

SUMTER COUNTY, GEORGIA

SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2012

2012 - 5. Capital Assets and Depreciation

Criteria: County should maintain a schedule of capital assets and record depreciation as appropriate.

Condition: Schedule of capital assets is incomplete

Auditee Response/Status: Unresolved. This is included in current finding number 2013-3.

2012 - 6. Budget amendments

Criteria: Budget should be amended as needed.

Condition: Intergovernmental revenue was overstated in the General Fund and understated in the Fire Fund

Auditee Response/Status: Resolved. This particular issue was resolved, however the matter still effects many county departments. This is included in current finding number 2013-6.

2012 - 7. Intergovernmental Contract

Criteria: All intergovernmental contracts should be recorded.

Condition: Intergovernmental contracts between the County and the City of Americus and County and the Payroll Development Authority was not disclosed in the notes to the financial statements.

Auditee Response/Status: Resolved.