

# Comprehensive Annual Financial Report July 1, 2012 – June 30, 2013



Lowndes County  
Board of Commissioners



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# COMPREHENSIVE ANNUAL FINANCIAL REPORT

LOWNDES COUNTY, GEORGIA

For The Fiscal Year  
July 1, 2012 - June 30, 2013



FINANCE DEPARTMENT  
Stephanie Black, Finance Director

**LOWNDES COUNTY, GEORGIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**For The Year Ending June 30, 2013**

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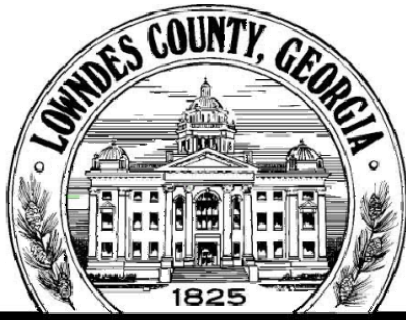
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## **INTRODUCTORY SECTION**

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**BOARD of COMMISSIONERS**

## *Lowndes County Finance Department*

*Stephanie Black*  
*Finance Director*

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*300 North Patterson Street • Valdosta, Georgia 31601 • Phone (229) 671-2525 • Fax (229) 671-2596*

January 13, 2014

The Honorable Bill Slaughter, Chairman  
Members of the Lowndes County Board of Commissioners  
And Citizens of Lowndes County

The Comprehensive Annual Financial Report of Lowndes County, Georgia for the fiscal year ended June 30, 2013, is submitted herewith. Responsibility for both the accuracy of the data and the completeness and fairness of presentation, including all disclosures rests with the County. We believe the data presented is accurate in all material respects and that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds. All disclosures necessary to enable interested citizens to gain a reasonable understanding of the County's financial activities have been included.

This report consists of management's representations concerning the finances of Lowndes County, Georgia. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. All disclosures necessary to enable interested citizens to gain a reasonable understanding of the County's financial activities have been included.

The County's financial statements have been audited by Henderson & Godbee, LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Lowndes County for the fiscal year ended June 30, 2013, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County's financial statements for the fiscal year ended June 30, 2013, are fairly presented in conformity with generally accepted accounting principles. The independent auditor's report is presented as the first component of the financial section of this report.

Governmental accounting standards require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The County’s MD&A can be found immediately following the report of the independent auditors.

## REPORTING ENTITY

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Lowndes County was originally established as a Georgia county on December 23, 1825 by an Act of the General Assembly of Georgia. The Board is comprised of one chairman, elected county wide, and three commissioners each elected from a separate commission district serving four year staggered terms. Daily operations are directed by a County Manager who is appointed by and responsible to the Board of Commissioners. The County provides services to approximately 114,552 residents living in a 510.7 square mile area. Services provided include judicial services including the Superior, State, Magistrate, Probate and Juvenile Courts and the District Attorney and the Public Defender. The County provides public safety including the Sheriff’s office, 911 emergency communications, animal control, emergency medical services and fire protection. Public works services include road maintenance and construction and building maintenance. The County provides health and welfare services through the public health department, the Department of Family and Children Services and mental health services through Behavioral Health Services of South Georgia. Culture and recreation are funded and provided through a separate millage for the Valdosta-Lowndes County Parks and Recreation Authority and appropriated funds to the South Georgia Regional Library. Economic development is supported through a separate millage for the Valdosta-Lowndes County Industrial Authority and appropriations to the Moody Support Group.

The incorporated areas of Lowndes County consist of five municipalities which are the cities of Dasher, Hahira, Lake Park, Remerton and Valdosta. Each city is governed by a mayor and city council.

The financial statements contained herein include all the activities and functions of Lowndes County that are under the jurisdiction of the Board of Commissioners, as set forth in state and local law. Additionally, three component units are included in these financial statements because of their operational and financial relationships to the County. The Lowndes County Board of Health provides numerous health services to all county residents. The Valdosta-Lowndes County Industrial Authority provides assistance to new and present business to operate and expand business in Lowndes County. The Valdosta-Lowndes County Parks and Recreation Authority provides recreation services to all county residents.

## NATURAL FEATURES AND LAND USE

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Lowndes County is located on the Florida border with a major interstate highway system (I-75) that is utilized by many tourists to visit Florida’s vacation attractions from across the United States and Canada. The County also has a major state highway that provides commerce and tourism the ability to reach the Georgia coast.

The County has experienced tremendous growth in residential and commercial development in the last 10 years. The real and personal property tax digest has grown an average of 5% over those years. Through planning and zoning the County attempts to maintain a balanced use of land and provide defined areas for residential growth and development as well as areas for commercial and industrial growth. At the same time the County is also expanding recreational land use through the development of new parks. The County is also protective of land use within the areas close to Moody Air Force Base to prevent encroachment that would hamper the mission of the base.

## POPULATION

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The County population has grown 21.3% in the last ten years. The growth has been driven in part by the expansion of missions at Moody Air Force Base, enrollment growth at the local state University, growth in industrial and commercial job opportunities and most recently by an increase in retirees looking for lower cost alternatives to traditional retirement locations. New housing developments are keeping pace with this growth and the County continues to expand roads and water and sewer systems to keep the infrastructure at the levels needed to meet the new demands of this growth.

## ECONOMIC CONDITION AND OUTLOOK

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Lowndes County provides many state mandated and other services that are the economic back bone for the local economy. Like many counties, Lowndes County is providing new services, which in the past were considered municipal services, to the fastest growing sections of the county in the unincorporated areas.

To assure that the financial strength of Lowndes County is maintained, the financial policies of the County require that the County maintain 120 days of operating expenditures as a fund balance reserve. This policy has been instrumental in achieving excellent ratings from the bond rating agencies.

In November 2012, Lowndes County received an Aa2 rating from Moody's Investors Service and an AA- rating from Standards and Poor's. These ratings provided by these independent services demonstrate the conservative and sound fiscal policies that Lowndes County has developed as a management philosophy.

The County has averaged 8.1% unemployment rate the last five years compared to a State average of 8.9%. County population has grown 4.87% since the 2010 census which showed a population of 109,233. County local option sales tax collections were down by 3.05% over the prior year due in part by the removal of sales tax on manufacturing energy usage in January and on vehicles as of April. The gross tax digest had a growth rate of 2.33% over the prior year.

New industry growth as well as growth of existing industries continues to be steady. Continued growth in enrollment at Valdosta State University and expansion at Moody Air Force Base continue to increase jobs for direct and indirect services to these two entities. The housing market is improving with sales up and growth in multi unit housing.

## MAJOR INITIATIVES

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### For The Year:

Due to the slow growth and decline of some revenue, the County focused on improving services with established departments and employees. The County continued the review of the Code of Ordinance to ensure citizens safety and quality of life. The County also began education programs for citizens to learn more about how County government operates.

The focus of the County during these poor economic times has been to maintain the financial strength that the County has established over many years.

The County will continued the expansion work that is part of their water and wastewater service five year capital improvement master plan which was prepared by Ingram & Watkins, LLC now that a new SPLOST has been approved by the voters and will begin January 1, 2014.

### For The Future:

Due to the poor economy the County has taken steps to freeze employee positions. The County will continue to budget conservatively as it has in the past and will provide the vital services to County residence as economically and efficiently as possible.

To more effectively deliver sanitation services, the County has turned over these services to an exclusive provider who will provide curb side services throughout the unincorporated areas of the County.

Capital improvements that are important to the delivery of services or assist with economic development will be provided as needed. The new approved SPLOST will provide many of the capital improvements required for delivery of services including public safety and public works vehicles and equipment.

The County has changed insurance intermediaries effective January 1, 2014 in an attempt to reduce rising cost of the self insured health plan. For FY13 there was an unexpected rise in health claims resulting in higher health care cost to all departments.

## RELEVANT FINANCIAL POLICIES

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The management of Lowndes County has established a comprehensive internal control system that is designed both to protect the county's assets from theft, loss, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with generally accepted accounting standards. Because cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance of the safeguarding of assets and the proper recording of financial transactions.

## AWARDS AND ACKNOWLEDGEMENTS

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The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting for the fourth year to the Lowndes County Board of Commissioners for its comprehensive annual financial report for the fiscal year ended June 30, 2012. In order to be awarded a certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legible requirements.

The County was also awarded the Distinguished Budget Presentation Award for the fiscal year ending June 30, 2012. This is the seventh consecutive year the County has received this award. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including as a policy document, as an operation guide, as a financial plan and as a communication device.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. The Distinguished Budget Presentation Award is also valid for a period of one year and we believe our 2013 fiscal year budget document continues to conform to the requirements of the award.

Appreciation is expressed to all members of the Finance Department staff and to our financial consulting firm, Tillman & Tillman, LLP for their contribution toward preparation of the CAFR as well as the direction and support of the County Manager's Office.

We also wish to acknowledge the leadership on the Board of Commissioners in its guidance of the financial affairs of the County.

Respectfully



Stephanie



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

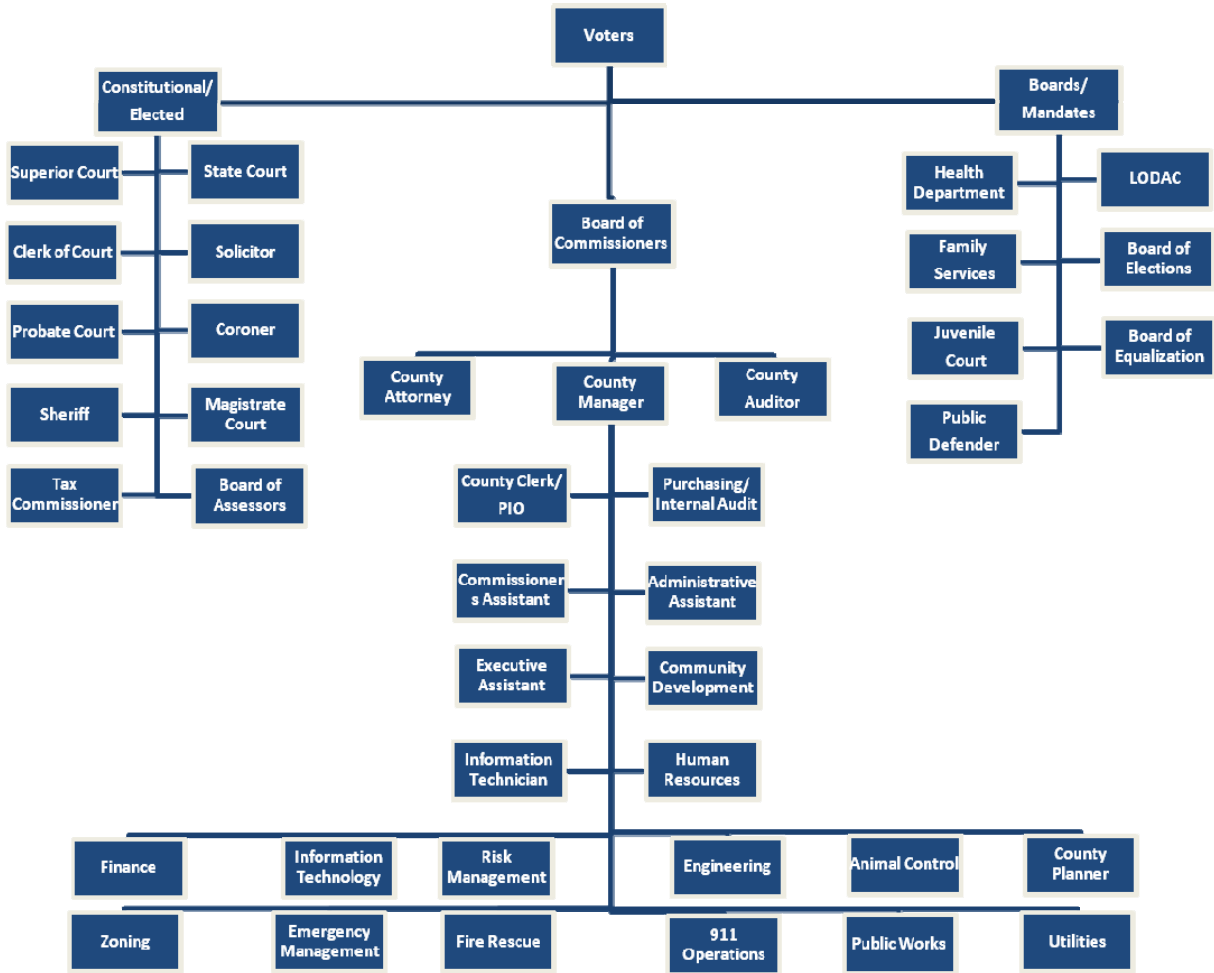
**Lowndes County  
Georgia**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2012**

Executive Director/CEO

# General Government Organizational Chart



Lowndes County, Georgia  
Principle Officials



Joyce E. Evans  
Commissioner District 1



Bill Slaughter  
Chairman



Richard Raines  
Commissioner District 2



Crawford Powell  
Commissioner District 3



Demarcus Marshall  
Commissioner District 4



John Page  
Commissioner District 5

County Manager  
Joe Pritchard

County Attorney  
Walter G. Elliott

Elected Officials

Tax Commissioner  
Clerk of Court  
Sheriff  
Superior Court Judge  
State Court Judge  
Magistrate Court Judge  
Probate Judge

Mary Nell Robertson  
Sara Crow  
Chris Prine  
Harry Jay Altman II  
John Kent Edwards  
Joni B. Parker  
Terri Adams

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## **FINANCIAL SECTION**

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# Henderson & Godbee, LLP

Certified Public Accountants and Business Consultants

Members of American Institute of Certified Public Accountants • Georgia Society of Certified Public Accountants

Robert A. Goddard, Jr., CPA (1943-1989)  
J. Wendell Godbee, CPA  
James W. Godbee, Jr., CPA  
Amber J. Tanner, CPA  
J. Craig King, CPA  
Amanda W. Shapard, CPA  
J. Philip Young, CPA  
Mac A. Johnson, CPA

Gerald H. Henderson, CPA  
Mark S. Rogers, CPA  
Maureen P. Collins, CPA  
Kevin R. Hiers, CPA  
Troy D. Newham, CPA  
Scott R. Simpson, CPA  
Billie L. Anderson, CPA  
Keeley T. Collins, CPA

## INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners  
Lowndes County, Georgia

### **Report on the Financial Statements**

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

### ***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 Lowndes County Board of Health and the Valdosta-Lowndes County Parks and Recreation Authority which represents 33.46% and 80.07% of the total assets and revenues of Lowndes County, Georgia's component units as of and for the year ending June 30, 2013. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Lowndes County Board of Health and the Valdosta-Lowndes County Parks and Recreation Authority, is based on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

To the Board of Commissioners  
Lowndes County, Georgia  
Page Two

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

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

### ***Opinions***

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

### ***Emphasis of Matter***

As described in Note 1 to the financial statements, in 2013, the County adopted new accounting guidance, GASB Statement no. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*. These standards modified terminology and presentation of certain accounts and change the accounting for bond issuance costs. Our opinion is 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 12 through 22), budgetary comparison information (on pages 74 through 82 and the Schedules of Funding Progress (on page 83) 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

To the Board of Commissioners  
Lowndes County, Georgia  
Page Three

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 Lowndes County Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements financial schedules and budgetary schedules, and the statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

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

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 13, 2014, on our consideration of Lowndes 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 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 Lowndes County, Georgia's internal control over financial reporting and compliance.

  
Henderson & Godbee, LLP

Valdosta, Georgia  
January 13, 2014

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**MANAGEMENT DISCUSSION AND ANALYSIS**

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LOWNDES COUNTY, GEORGIA  
Management's Discussion and Analysis  
Required Supplemental Information  
For the Year Ended June 30, 2013

As Management of Lowndes County, Georgia, we offer readers of the County's basic financial statements this narrative overview and analysis of the financial activities of the County for the year ending June 30, 2013. This discussion is intended to: 1) assist the reader in understanding significant financial issues; 2) provide an overview of the County's financial activities; 3) identify changes in the County's financial position; and 4) identify individual fund issues or concerns. We encourage our readers to consider the information presented within this Management's discussion and analysis in conjunction with the basic financial statements.

**Financial Highlights**

Key financial highlights for FY13 are as follows:

The County's total net position decreased by \$3,634,735, due in part to increased health cost.

At the end of the current year, the County's governmental funds reported an ending fund balance of \$28,801,201, an increase of \$2,727,163 from the prior year fund balance. Due to the decline in special purpose local option sales tax, the general fund had advanced funds to complete projects in progress and sales tax receipts are on track to pay back the general fund by March 2014. With reductions in capital outlay from the current SPLOST the total unassigned governmental fund balance is a positive amount of \$3,032,941.

At the end of the current year, unassigned fund balance for the General Fund was \$3,036,971 which represents 6.38 percent of total General Fund expenditures.

Restated net position for business-type activities decreased from \$32,348,655 to \$32,161,838 a decrease of \$186,817.

**Overview of the Financial Statements**

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

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

**Government-Wide Financial Statements**

The Government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business reporting. All governmental and business-type activities are combined to arrive at a total for the primary government.

LOWNDES COUNTY, GEORGIA  
Management's Discussion and Analysis  
Required Supplemental Information  
For the Year Ended June 30, 2013

**Statement of Net Position and the Statement of Activities**

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

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

In the statement of net position and the statement of activities, the County is divided into three kinds of activities:

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

**Business-Type Activities**—These services are provided on a charge for goods or services basis to recover all or most of the cost of the services provided. The County's Water and Sewer, Landfill, Special Lighting Districts and Sanitation operations are reported here.

**Component Units**—The County's financial statements include financial data of the Valdosta-Lowndes County Industrial Authority, the Lowndes County Board of Health and the Valdosta-Lowndes County Parks and Recreation Authority. These component units are described in the notes to the financial statements. The component units are separate and may buy; sell, lease, and mortgage property in their own name and can sue or be sued in their own name. Each of these entities issue separate annual audit reports.

**Fund Financial Statements**

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

LOWNDES COUNTY, GEORGIA  
Management's Discussion and Analysis  
Required Supplemental Information  
For the Year Ended June 30, 2013

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

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities on the government-wide financial statements.

By doing so, readers may better understand the long-term effect of the government's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

*Proprietary Funds*— Enterprise funds are used to report the same functions presented as business-type activities on the government-wide financial statements. The County uses enterprise funds to account for the Water and Sewer, Landfill, Special Tax Lighting District and Sanitation services. Internal Service funds are used to account for the financing of goods or services provided by one department to other departments of the County on a cost-reimbursement basis. The County used internal service funds to account for Equipment Operations, Health Insurance, Workers' Compensation and Fleet Management.

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

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

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

LOWNDES COUNTY, GEORGIA  
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**Government-Wide Financial Analysis**

The following table reflects the condensed Statement of Net Position:

**Lowndes County's Net Position**  
*(in millions of dollars)*

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>		<u>Total</u> <u>Percentage</u> <u>Change</u>
	<u>Activities</u>		<u>Activities</u>				
	<u>(Restated)</u>		<u>(Restated)</u>		<u>(Restated)</u>		
	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012-2013</u>
<b>Assets</b>							
Current and other assets	\$ 33.92	\$ 36.44	\$ 2.17	\$ 3.80	\$ 36.09	\$ 40.24	11.50%
Capital assets, net	121.71	109.02	41.16	39.86	162.87	148.88	-8.59%
<b>Total Assets</b>	<b>155.63</b>	<b>145.46</b>	<b>43.33</b>	<b>43.66</b>	<b>198.96</b>	<b>189.12</b>	<b>-4.95%</b>
<b>Deferred Outflows of Resources</b>							
	-	<b>0.37</b>	-	<b>0.55</b>	-	<b>0.92</b>	<b>0.00%</b>
<b>Liabilities</b>							
Current and other liabilities	23.40	16.54	1.39	1.75	24.79	18.29	-26.22%
Long-term liabilities	17.58	18.06	9.59	10.28	27.17	28.34	4.31%
<b>Total Liabilities</b>	<b>40.98</b>	<b>34.60</b>	<b>10.98</b>	<b>12.03</b>	<b>51.96</b>	<b>46.63</b>	<b>-10.26%</b>
<b>Deferred Outflows of Resources</b>							
	-	<b>0.03</b>	-	<b>0.02</b>	-	<b>0.05</b>	<b>0.00%</b>
<b>Net Position</b>							
Net investment in capital assets	95.69	91.13	31.94	30.58	127.63	121.71	-4.64%
Restricted	7.97	7.43	-	-	7.97	7.43	-6.78%
Unrestricted	10.99	12.64	0.41	1.58	11.40	14.22	-24.74%
<b>Total Net Position</b>	<b>\$ 114.65</b>	<b>\$ 111.20</b>	<b>\$ 32.35</b>	<b>\$ 32.16</b>	<b>\$ 147.00</b>	<b>\$ 143.36</b>	<b>-2.48%</b>

As noted earlier, the County's net position, when reviewed over time, may serve as a useful indicator of the County's financial position. In the case of the County, assets exceeded liabilities by \$143,363,099. Net position was \$111,201,261 in governmental activities and \$32,161,838 in business-type activities as of June 30, 2013. The largest portion of the County's net position reflects its investment in capital assets (e.g., land and improvements, buildings and building improvements, improvements other than buildings, machinery and equipment, vehicles, and infrastructure) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. Another 3.50% of net position is restricted for use on capital projects.

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An additional portion of the County's net position (1.68 %) represents resources that are subject to other restrictions on how they can be used.

The next table shows the changes in net position for the year ending June 30, 2013 and 2012.

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

	<b>Governmental</b>		<b>Business-Type</b>		<b>Total</b>		<b>Total</b>
	<b>Activities</b>		<b>Activities</b>		<b>Total</b>		<b>Percentage</b>
	<b>(Restated)</b>		<b>(Restated)</b>		<b>(Restated)</b>		<b>Change</b>
	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012-2013</b>
<b>Revenues</b>							
<b>Program Revenues</b>							
Charges for services	\$ 9.85	\$ 9.06	\$ 6.50	\$ 5.92	\$ 16.35	\$ 14.98	(8.38) %
Operating grants and contributions	1.76	1.95	-	-	1.76	1.95	10.80 %
Capital grants and contributions	1.78	1.86	-	-	1.78	1.86	4.49 %
<b>Total Program Revenues</b>	<b>13.39</b>	<b>12.87</b>	<b>6.50</b>	<b>5.92</b>	<b>19.89</b>	<b>18.79</b>	<b>(5.53) %</b>
<b>General Revenues</b>							
Property taxes	27.90	28.02	-	-	27.90	28.02	0.43 %
Alcoholic beverage taxes	0.48	0.49	-	-	0.48	0.49	2.08 %
Occupational taxes	0.60	0.55	-	-	0.60	0.55	(8.33) %
Hotel/motel taxes	0.27	0.27	-	-	0.27	0.27	100.00 %
Franchise taxes	0.14	0.12	-	-	0.14	0.12	(14.29) %
Insurance premium taxes	2.06	2.20	-	-	2.06	2.20	6.80 %
Sales taxes	34.81	33.75	-	-	34.81	33.75	(3.05) %
Public utility taxes	0.56	0.66	-	-	0.56	0.66	17.86 %
Miscellaneous	0.63	0.84	-	-	0.63	0.84	33.33 %
Interest	-	-	0.10	0.01	0.10	0.01	(90.00) %
<b>Total General Revenues</b>	<b>67.45</b>	<b>66.90</b>	<b>0.10</b>	<b>0.01</b>	<b>67.55</b>	<b>66.91</b>	<b>(0.95) %</b>
<b>Total Revenues</b>	<b>80.84</b>	<b>79.77</b>	<b>6.60</b>	<b>5.93</b>	<b>87.44</b>	<b>85.70</b>	<b>(1.99) %</b>

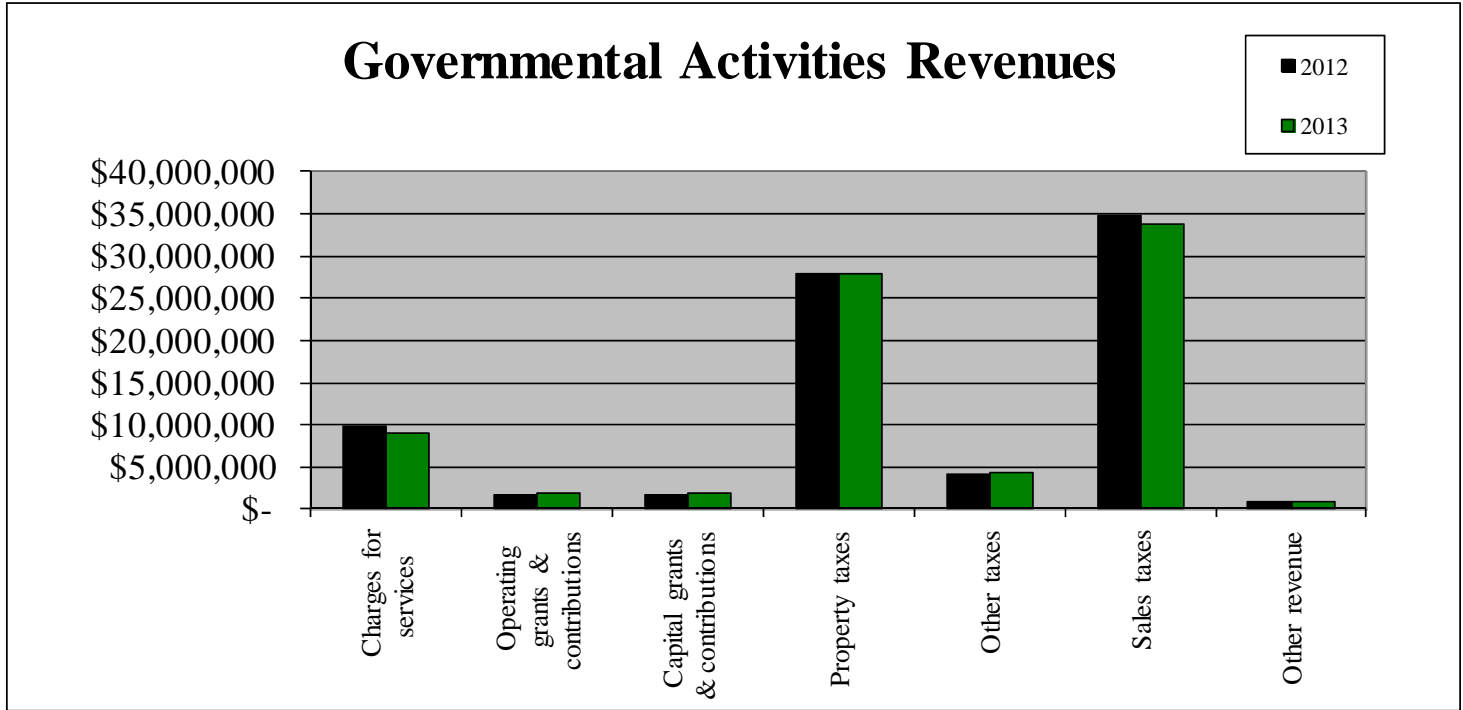
LOWNDES COUNTY, GEORGIA  
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Changes in Lowndes County's Net Position  
*(in millions of dollars)*

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>		<u>Total</u>
	<u>Activities</u>		<u>Activities</u>		<u>(Restated)</u>		<u>Change</u>
	<u>(Restated)</u>				<u>(Restated)</u>		<u>2011-2013</u>
	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	
<b>Expenses</b>							
<b>Governmental Activities:</b>							
General Government							
Legislative and executive	\$ 14.14	\$ 12.69	\$ -	\$ -	\$ 14.14	\$ 12.69	(10.25) %
Judicial	5.86	5.20	-	-	5.86	5.20	(11.26) %
Public safety	28.14	27.85	-	-	28.14	27.85	(1.03) %
Public works	35.05	26.62	-	-	35.05	26.62	(24.05) %
Health and welfare	0.90	1.36	-	-	0.90	1.36	51.11 %
Culture and recreation	4.52	4.57	-	-	4.52	4.57	1.11 %
Housing and development	4.22	4.38	-	-	4.22	4.38	3.79 %
Interest on long-term debt	1.52	0.88	-	-	1.52	0.88	(42.11) %
<b>Business-type Activities:</b>							
Water and sewer	-	-	4.59	4.79	4.59	4.79	4.36 %
Landfill	-	-	0.04	0.05	0.04	0.05	25.00 %
Special tax lighting district	-	-	0.28	0.29	0.28	0.29	3.57 %
Sanitation fund	-	-	0.95	0.66	0.95	0.66	(30.53) %
<b>Total Expenses</b>	<b>94.35</b>	<b>83.55</b>	<b>5.86</b>	<b>5.79</b>	<b>100.21</b>	<b>89.34</b>	<b>(10.85) %</b>
<b>Revenue Over (Under) Expenses</b>	<b>(13.51)</b>	<b>(3.78)</b>	<b>0.74</b>	<b>0.14</b>	<b>(12.77)</b>	<b>(3.64)</b>	<b>(71.50) %</b>
Transfers	0.88	0.33	(0.88)	(0.33)	-	-	- %
<b>Increase (Decrease) in Net Position</b>	<b>(12.63)</b>	<b>(3.45)</b>	<b>(0.14)</b>	<b>(0.19)</b>	<b>(12.77)</b>	<b>(3.64)</b>	<b>(71.50) %</b>
Net Position, Restated	127.28	114.65	32.49	32.35	159.77	147.00	(7.99) %
<b>Net Position, Ending</b>	<b>\$ 114.65</b>	<b>\$ 111.20</b>	<b>\$ 32.35</b>	<b>\$ 32.16</b>	<b>\$ 147.00</b>	<b>\$ 143.36</b>	<b>(2.48) %</b>

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**Government Activities**



The largest portion of the County’s program revenue is from charges for services which accounted for \$9,055,221 or 70% of total program revenues. These charges include licenses and permits, fines and forfeitures related to judicial activity, fees for real estate transfers, fees associated with the collection of property taxes and fees charged through various County governmental departments.

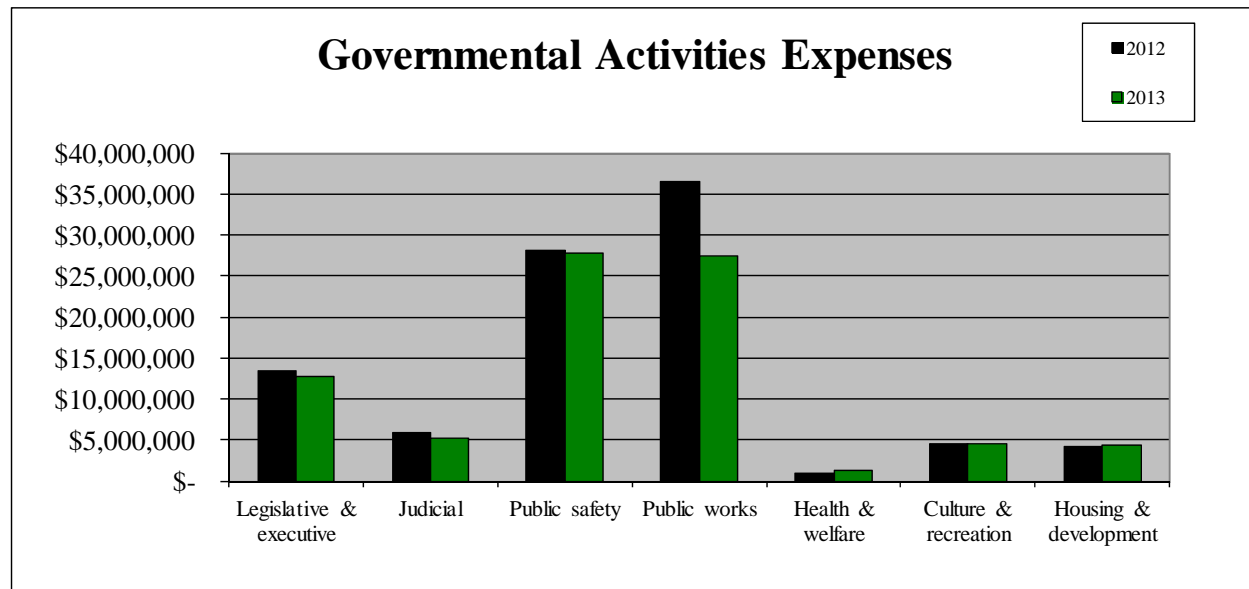
Sales tax revenues are the major contributor to general revenues and account for \$33,747,828 or 50% of total general revenues. Another major component was property taxes, which accounted for \$28,017,047 or 42% of total general revenues.

Property taxes showed modest growth. Sales taxes were down due in part to changes in items being taxed and the local economy still not showing consistent growth.

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**Government Activities – Continued**

The following chart compares governmental activities expenses for the year ending June 30, 2012 and 2013. Expenditures were reduced to offset reduced revenue.



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

**Net Cost of Lowndes County's Governmental Activities**  
*(in millions of dollars)*

<u>Function</u>	<u>Total Cost of Services</u> <u>(Restated)</u>		<u>Percentage Change</u> <u>2012-2013</u>	<u>Net Cost of Services</u> <u>(Restated)</u>		<u>Percentage Change</u> <u>2012-2013</u>
	<u>2012</u>	<u>2013</u>		<u>2012</u>	<u>2013</u>	
General Government						
Legislative and executive	\$ 14.14	\$ 12.69	(10.25) %	\$ 12.34	\$ 11.53	(6.57) %
Judicial	5.86	5.20	(11.26) %	0.67	0.22	(66.68) %
Public safety	28.14	27.85	(1.03) %	23.08	23.73	2.82 %
Public works	35.05	26.62	(24.05) %	33.20	24.70	(25.60) %
Health and welfare	0.90	1.36	51.11 %	0.85	0.85	(0.05) %
Culture and recreation	4.52	4.57	1.11 %	4.52	4.58	1.26 %
Housing and development	4.22	4.38	3.79 %	4.10	4.20	2.38 %
Interest on long-term debt	1.52	0.88	(42.11) %	1.52	0.87	(42.46) %
<b>Total</b>	<b>\$ 94.35</b>	<b>\$ 83.55</b>	<b>(11.45) %</b>	<b>\$ 80.28</b>	<b>\$ 70.68</b>	<b>(11.96) %</b>

LOWNDES COUNTY, GEORGIA  
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**Business-Type Activities**

The net position for business-type activities decreased \$186,818 during the year ending June 30, 2013. The major source of revenue was from charges for services for water and sewer services which amounted to \$4,433,311.

**Financial Analysis of County Funds**

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

**Governmental Funds**

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

As of June 30, 2013, the County's governmental funds reported a combined ending fund balance of \$28,801,201, an increase of \$2,727,163. The County had \$3,032,941 of unassigned fund balance which is available for spending at the County's discretion. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed to a variety of other restricted or assigned purposes (\$25,768,260).

**Major Funds:**

The General Fund is the primary operating fund of the County. At the end of June 30, 2013, the unassigned fund balance was \$3,036,971 while total fund balance was \$16,761,484. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 6.38% to total General Fund expenditures, while the total fund balance represents 43.66% of that same amount.

The Capital Projects SPLOST VI Fund expended \$17,680,784 in appropriations to other governments, capital improvements and debt service funds and received \$21,372,332 in sales tax and investment income. The revenues exceeded expenditures resulting in an increase in the fund balance from \$3,691,548 to a fund balance of \$5,574,363. This SPLOST will end in December 2013 and a new SPLOST will begin on January 1, 2014.

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**Enterprise Funds**

The County's enterprise funds provide the same type of information found in the government-wide financial statements, but in more detail.

Total Net Position of the Water & Sewer Fund at June 30, 2013, was \$32,037,608. Total Net Position decreased by \$98,461.

The Landfill Fund oversees the post-closure expenses of a closed landfill. Solid waste host fees provide revenue to cover these expenses which have been accrued to cover the anticipated cost of monitoring the landfill in accordance with environmental regulations.

The Special Tax Lighting District oversees special districts that are assessed taxes to cover the cost of providing lighting to the district.

The Sanitation Fund accounts for sanitation services with the inception of a fee based service. This service was moved to a private provider in FY13 and the fund was closed.

**Budgetary Highlights**

By State statute, the Board of County Commissioners adopts the annual operating budget for the County on or before the first day of the fiscal year.

For the General Fund and other governmental funds, changes from the original to the final budget created no net change in fund balance.

**Capital Assets**

The County's investment in capital assets for governmental and business-type activities as of June 30, 2013, was \$148,881,268 (net of accumulated depreciation). This investment in capital assets includes land and improvements, buildings and improvements, improvements other than buildings, machinery and equipment, vehicles, and infrastructure.

Major capital asset events during FY13 included continued improvements to roads and public safety facilities.

Note 8 (Capital Assets) provides additional information about capital asset activity during FY13.

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**Debt**

The County backed revenue bonds issued for the Valdosta-Lowndes County Industrial Authority during FY09 to provide funding for economic development projects. The bonds are being paid from the 1 mil of property taxes access for the Authority.

Standards & Poor's Corporation has assigned an underlying rating of AA- to these new bonds. However, an AAA credit rating was listed on the bonds since insurance was purchased from Financial Security Assurance, Inc. guaranteeing bond payments.

The County provided backing for bonds issued by the Hospital Authority of Valdosta and Lowndes County, Georgia during FY12 in the amount of \$148,280,000. Additional information can be found in Note 23 for contingent liabilities.

The County refunded bonds during FY13 that were issued for the Judicial Complex and the Water & Sewer Fund due to lower interest rates and the savings that would be derived.

In addition to the bonded debt, the County's long-term obligations include compensated absences and closure/postclosure liability. Additional information on the County's long-term debt can be found in Notes 14 to 18 of this report.

**Economic Factors**

Property tax revenue grew by 2.33% over the prior year and has averaged 4.63 % growth over the last ten years. This has allowed the County to reduce or maintain current millage rates and stay ahead of rising cost.

After an FY12 increase, the local option sales tax revenues declined 3.05%.

The County maintained a calendar year annual average of 8.1% for unemployment compared to the state average of 8.9%.

**Requests for Information**

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Lowndes County Finance Director, 300 North Patterson Street, Valdosta, GA 31601.

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**BASIC FINANCIAL STATEMENTS**

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

Primary Government

	Governmental Activities	Business-Type Activities	Total Primary Government
<b>ASSETS</b>			
Equity in pooled cash and cash equivalents	\$ 14,577,868	\$ 2,582,616	\$ 17,160,484
Cash and cash equivalents in segregated accounts	3,646,122	50,821	3,696,943
Certificate of deposit	374,849	-	374,849
Government investment pool	3,147,663	-	3,147,663
Receivables (net of allowance for doubtful accounts):			
Taxes	1,505,899	-	1,505,899
Accounts	2,452,294	1,002,080	3,454,374
Special assessments	14,406	-	14,406
Sales tax	2,792,000	-	2,792,000
Internal balances	16,571	(16,571)	-
Due from other governments	103,987	-	103,987
Materials and supplies inventory	416,794	-	416,794
Prepaid expenses	108,686	-	108,686
Restricted cash and cash investments	6,289,503	165,051	6,454,554
Internal advances	1,000,000	(1,000,000)	-
Nondepreciable capital assets	2,884,216	2,690,543	5,574,759
Depreciable capital assets, net	<u>106,134,005</u>	<u>37,172,504</u>	<u>143,306,509</u>
<b>TOTAL ASSETS</b>	<u>\$ 145,464,863</u>	<u>\$ 42,647,044</u>	<u>\$ 188,111,907</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred charge on refunding	<u>\$ 372,636</u>	<u>\$ 550,218</u>	<u>\$ 922,854</u>
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$ 372,636</u>	<u>\$ 550,218</u>	<u>\$ 922,854</u>

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

Component Units

Lowndes County Board of Health	Valdosta- Lowndes County Industrial Authority	Valdosta- Lowndes County Parks & Recreation Authority
\$ -	\$ -	\$ 1,741,835
1,930,482	3,409,233	1,650
-	-	-
-	-	-
-	-	358,065
191,195	-	-
-	-	-
-	-	-
-	-	-
396,958	-	-
-	-	-
-	6,767	57,399
-	2,748,853	-
-	-	-
-	17,088,274	3,493,525
487,949	3,715,776	4,902,283
<u>\$ 3,006,584</u>	<u>\$ 26,968,903</u>	<u>\$ 10,554,757</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

LOWNDES COUNTY, GEORGIA  
STATEMENT OF NET POSITION - CONTINUED  
June 30, 2013

	Governmental Activities	Business-Type Activities	Total Primary Government
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES:</b>			
Accounts payable	\$ 1,601,839	\$ 248,117	\$ 1,849,956
Estimated health claims payable	622,070	-	622,070
Accrued wages	629,626	18,559	648,185
Accrued expenses	1,882,192	17,822	1,900,014
Due to other governments	1,533,112	-	1,533,112
Payable from restricted assets:			
Customer deposits	-	180,150	180,150
<b>NONCURRENT LIABILITIES:</b>			
Due within one year:			
Compensated absences payable	685,223	20,275	705,498
Capital lease obligations	826,400	-	826,400
Bonds payable	7,900,000	660,000	8,560,000
Notes payable	-	-	-
Unamortized bond premium	375,294	14,127	389,421
Landfill postclosure cost	-	71,807	71,807
Due in more than one year:			
Compensated absences payable	538,390	15,930	554,320
Capital lease obligations	9,238,300	-	9,238,300
Bonds payable	-	8,620,000	8,620,000
Notes payable	-	-	-
Unamortized bond premium	485,545	282,340	767,885
Landfill postclosure cost	-	861,686	861,686
Net pension obligation liability	134,466	-	134,466
Net other postemployment benefits	8,150,697	-	8,150,697
	<u>8,150,697</u>	<u>-</u>	<u>8,150,697</u>
<b>TOTAL LIABILITIES</b>	<b>\$ 34,603,154</b>	<b>\$ 11,010,813</b>	<b>\$ 45,613,967</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue	<u>33,084</u>	<u>24,611</u>	<u>57,695</u>
<b>COMBINED LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ 34,636,238</b>	<b>\$ 11,035,424</b>	<b>\$ 45,671,662</b>
<b>NET POSITION</b>			
Net investment in capital assets	91,132,521	30,583,047	121,715,568
Restricted for:			
Jail operations	513,669	-	513,669
Tourism	24,057	-	24,057
Drug enforcement	1,501,829	-	1,501,829
Law library	333,430	-	333,430
Victim assistance	41,864	-	41,864
Public health programs	-	-	-
Debt services	-	-	-
Capital projects	5,014,172	-	5,014,172
Unrestricted	<u>12,639,719</u>	<u>1,578,791</u>	<u>14,218,510</u>
<b>TOTAL NET POSITION</b>	<b>\$ 111,201,261</b>	<b>\$ 32,161,838</b>	<b>\$ 143,363,099</b>

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

Lowndes County Board of Health	Valdosta- Lowndes County Industrial Authority	Valdosta- Lowndes County Parks & Recreation Authority
\$ -	\$ 28,140	\$ 57,545
-	-	-
-	-	-
62	387,974	88,654
21,056	-	-
-	-	-
306,271	-	28,181
-	-	129,557
-	1,140,000	-
-	-	41,894
-	-	-
-	-	-
231,046	-	39,740
-	-	119,778
-	12,870,000	-
-	-	24,984
-	-	-
-	-	-
-	-	-
<u>\$ 558,435</u>	<u>\$ 14,426,114</u>	<u>\$ 530,333</u>
-	-	20,361
<u>\$ 558,435</u>	<u>\$ 14,426,114</u>	<u>\$ 550,694</u>
487,949	8,911,685	8,079,595
-	-	-
-	-	-
-	-	-
-	-	-
1,498,932	-	-
-	680,740	-
-	-	-
461,268	2,950,364	1,924,468
<u>\$ 2,448,149</u>	<u>\$ 12,542,789</u>	<u>\$ 10,004,063</u>

LOWNDES COUNTY, GEORGIA  
 STATEMENT OF ACTIVITIES  
 For The Year Ended June 30, 2013

FUNCTION/PROGRAM	Expenses	Program Revenues		
		Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants, Contributions, and Interest
<b>GOVERNMENTAL ACTIVITIES</b>				
General Government				
Legislative and Executive	\$ 12,678,632	\$ 1,054,379	\$ 95,281	\$ -
Judicial	5,201,728	4,529,884	448,621	-
Public Safety	27,846,930	3,396,496	720,576	-
Public Works	26,622,355	61,623	-	1,859,509
Health and Welfare	1,357,428	12,839	495,000	-
Culture and Recreation	4,577,105	-	-	-
Housing and Development	4,390,318	-	192,937	-
Interest on Long-term Debt	874,565	-	-	-
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>83,549,061</b>	<b>9,055,221</b>	<b>1,952,415</b>	<b>1,859,509</b>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Water and Sewer	4,781,971	4,938,717	-	-
Landfill	46,210	435,720	-	-
Special Tax Lighting District	290,639	243,043	-	-
Sanitation Fund	660,737	299,467	-	-
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>5,779,557</b>	<b>5,916,947</b>	<b>-</b>	<b>-</b>
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 89,328,618</b>	<b>\$ 14,972,168</b>	<b>\$ 1,952,415</b>	<b>\$ 1,859,509</b>
<b>COMPONENT UNITS</b>				
Lowndes County Board of Health	\$ 12,242,223	\$ 1,231,365	\$ 11,390,774	\$ -
Valdosta-Lowndes County Industrial Authority	2,162,825	-	14,020	-
Valdosta-Lowndes County Parks & Recreation Authority	3,810,709	467,811	19,509	73,953
<b>TOTAL COMPONENT UNITS</b>	<b>\$ 18,215,757</b>	<b>\$ 1,699,176</b>	<b>\$ 11,424,303</b>	<b>\$ 73,953</b>
<b>GENERAL REVENUES</b>				
Property Taxes Levied for:				
General Operating				
Alcoholic Beverage Taxes				
Occupational Taxes				
Hotel/Motel Taxes				
Franchise Taxes				
Insurance Premium Taxes				
Sales Taxes				
Public Utility Taxes				
Miscellaneous Income				
Gain on disposal of capital assets				
Investment Income				
<b>TOTAL GENERAL REVENUES</b>				
<b>EXCESS (DEFICIT) BEFORE TRANSFERS</b>				
<b>TRANSFERS IN (OUT)</b>				
<b>CHANGES IN NET POSITION</b>				
<b>NET POSITION, RESTATED</b>				
<b>NET POSITION, END OF YEAR</b>				

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

Net (Expense) Revenue and Changes in Net Position

Primary Government			Component Units		
Governmental Activities	Business-Type Activities	Total	Lowndes County Board of Health	Valdosta- Lowndes County Industrial Authority	Valdosta- Lowndes County Parks & Recreation Authority
\$ (11,528,972)	\$ -	\$ (11,528,972)	\$ -	\$ -	\$ -
(223,223)	-	(223,223)	-	-	-
(23,729,858)	-	(23,729,858)	-	-	-
(24,701,223)	-	(24,701,223)	-	-	-
(849,589)	-	(849,589)	-	-	-
(4,577,105)	-	(4,577,105)	-	-	-
(4,197,381)	-	(4,197,381)	-	-	-
(874,565)	-	(874,565)	-	-	-
<u>(70,681,916)</u>	<u>-</u>	<u>(70,681,916)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	156,746	156,746	-	-	-
-	389,510	389,510	-	-	-
-	(47,596)	(47,596)	-	-	-
<u>-</u>	<u>(361,270)</u>	<u>(361,270)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>137,390</u>	<u>137,390</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ (70,681,916)</u>	<u>\$ 137,390</u>	<u>\$ (70,544,526)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ 379,916	\$ -	\$ -
-	-	-	-	(2,148,805)	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,249,436)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 379,916</u>	<u>\$ (2,148,805)</u>	<u>\$ (3,249,436)</u>
28,017,047	-	28,017,047	-	3,408,804	3,665,266
486,800	-	486,800	-	-	-
544,984	-	544,984	-	-	-
272,613	-	272,613	-	-	-
116,773	-	116,773	-	-	-
2,198,903	-	2,198,903	-	-	-
33,747,828	-	33,747,828	-	-	-
659,404	-	659,404	-	-	-
855,646	-	855,646	-	-	143,736
-	-	-	-	769,590	-
<u>-</u>	<u>9,793</u>	<u>9,793</u>	<u>-</u>	<u>19,743</u>	<u>94</u>
<u>66,899,998</u>	<u>9,793</u>	<u>66,909,791</u>	<u>-</u>	<u>4,198,137</u>	<u>3,809,096</u>
(3,781,918)	147,183	(3,634,735)	379,916	2,049,332	559,660
334,000	(334,000)	-	-	-	-
<u>(3,447,918)</u>	<u>(186,817)</u>	<u>(3,634,735)</u>	<u>379,916</u>	<u>2,049,332</u>	<u>559,660</u>
<u>114,649,179</u>	<u>32,348,655</u>	<u>146,997,834</u>	<u>2,068,233</u>	<u>10,493,457</u>	<u>9,444,403</u>
<u>\$ 111,201,261</u>	<u>\$ 32,161,838</u>	<u>\$ 143,363,099</u>	<u>\$ 2,448,149</u>	<u>\$ 12,542,789</u>	<u>\$ 10,004,063</u>

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

		<u>Capital Projects</u>		
		Special Purpose	Other	
		Local Option	Governmental	
	<u>General</u>	<u>Sales Tax VI</u>	<u>Funds</u>	<u>Total</u>
<b>ASSETS</b>				
Equity in pooled cash and cash equivalents	\$ 11,219,471	\$ 52,515	\$ 2,227,231	\$ 13,499,217
Cash and cash equivalents in segregated accounts	170,655	154,809	3,289,110	3,614,574
Certificate of deposit	-	-	374,848	374,848
Government investment pool	1,007,425	1,725,093	427,595	3,160,113
Receivables (net of allowance for doubtful accounts)				
Taxes	1,505,899	-	-	1,505,899
Accounts	1,464,044	-	681,026	2,145,070
Special assessments	14,406	-	-	14,406
Sales Tax	1,024,902	1,767,098	-	2,792,000
Due from other governments	-	-	103,987	103,987
Restricted cash	-	6,289,503	-	6,289,503
Interfund receivable	3,364,430	-	-	3,364,430
Internal advances	1,000,000	-	-	1,000,000
	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>
<b>TOTAL ASSETS</b>	<u>\$ 20,771,232</u>	<u>\$ 9,989,018</u>	<u>\$ 7,103,797</u>	<u>\$ 37,864,047</u>

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

LOWNDES COUNTY, GEORGIA  
 GOVERNMENTAL FUNDS  
 BALANCE SHEET - CONTINUED  
 June 30, 2013

		<u>Capital Projects</u>		
		<u>Special Purpose</u>	<u>Other</u>	
		<u>Local Option</u>	<u>Governmental</u>	
	<u>General</u>	<u>Sales Tax VI</u>	<u>Funds</u>	<u>Total</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 836,296	\$ -	\$ 548,160	\$ 1,384,456
Accrued wages	543,431	-	77,442	620,873
Accrued liabilities	1,305,819	-	-	1,305,819
Due to other governments	-	1,533,112	-	1,533,112
Interfund payable	-	2,715,543	171,545	2,887,088
	<u>-</u>	<u>2,715,543</u>	<u>171,545</u>	<u>2,887,088</u>
TOTAL LIABILITIES	<u>2,685,546</u>	<u>4,248,655</u>	<u>797,147</u>	<u>7,731,348</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue	1,324,202	-	7,296	1,331,498
	<u>1,324,202</u>	<u>-</u>	<u>7,296</u>	<u>1,331,498</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,324,202</u>	<u>-</u>	<u>7,296</u>	<u>1,331,498</u>
<b>FUND BALANCES</b>				
Restricted for:				
Jail operations	-	-	520,597	520,597
Tourism	-	-	24,057	24,057
Drug enforcement	-	-	992,452	992,452
Law library	-	-	333,430	333,430
Victim assistance	-	-	44,702	44,702
911 emergency telephone	-	-	116,653	116,653
Capital projects	-	5,740,363	4,012,316	9,752,679
Assigned for:				
Loans receivable	1,000,000	-	-	1,000,000
Unincorporated services	-	-	259,177	259,177
Property tax roll back	12,724,513	-	-	12,724,513
Unassigned reported in:				
General Fund	3,036,971	-	-	3,036,971
Special Revenue Fund	-	-	(4,030)	(4,030)
	<u>-</u>	<u>-</u>	<u>(4,030)</u>	<u>(4,030)</u>
TOTAL FUND BALANCES	<u>16,761,484</u>	<u>5,740,363</u>	<u>6,299,354</u>	<u>28,801,201</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 20,771,232</u>	<u>\$ 9,989,018</u>	<u>\$ 7,103,797</u>	<u>\$ 37,864,047</u>

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

LOWNDES COUNTY, GEORGIA  
 RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES  
 TO NET POSITION OF GOVERNMENTAL ACTIVITIES  
 June 30, 2013

Total Governmental Funds Balances \$ 28,801,201

**Amounts reported for governmental activities on the  
 statement of net assets are different because of the following:**

Net Pension Obligation  
 Pension liabilities resulting from contributions less than the annual  
 required contribution (134,466)

Capital assets used in governmental activities are not  
 financial resources and, therefore, are not reported in the funds. 107,964,050

Internal service funds are used by management to charge the cost  
 of certain activities, such as insurance and fleet management, to  
 individual funds. The assets and liabilities of the internal service  
 funds are included in the governmental activities in the government-wide  
 statement of net assets.  
 Net assets less compensated absences 1,048,710  
 Compensated absences payable (14,133)  
1,034,577

Revenue are not available to pay for current period expenditures  
 and, therefore, are not reported in the funds.  
 Deferred tax revenue 1,298,414

Some liabilities are not due and payable in the current  
 period and, therefore, are not reported in the funds:  
 Accrued interest (19,136)  
 Compensated absences payable (1,209,480)  
 Bonds payable (8,760,838)  
 Deferred charge bond refund 372,636  
 Net other postemployment benefits (8,150,697)  
 Capital leases payable (9,995,000)

Net Position of Governmental Activities \$ 111,201,261

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

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

	<u>General</u>	<u>Capital Projects</u> Special Purpose Local Option Sales Tax VI	<u>Other</u> Governmental Funds	<u>Total</u>
<b>REVENUES:</b>				
Taxes	\$ 41,055,684	\$ 21,359,925	\$ 3,620,073	\$ 66,035,682
Licenses and permits	1,776	-	97,565	99,341
Intergovernmental revenues	258,284	-	3,522,935	3,781,219
Charges for services	3,747,909	-	1,939,218	5,687,127
Fines and forfeitures	1,793,077	-	1,475,674	3,268,751
Investment income	8,126	12,407	10,172	30,705
Miscellaneous	78,530	-	401,971	480,501
TOTAL REVENUES	<u>\$ 46,943,386</u>	<u>\$ 21,372,332</u>	<u>\$ 11,067,608</u>	<u>\$ 79,383,326</u>
<b>EXPENDITURES</b>				
Current				
General Government				
Legislative and executive	9,691,395	-	457,562	10,148,957
Judicial	5,211,469	-	730,568	5,942,037
Public safety	19,118,422	-	6,574,671	25,693,093
Public works	4,496,316	854	1,451,189	5,948,359
Health and welfare	679,923	-	180,000	859,923
Culture and recreation	4,577,105	-	-	4,577,105
Housing and development	2,910,800	-	1,646,526	4,557,326
Intergovernmental	-	9,384,155	519,993	9,904,148
Capital outlay	-	-	302,387	302,387
Debt Service				
Principal retirement	700,000	7,590,000	-	8,290,000
Interest	186,053	705,775	-	891,828
TOTAL EXPENDITURES	<u>47,571,483</u>	<u>17,680,784</u>	<u>11,862,896</u>	<u>77,115,163</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(628,097)	3,691,548	(795,288)	2,268,163
<b>OTHER FINANCING SOURCES (USES):</b>				
Refunding Bond Proceeds	9,265,000	-	-	9,265,000
Payments to Refunded Bonds	(9,140,000)	-	-	(9,140,000)
Transfers In	714,000	-	1,004,027	1,718,027
Transfers Out	(879,027)	-	(505,000)	(1,384,027)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(40,027)</u>	<u>-</u>	<u>499,027</u>	<u>459,000</u>
NET CHANGES IN FUND BALANCE	(668,124)	3,691,548	(296,261)	2,727,163
FUND BALANCES AT BEGINNING OF YEAR	<u>17,429,608</u>	<u>2,048,815</u>	<u>6,595,615</u>	<u>26,074,038</u>
FUND BALANCES AT END OF YEAR	<u>\$ 16,761,484</u>	<u>\$ 5,740,363</u>	<u>\$ 6,299,354</u>	<u>\$ 28,801,201</u>

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

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

Net Change in Fund Balances - Total Governmental Funds \$ 2,727,163

**Amounts reported for governmental activities on the  
 statement of activities are different because of the following:**

Net Pension Obligation		
Change in pension liability resulting from contributions more than the annual required contribution		81,018
Internal service funds change in net assets:		
Internal service funds change in net assets less depreciation and compensated absences	410,253	
Depreciation	(763,569)	
Compensated absences	(2,492)	(355,808)
Governmental funds report capital outlays as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year:		
Capital outlay - depreciable capital assets	2,104,594	
Depreciation	(14,034,814)	(11,930,220)
Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds:		
Property taxes	10,872	
Assessments	(2,202)	8,670
Some expenses reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Other post employment benefits	(2,386,624)	
Compensated absences	2,252	(2,384,372)
Accrual of interest on bonds payable is not an expenditures in the governmental funds, but is accrued on the statement of activities.		
Accrued interest expense	17,264	17,264
The issuance of long-term debt provide current financial resources to governmental funds, but is recognized as an increase in long-term liabilities on the statement of activities.		
Refunded bond proceeds	(9,265,000)	(9,265,000)
Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of activities.		
Bond payments	7,590,000	
Refunded bond payments	9,140,000	
Bond issuance cost	(143,110)	
Amortization of bond premium	375,149	
Amortization of deferred charge on refunding	(8,672)	
Capital lease payments	700,000	17,653,367
Changes in Net Position of Governmental Activities		\$ (3,447,918)

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

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

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Other Enterprise Funds	Total	Internal Service Funds
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Equity in pooled cash and cash equivalents	\$ 1,748,839	\$ 833,777	\$ 2,582,616	\$ 1,078,649
Cash and cash equivalents in segregated accounts	50,821	-	50,821	-
Government investment pool	-	-	-	19,099
Receivables (net of allowance for doubtful accounts):				
Accounts	940,056	62,024	1,002,080	307,222
Prepaid expense	-	-	-	108,686
Inventory	-	-	-	416,794
Restricted assets				
Customer deposit account	165,051	-	165,051	-
<b>TOTAL CURRENT ASSETS</b>	<u>2,904,767</u>	<u>895,801</u>	<u>3,800,568</u>	<u>1,930,450</u>
<b>NONCURRENT ASSETS</b>				
Capital Assets				
Land	2,486,904	203,639	2,690,543	-
Depreciable capital assets, net	37,172,504	-	37,172,504	1,054,172
<b>TOTAL NONCURRENT ASSETS</b>	<u>39,659,408</u>	<u>203,639</u>	<u>39,863,047</u>	<u>1,054,172</u>
<b>TOTAL ASSETS</b>	<u>42,564,175</u>	<u>1,099,440</u>	<u>43,663,615</u>	<u>2,984,622</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred charge on refunding	550,218	-	550,218	-
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>550,218</u>	<u>-</u>	<u>550,218</u>	<u>-</u>

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

LOWNDES COUNTY, GEORGIA  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION - CONTINUED  
 June 30, 2013

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Water and Sewer	Other Enterprise Funds	Total	Internal Service Funds
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable	222,971	25,146	248,117	839,453
Accrued wages	18,559	-	18,559	565,753
Accrued interest payable	17,822	-	17,822	235
Interfund payable	-	16,571	16,571	460,771
Current portion of compensated absences payable	20,275	-	20,275	7,914
Current portion of capital lease obligations	-	-	-	16,400
Current portion of bonds payable	660,000	-	660,000	-
Current portion of unamortized premium	14,127	-	14,127	-
Current portion of interfund advance	500,000	-	500,000	-
Current portion of landfill postclosure cost	-	71,807	71,807	-
Payable from restricted assets:				
Customer deposits	180,150	-	180,150	-
<b>TOTAL CURRENT LIABILITIES</b>	<u>1,633,904</u>	<u>113,524</u>	<u>1,747,428</u>	<u>1,890,526</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue	24,611	-	24,611	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>24,611</u>	<u>-</u>	<u>24,611</u>	<u>-</u>
<b>LONG-TERM LIABILITIES</b>				
Compensated absences	15,930	-	15,930	6,219
Interfund advance	500,000	-	500,000	-
Capital lease obligations	-	-	-	53,300
Unamortized premium	282,340	-	282,340	-
Bonds payable	8,620,000	-	8,620,000	-
Landfill postclosure cost	-	861,686	861,686	-
<b>TOTAL LONG-TERM LIABILITIES</b>	<u>9,418,270</u>	<u>861,686</u>	<u>10,279,956</u>	<u>59,519</u>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<u>11,076,785</u>	<u>975,210</u>	<u>12,051,995</u>	<u>1,950,045</u>
<b>NET POSITION</b>				
Net investment in capital assets	30,379,408	203,639	30,583,047	984,472
Unrestricted	1,658,200	(79,409)	1,578,791	50,105
<b>TOTAL NET POSITION</b>	<u>\$ 32,037,608</u>	<u>\$ 124,230</u>	<u>\$ 32,161,838</u>	<u>\$ 1,034,577</u>

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

LOWNDES COUNTY, GEORGIA  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND NET POSITION  
 For The Year Ended June 30, 2013

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental Activities</u>
	<u>Water and Sewer</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	<u>Internal Service Funds</u>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 4,433,311	\$ 542,510	\$ 4,975,821	\$ 9,089,390
Penalties	119,494	-	119,494	-
Other income	225,299	435,720	661,019	-
Connection fees	160,613	-	160,613	-
<b>TOTAL OPERATING REVENUES</b>	<u>4,938,717</u>	<u>978,230</u>	<u>5,916,947</u>	<u>9,089,390</u>
<b>OPERATING EXPENSES</b>				
Personal services	625,686	206,495	832,181	282,994
Payroll taxes	45,430	17,594	63,024	20,002
Fringe benefits	232,578	101,155	333,733	109,209
Contractual services	1,486,071	666,371	2,152,442	68,514
Insurance and bond	164,955	-	164,955	5,430,134
Materials and supplies	414,498	3,281	417,779	2,767,402
Depreciation	1,333,647	2,690	1,336,337	763,569
<b>TOTAL OPERATING EXPENSES</b>	<u>4,302,865</u>	<u>997,586</u>	<u>5,300,451</u>	<u>9,441,824</u>
<b>OPERATING INCOME (LOSS)</b>	<u>635,852</u>	<u>(19,356)</u>	<u>616,496</u>	<u>(352,434)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Interest revenue	9,793	-	9,793	30
Interest expense	(479,106)	-	(479,106)	(3,405)
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	<u>(469,313)</u>	<u>-</u>	<u>(469,313)</u>	<u>(3,375)</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	166,539	(19,356)	147,183	(355,809)
<b>TRANSFERS IN</b>	-	424,523	424,523	-
<b>TRANSFERS OUT</b>	<u>(265,000)</u>	<u>(493,523)</u>	<u>(758,523)</u>	<u>-</u>
<b>CHANGE IN NET POSITION</b>	(98,461)	(88,356)	(186,817)	(355,809)
<b>NET POSITION, RESTATED</b>	<u>32,136,069</u>	<u>212,586</u>	<u>32,348,655</u>	<u>1,390,386</u>
<b>NET POSITION AT END OF YEAR</b>	<u>\$ 32,037,608</u>	<u>\$ 124,230</u>	<u>\$ 32,161,838</u>	<u>\$ 1,034,577</u>

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

LOWNDES COUNTY, GEORGIA  
 PROPRIETARY FUNDS  
 STATEMENT OF CASH FLOWS  
 For The Year Ended June 30, 2013

	Business-Type Activities - Enterprise Funds			Governmental
	Water and Sewer	Other Enterprise Funds	Total	Internal Service Funds
<b><u>Increase (Decrease) in Cash and Cash Equivalents</u></b>				
<b><u>Cash Flows From Operating Activities</u></b>				
Cash received from customers	\$ 4,779,460	\$ 467,326	\$ 5,246,786	\$ -
Cash received from other income	217,986	455,819	673,805	-
Cash received from interfund transactions	-	16,571	16,571	-
Cash received from other funds for services	-	-	-	8,805,245
Cash payments for personal services	(619,005)	(241,654)	(860,659)	(280,468)
Cash payments for payroll taxes	(45,430)	(17,594)	(63,024)	(20,002)
Cash payments for fringe benefits	(232,578)	(101,155)	(333,733)	(109,209)
Cash payments for contractual services	(1,374,019)	(764,389)	(2,138,408)	(68,514)
Cash payments for insurance and bond	(151,397)	-	(151,397)	(5,980,724)
Cash payments for materials and supplies	(414,498)	(3,278)	(417,776)	(3,018,790)
Net Cash Provided by (Used for) Operating Activities	<u>2,160,519</u>	<u>(188,354)</u>	<u>1,972,165</u>	<u>(672,462)</u>
<b><u>Cash Flows From Noncapital Financing Activities</u></b>				
Cash received from transfer-in	-	424,523	424,523	-
Cash payments from transfer-out	(265,000)	(493,523)	(758,523)	-
Net Cash From (Used For) Noncapital Financing Activities	<u>(265,000)</u>	<u>(69,000)</u>	<u>(334,000)</u>	<u>-</u>
<b><u>Cash Flows From Capital and Related Financing Activities</u></b>				
Cash received from bond issuance	7,545,000	-	7,545,000	-
Cash payments for acquisition of capital assets	(43,787)	-	(43,787)	-
Cash payment on interfund advance	(500,000)	-	(500,000)	-
Cash payments for principal on bonds payable	(7,480,000)	-	(7,480,000)	-
Cash payments for interest on bonds payable	(477,190)	-	(477,190)	-
Cash payments for bond refunding cost	(502,184)	-	(502,184)	-
Cash payments for interest on capital leases	-	-	-	(46,449)
Net Cash Used For Capital and Related Financing Activities	<u>(1,458,161)</u>	<u>-</u>	<u>(1,458,161)</u>	<u>(46,449)</u>
<b><u>Cash Flows From Investing Activities</u></b>				
Cash received from interest	9,793	-	9,793	30
Net Cash Flows Provided By Investing Activities	<u>9,793</u>	<u>-</u>	<u>9,793</u>	<u>30</u>
Net Increase (Decrease) in Cash and Cash Equivalents	447,151	(257,354)	189,797	(718,881)
Cash and Cash Equivalents at Beginning of Year	<u>1,517,560</u>	<u>1,091,131</u>	<u>2,608,691</u>	<u>1,816,629</u>
Cash and Cash Equivalents at End of Year	<u>\$ 1,964,711</u>	<u>\$ 833,777</u>	<u>\$ 2,798,488</u>	<u>\$ 1,097,748</u>
Equity in pooled cash and cash equivalents	\$ 1,748,839	\$ 833,777	\$ 2,582,616	\$ 1,078,649
Cash and cash equivalents in segregated accounts	50,821	-	50,821	-
Customer deposit account	165,051	-	165,051	-
Government investment pool	-	-	-	19,099
Total Cash and Cash Equivalents	<u>\$ 1,964,711</u>	<u>\$ 833,777</u>	<u>\$ 2,798,488</u>	<u>\$ 1,097,748</u>

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

LOWNDES COUNTY, GEORGIA  
 PROPRIETARY FUNDS  
 STATEMENT OF CASH FLOWS - CONTINUED  
 For The Year Ended June 30, 2013

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental Activities</u>
	<u>Water and Sewer</u>	<u>Other Enterprise Funds</u>	<u>Total</u>	<u>Internal Service Funds</u>
<b>Reconciliation of Operating Income (Loss) To</b>				
<b><u>Net Cash Provided by (Used For) Operating Activities</u></b>				
Operating Income (Loss)	\$ 635,852	\$ (19,356)	\$ 616,496	\$ (352,434)
<b>Adjustments to Reconcile Operating Income (Loss) To</b>				
<b><u>Net Cash Provided by (Used For) Operating Activities</u></b>				
Depreciation	1,333,647	2,690	1,336,337	763,569
Amortization	6,245	-	6,245	-
Changes in Assets and Liabilities:				
(Increase) decrease in accounts receivable	46,357	23,465	69,822	(284,146)
(Increase) decrease in prepaid expense	-	-	-	(12,412)
(Increase) decrease in inventory	-	-	-	(210,076)
Increase (decrease) in accounts payable	112,052	(32,362)	79,690	(67,989)
Increase (decrease) in customer deposits	10,200	-	10,200	-
Increase (decrease) in accrued compensated absences	6,857	(24,632)	(17,775)	2,492
Increase (decrease) in interfund payable	-	16,571	16,571	(8,500)
Increase (decrease) in deferred inflows	9,485	(78,550)	(69,065)	-
Increase (decrease) in accrued liabilities	(176)	(76,180)	(76,356)	(502,966)
Net Cash Provided By (Used For)				
Operating Activities	<u>\$ 2,160,519</u>	<u>\$ (188,354)</u>	<u>\$ 1,972,165</u>	<u>\$ (672,462)</u>

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

LOWNDES COUNTY, GEORGIA  
 FIDUCIARY FUNDS  
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
 June 30, 2013

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents in segregated accounts	\$ 3,787,143
Due from others	<u>45,588</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 3,832,731</u></u>
<b>LIABILITIES</b>	
Due to others	\$ 639,929
Collections held in escrow	<u>3,192,802</u>
<b>TOTAL LIABILITIES</b>	<u><u>3,832,731</u></u>
<b>NET POSITION</b>	<u><u>\$ -</u></u>

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

LOWNDES COUNTY, GEORGIA  
NOTES TO THE FINANCIAL STATEMENTS

**Note 1 – Summary of Significant Accounting Policies**

The financial statements of Lowndes County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County has elected to apply Financial Accounting Standards Board (FASB) Statements and Interpretations issued after November 30, 1989, to its business-type activities and to its enterprise funds provided they do not conflict with or contradict GASB pronouncements.

**A. The Reporting Entity**

These financial statements present Lowndes County, Georgia (the primary government) which is governed by an elected six - member board, and discretely presented component units. The component units discussed below are included in the County’s reporting entity because of the significance of their operational and financial relationships with the County. In conformity with GAAP, as set forth in the Statement of Governmental Accounting Standards No. 14, *The Financial Reporting Entity* and amended by GASB Statement No. 61, the component units’ financial statements have been included as discretely presented component units. Each discretely presented component unit, on the other hand, is reported separately in the government-wide financial statements from the most recently audited financial statements. The following is a brief review of each component unit addressed in defining the government’s reporting entity.

**Lowndes County Board of Health**

The Lowndes County Board of Health is a component unit based on the criteria in GASB Statement No. 14. The Board of health consists of seven members. Two members are appointed by the City of Valdosta. The Lowndes County Board of Commissioners appoints three members and the Chairman of the Board of Commissioners (or their designee) serves as a member. The County Superintendent of Schools is the other member. County appointments or members make up the majority of the Board of Health. The County provides funding annually to the Board of Health. Because the County appoints the majority of the board and because of the financial relationship between the Board of Health and the County, the Board of Health is reported as a discretely presented component unit. A complete set of financial statements for the Lowndes County Board of Health is presented in a separate report and can be obtained from the Lowndes County Board of Health.

**Valdosta-Lowndes County Industrial Authority**

The Valdosta-Lowndes County Industrial Authority is a component unit based on a significant financial relationship. The County issued general obligation bonds in the County’s name for the Authority, so they could acquire land and develop it for industry. The County currently provides the funding for the Authority through a dedicated millage of 1 mil that must first pay for all the general obligation debt and then the balance funds the operations of the Authority. The continuation of the accessed millage is determined by the County. The County appoints two of five of the Board members and rotates an appointment with the City of Valdosta of one Board member at the end of their term of office. The City of Valdosta appoints the other two Board members.

A complete set of financial statements for the Valdosta-Lowndes County Industrial Authority is presented in a separate report and can be obtained from the Valdosta-Lowndes County Industrial Authority.

LOWNDES COUNTY, GEORGIA  
NOTES TO THE FINANCIAL STATEMENTS

**Note 1 - Summary of Significant Accounting Policies – Continued**

**A. The Reporting Entity - Continued**

**Valdosta-Lowndes County Parks and Recreation Authority**

The Valdosta-Lowndes County Parks and Recreation Authority is a component unit based on the criteria of fiscal dependence. The County is providing funding for the Authority through a dedicated millage of 1.25 mils that provides the revenues along with fees to cover the cost of operations of the Authority. The continuation of the accessed millage is determined by the County. The County appoints three of seven Board members and rotates an appointment with the City of Valdosta of one Board member at the end of their term of office. The City of Valdosta appoints the other three Board members.

A complete set of financial statements for the Valdosta-Lowndes County Parks and Recreation Authority is presented in a separate report and can be obtained from the Valdosta-Lowndes County Parks and Recreation Authority.

**Joint Ventures**

The Valdosta-Lowndes County Airport Authority is a joint venture between the City of Valdosta and Lowndes County based on an annual request for funding to both governments. A separate financial report may be obtained from the Valdosta-Lowndes County Airport Authority.

The Valdosta-Lowndes County Conference Center and Tourism Authority is a joint venture between the City of Valdosta and Lowndes County based funding provided each year from both governments. A separate financial report may be obtained from the Valdosta-Lowndes County Airport Authority.

The Southern Georgia Regional Commission is a joint venture of the members in the South Georgia 10 county area. Further information is provided in Note 21.

**B. Basis of Presentation**

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

**Government-Wide Financial Statements**

The statement of net position and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. For the most part, the effect of interfund activity has been removed from these statements. Interfund services provided and used are not eliminated in the process of consolidation. The statements distinguish between those activities of the County that are governmental in nature and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the County at year end. The statement of activities presents a comparison between direct expenses and

**Note 1 - Summary of Significant Accounting Policies – Continued**

**B. Basis of Presentation - Continued**

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

**Fund Financial Statements**

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

**C. Fund Accounting**

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

**Governmental Funds**

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

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

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

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

**Note 1 - Summary of Significant Accounting Policies - Continued**

**C. Fund Accounting - Continued**

**Proprietary Funds**

Proprietary Fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principle ongoing operations. All other revenues and expenses not meeting this definition are considered nonoperating. The County's enterprise funds may be used to account for any activity for which a fee is charged to external users of goods or services. The following are the County's major enterprise funds:

**Water and Sewer Fund.** The fund accounts for fees collected by the County for water and sewer services.

**Internal Service Funds**

Internal Service Funds are used to account for the financing of goods or services provided by one department to the other departments of the County on a cost-reimbursement basis. The County has four internal service funds:

**Equipment Operations** - to account for charges to other funds for the maintenance and repair of County equipment.

**Health Insurance** – to account for charges to other funds and contributions from employees and for the payment of health insurance premiums and benefits.

**Fleet Manager** – to account for charges to other funds for the use of vehicles and equipment purchased through the fleet manager fund.

**Workers' Compensation** – to account for charges to other funds for the payment of workers' compensation premiums and benefits.

**Fiduciary Funds**

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

LOWNDES COUNTY, GEORGIA  
NOTES TO THE FINANCIAL STATEMENTS

**Note 1 - Summary of Significant Accounting Policies - Continued**

**D. Measurement Focus**

**Government-Wide Financial Statements**

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net position. Government-wide financial statements for the Valdosta-Lowndes Industrial Authority, the Valdosta-Lowndes Parks and Recreation Authority and the Lowndes County Board of Health are also presented.

**Fund Financial Statements**

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.

Like the government-wide financial statements, the enterprise and internal service funds are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in revenues, expenses, and changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows reflects how the County finances and meets the cash flow needs of its enterprise and internal service activities.

**E. Basis of Accounting**

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

**Revenue—Exchange and Nonexchange Transactions**

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

LOWNDES COUNTY, GEORGIA  
 NOTES TO THE FINANCIAL STATEMENTS

**Note 1 – Summary of Significant Accounting Policies – Continued**

**E. Basis of Accounting -Continued**

**Revenues—Exchange and Nonexchange Transactions - Continued**

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

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

**Deferred Outflows/Inflows of Resources**

Deferred outflows of resources represents a consumption of net position 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 one item that qualifies for reporting in this category – the deferred charge on refunding reported in the enterprise funds and government-wide statements of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is no longer reported net of debt and is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Deferred inflows of resources represent an acquisition of net position 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 unavailable revenue, which arises only under the modified accrual basis of accounting, that qualifies for reporting in this category on the governmental funds balance sheet.

The following amounts are deferred and recognized as an inflow of resources in the period that the amounts become available:

<u>Unavailable revenue</u>	<u>General Fund</u>	<u>Other Governmental Fund</u>
Property taxes	\$ 1,284,008	\$ -
Unavailable revenue	25,788	7,296
Special assessments	14,406	-
	<u>\$ 1,324,202</u>	<u>\$ 7,296</u>

**Note 1 - Summary of Significant Accounting Policies - Continued**

**E. Basis of Accounting - Continued**

**Expenses/Expenditures**

On the accrual basis, expenses are recognized at the time they are incurred.

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

**F. Budgetary Process**

An annual budget is adopted (as required by law) by the County for the general, special revenue and capital projects funds. Although not legally required, the County also adopts a budget for the enterprise funds and internal service funds. The budgets are adopted on a basis substantially consistent with U.S. generally accepted accounting principles.

The County uses the following procedures in establishing the annual budgets:

1. Prior to July 1, the County Manager submits to the Board of Commissioners a proposed budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments. Notice is given at least ten days in advance by publication in the official organ of Lowndes County.
3. The budget is legally enacted through passage of an ordinance.
4. The County has a policy of budgeting on a departmental basis.
5. Formal budgetary integration is employed as a management control device during the year for the general fund, special revenue, capital project, internal service and enterprise funds.
6. Budgeted amounts are shown as amended throughout the year.

There were no excess of expenditures over appropriations in individual funds.

**G. Encumbrances**

Encumbrance accounting, under which major purchase orders, contracts, and other commitments for the expenditures of monies are recorded to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration.

Encumbrances outstanding at year-end represent the estimated amount of the expenditures ultimately to result if unperformed contracts in process at year-end are completed. Encumbrances outstanding at year-end do not constitute expenditures or liabilities. For budgetary purposes the encumbrances were recognized as expenditures and this is accounted for as an adjustment from the GAAP Basis to the Budgetary Basis.

There were no encumbrances for the year ending June 30, 2013.

LOWNDES COUNTY, GEORGIA  
NOTES TO THE FINANCIAL STATEMENTS

**Note 1 - Summary of Significant Accounting Policies - Continued**

**H. Cash and Investments**

To improve cash management, cash received by the County is pooled and invested. Individual fund integrity is maintained through County records. Each fund's interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents."

Cash and cash equivalents that are held separately within departments of the County, and not included in the County Treasury, are recorded as "Cash and Cash Equivalents in Segregated Accounts."

Cash and cash equivalents of the Lowndes County Board of Health and the Valdosta-Lowndes Industrial Authority component units are recorded as "Cash and Cash Equivalents in Segregated Accounts."

Investments are reported at fair value, except for repurchase agreements and non-negotiable certificates of deposit which are reported at cost. Fair value is based on quoted market prices.

Income from pooled investments is allocated only when contractually or legally required. All investment earnings not legally or contractually required to be credited to individual accounts or funds are credited to the General Fund.

For purposes of the combined statement of cash flows and for presentation on the statement of net position, investments of the cash management pool and investments with a maturity of three months or less at the time they are purchased by the County are considered to be cash and cash equivalents. Investments with a maturity of more than one year, and not purchased from the cash management pool, are reported as investments.

**I. Prepaid Expenses**

Prepaid balances are for payments made by the County in the current year to provide services occurring the subsequent fiscal year.

**J. Inventory**

Inventory is presented at the lower of cost or market on a first-in, first-out basis and is expensed when used. Inventory consists of expendable supplies held for consumption.

**K. Restricted Assets**

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Certain resources set aside for the payment of bond debt and customer deposits for the water and sewer fund are classified as restricted assets on the balance sheet because their use is limited.

LOWNDES COUNTY, GEORGIA  
NOTES TO THE FINANCIAL STATEMENTS

**Note 1 - Summary of Significant Accounting Policies - Continued**

**L. Capital Assets**

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets used by the enterprise funds are reported in both the business-type activities column of the government-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market value on the date donated. The County maintains a capitalization threshold of \$10,000. The County’s infrastructure consists of roads, bridges, and culverts for which the County chose to include all such items regardless of their acquisition date. The County was able to estimate the historical cost of the governmental activities infrastructure for the initial reporting of those assets. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not capitalized. Interest incurred during the construction of enterprise fund capital assets is also capitalized.

All capital assets are depreciated, except for land and improvements and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County’s historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives.

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Building Improvements	40–100 years
Improvements Other Than Buildings	40 years
Machinery and Equipment	5–20 years
Vehicles	6–20 years
Infrastructure	5–50 years
Water System	5–50 years
Sewer System	5–50 years

**M. Interfund Receivables/Payables**

On fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified as “Interfund Receivables/Payables.” Interfund balances within governmental activities and within business-type activities are eliminated on the government-wide statement of net position. The only interfund balances which remain on the government-wide statement of net position are those between governmental and business-type activities. These amounts are reflected as “Internal Balances.”

**Note 1 - Summary of Significant Accounting Policies - Continued**

**N. Compensated Absences**

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

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

On governmental fund financial statements, compensated absences are not recognized as a liability and expenditure. For enterprise funds, the entire amount of compensated absences is reported as a fund liability.

**O. Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the enterprise funds are reported on the enterprise fund financial statements.

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

**P. 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.

LOWNDES COUNTY, GEORGIA  
NOTES TO THE FINANCIAL STATEMENTS

**Note 1 - Summary of Significant Accounting Policies - Continued**

**P. Fund Equity (Continued)**

**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 Board of Commissioners through the adoption of a resolution. Only the Board of Commissioners may modify or rescind the commitment.

**Assigned:** Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board of Commissioners has authorized the County's Finance Director to assign fund balances.

**Unassigned:** Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. Positive unassigned fund balance may be reported 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: Committed, Assigned, Unassigned.

**Net Position**

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

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

**Q. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. For the County, these revenues are charges for services for water and sewer and street lighting. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as nonoperating.

LOWNDES COUNTY, GEORGIA  
 NOTES TO THE FINANCIAL STATEMENTS

**Note 1 - Summary of Significant Accounting Policies - Continued**

**R. Interfund Transactions**

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

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

**S. Management Estimates**

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

**T. Restatement of FY12 Net Position and Fund Balance**

In conformity with GAAP, as set forth in the Statement of Governmental Accounting Standards No. 65. *Items Previously Recognized as Assets and Liabilities*, FY12 Government-wide net position has been restated for Governmental activities, Business-type activities, and the Water and Sewer Fund to record the effects of removing unamortized bond issue cost from the statement of net position and treating them as if they had been expensed in the year incurred.

These restatements affected the beginning net position in the government-wide and fund statements as follows:

	<u>Government-wide Statements</u>			<u>Fund Statements</u>
	<u>Governmental</u>	<u>Business-Type</u>	<u>Component</u>	<u>Water &amp; Sewer</u>
	<u>Activities</u>	<u>Activities</u>	<u>Unit</u>	<u>Fund</u>
Net Position, Beginning of Year	\$ 114,952,270	\$ 32,526,653	\$ 10,842,938	\$ 32,314,067
Effect of removing unamortized bond costs from the Statement of Position	<u>(303,091)</u>	<u>(177,998)</u>	<u>(349,481)</u>	<u>(177,998)</u>
Net Position, Restated	<u>\$ 114,649,179</u>	<u>\$ 32,348,655</u>	<u>\$ 10,493,457</u>	<u>\$ 32,136,069</u>

**Note 2 – Deposits and Investments**

Lowndes County maintains investments in a local government investment pool through the State of Georgia Office of State Treasurer. The balance at June 30, 2013 was \$3,147,663 for all funds. The funds have a 24 day weighted average maturity.

LOWNDES COUNTY, GEORGIA  
NOTES TO THE FINANCIAL STATEMENTS

**Note 2 – Deposits and Investments - Continued**

“Georgia Fund 1,” created by O.C.G.A. 36-83-8, is a stable net asset value invested pool which follows Standard and Poor’s criteria for AAAM rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool’s primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1.00 per share value.) Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant’s shares sold and redeemed based on \$1.00 per share.

**Interest Rate Risk.** The County has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk.** State statutes authorize the County to invest in 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 banker’s acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. The County has no policy for credit risk beyond the types of investments authorized by state statute.

**Custodial Credit Risk – Deposits.** Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County 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. The County has no custodial credit risk policies requiring additional collateral.

**Custodial Credit Risk – Investments.** Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all investments (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. The County has no custodial credit risk policies requiring additional collateral.

**Note 3 – Property Taxes**

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the County. The property taxes for Lowndes County are collected by the Lowndes County Tax Commissioners Office and remitted to the County monthly.

The property tax calendar is as follows:

- January 1 - Assessment date
- July 1 - Tax Assessors send returns to Tax Commissioner
- July 25 - Millage rate is set by the County Commission
- July 28 - County tax digest is submitted to the State Revenue Commissioner
- September 15 - Bills are mailed by Tax Commissioner
- November 15 - Due date for property taxes other than motor vehicles
- November 16 - Execution date for unpaid taxes

Taxes are collected throughout the year.

LOWNDES COUNTY, GEORGIA  
 NOTES TO THE FINANCIAL STATEMENTS

**Note 4 – Payment in Lieu of Taxes**

According to State law, the County has entered into agreements with a number of property owners under which the County has granted property tax abatements to those property owners and agreed to construct certain infrastructure improvements. The property owners have agreed to make payments to the County to help pay the costs of the infrastructure improvements. The amount of those payments generally reflects all or a portion of the property taxes which the property owners would have paid if their taxes had not been abated. The property owners’ contractual promises to make these payments in lieu of taxes generally continue until the costs of the improvement have been paid or the agreement expires, whichever occurs first. Future development by those owners or others may result in subsequent agreements to make payments in lieu of taxes and may therefore spread the costs of the improvements to a larger number of property owners.

**Note 5 – Hotel/Motel Lodging Tax**

Lowndes County levies a 5% hotel motel lodging tax of which 2% is designated for the promotion of tourism. All of the tourism funds are provided to the Valdosta-Lowndes County Conference Center & Tourism Authority which amounted to \$109,045. Lowndes County receives an audit report from the Valdosta- Lowndes County Conference Center & Tourism Authority demonstrating that all expenditures of these funds were for promotion of tourism as required by O.C.G.A. 48-13-51. Collections of hotel motel lodging tax amounted to \$272,613. The balance of funds was used by the County to assist with appropriations to the Valdosta-Lowndes County Airport Authority bringing the total expenditures to 100% of revenues.

**Note 6 – Receivables**

Receivables at June 30, 2013, consisted of accounts (billings for user charged services, including unbilled utility services), sales taxes, accrued interest, grants, interfund, and property taxes. All amounts due from other governments are considered collectible in full. Delinquent property taxes may be certified and collected as a special assessment, subject to foreclosure for nonpayment.

Receivables are recognized to the extent the amounts are determined material and substantiated, not only by supporting documentation but also by a reasonable systematic method of determining their existence, completeness, valuation, and collectability.

**Note 7 – Due From Other Governments**

A summary of the amounts due from other governments is as follows:

Special Revenue Funds

Nonmajor funds

Southern Judicial Circuit - ADR	\$ 14,997
Georgia Emergency Management Agency	46,959
Georgia Office of Highway Safety	15,335
Georgia Department of Transportation	<u>26,696</u>
Total - Special Revenue Funds	<u>\$ 103,987</u>

Total - Due From Other Governments \$ 103,987

LOWNDES COUNTY, GEORGIA  
 NOTES TO THE FINANCIAL STATEMENTS

**Note 8 – Capital Assets**

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

	<u>Balance at July 1, 2012</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2013</u>
Primary Government Governmental Activities:				
Nondepreciable Capital Assets:				
Land	\$ 2,799,215	\$ 85,001	\$ -	\$ 2,884,216
Construction in progress	<u>5,036,540</u>	<u>1,052,865</u>	<u>6,089,405</u>	<u>-</u>
Total Nondepreciable Capital Assets	<u>7,835,755</u>	<u>1,137,866</u>	<u>6,089,405</u>	<u>2,884,216</u>
Depreciable Capital Assets:				
Buildings and building improvements	\$ 84,519,194	\$ 171,739	\$ -	\$ 84,690,933
Improvements other than buildings	1,023,866	-	-	1,023,866
Machinery and equipment	30,654,244	458,295	5,697,564	25,414,975
Vehicles	10,397,821	508,434	1,821,601	9,084,654
Infrastructure	<u>307,221,367</u>	<u>5,917,665</u>	<u>-</u>	<u>313,139,032</u>
Total Depreciable Capital Assets	<u>433,816,492</u>	<u>7,056,133</u>	<u>7,519,165</u>	<u>433,353,460</u>
Less Accumulated Depreciation for:				
Buildings and building improvements	19,522,840	1,352,369	-	20,875,209
Improvements other than buildings	734,203	8,874	-	743,077
Machinery and equipment	25,398,132	1,220,996	5,697,564	20,921,564
Vehicles	8,462,318	903,254	1,821,601	7,543,971
Infrastructure	<u>265,822,744</u>	<u>11,312,890</u>	<u>-</u>	<u>277,135,634</u>
Total Accumulated Depreciation	<u>319,940,237</u>	<u>14,798,383</u>	<u>7,519,165</u>	<u>327,219,455</u>
Total Depreciable Capital Assets, Net	<u>113,876,255</u>	<u>(7,742,250)</u>	<u>-</u>	<u>106,134,005</u>
Governmental Activities Capital Assets, Net	<u>\$ 121,712,010</u>	<u>\$ (6,604,384)</u>	<u>\$ 6,089,405</u>	<u>\$ 109,018,221</u>

LOWNDES COUNTY, GEORGIA  
 NOTES TO THE FINANCIAL STATEMENTS

**Note 8 – Capital Assets – Continued**

	Balance at <u>July 1, 2012</u>	<u>Additions</u>	<u>Reductions</u>	Balance at <u>June 30, 2013</u>
Business Type Activities:				
Nondepreciable Capital Assets:				
Land	\$ 2,690,543	\$ -	\$ -	\$ 2,690,543
Construction in progress	<u>39,811</u>	<u>-</u>	<u>39,811</u>	<u>-</u>
Total Nondepreciable Capital Assets	<u>2,730,354</u>	<u>-</u>	<u>39,811</u>	<u>2,690,543</u>
Depreciable Capital Assets:				
Machinery and equipment	\$ 58,583,591	\$ 39,830	\$ 5,475	\$ 58,617,946
Vehicles	<u>95,298</u>	<u>43,786</u>	<u>28,780</u>	<u>110,304</u>
Total Depreciable Capital Assets	<u>58,678,889</u>	<u>83,616</u>	<u>34,255</u>	<u>58,728,250</u>
Less Accumulated Depreciation for:				
Machinery and equipment	20,161,850	1,332,124	5,475	21,488,499
Vehicles	<u>91,814</u>	<u>4,213</u>	<u>28,780</u>	<u>67,247</u>
Total Accumulated Depreciation	<u>20,253,664</u>	<u>1,336,337</u>	<u>34,255</u>	<u>21,555,746</u>
Total Depreciable Capital Assets, Net	<u>38,425,225</u>	<u>(1,252,721)</u>	<u>-</u>	<u>37,172,504</u>
Business Type Activities Capital Assets, Net	<u>\$ 41,155,579</u>	<u>\$ (1,252,721)</u>	<u>\$ 39,811</u>	<u>\$ 39,863,047</u>

Depreciation was charged to governmental functions as follows:

Governmental activities:

General Government

Legislative and Executive	\$ 660,275
Judicial	329,045
Public Safety	2,053,095
Public Works	<u>11,755,968</u>

Total Depreciation Expense - Governmental Activities \$ 14,798,383

Business-type activities:

Water and Sewer	\$ 1,333,647
Sanitation	<u>2,690</u>

Total Depreciation Expense - Business-type Activities \$ 1,336,337

The County has acquired five mini buses through grant funds and they are operated by a third party contractor to provide transit services for which the contractor receives compensation directly from the users of the service. The County insures the mini buses and that insurance cost is paid back to the County by the third party contractor. When the mini buses are no longer utilized they have to be returned to the granting agency. These mini buses are not included in the capital assets of the County.

LOWNDES COUNTY, GEORGIA  
 NOTES TO THE FINANCIAL STATEMENTS

**Note 9 – Interfund Balances and Transfers**

Interfund receivable and payable balances as of June 30, 2013 are as follows:

	Due From					Total
	SPLOST VI	Nonmajor Governmental Funds	Water & Sewer Fund	Street Lighting District Fund	Internal Service Funds	
<u>Due To</u>						
General Fund	\$ 2,715,543	\$ 171,545	\$ 1,000,000	\$ 16,571	\$ 460,771	\$ 4,364,430
	<u>\$ 2,715,543</u>	<u>\$ 171,545</u>	<u>\$ 1,000,000</u>	<u>\$ 16,571</u>	<u>\$ 460,771</u>	<u>\$ 4,364,430</u>

Interfund transfers for the year ending June 30, 2013 consisted of the following:

	Transfer From					Total
	General Fund	Nonmajor Governmental Funds	Water and Sewer Fund	Landfill Fund	Sanitation Fund	
<u>Transfer To</u>						
General Fund	\$ -	\$ 380,000	\$ 265,000	\$ 4,000	\$ 65,000	\$ 714,000
Nonmajor Governmental Fund	879,027	125,000	-	-	-	1,004,027
Sanitation Fund	-	-	-	424,523	-	424,523
	<u>\$ 879,027</u>	<u>\$ 505,000</u>	<u>\$ 265,000</u>	<u>\$ 428,523</u>	<u>\$ 65,000</u>	<u>\$ 2,142,550</u>

The difference in interfund receivables and payables for government funds is due to amounts due to and from internal service funds shown above. The interfund balances resulted from loans made to provide working capital for operations and projects and the time lag between dates that payments between funds are made.

Transfers were made from the nonmajor governmental funds and enterprise funds to the general fund for administrative cost. Transfers to 911 Fund, a nonmajor governmental fund, and the Sanitation Fund, a nonmajor business-type fund, were to cover operational cost of those funds. Transfers to the Hotel Motel Fund, a nonmajor governmental fund, from the Special Services Fund were to cover the appropriation to the Valdosta-Lowndes County Airport Authority.

LOWNDES COUNTY, GEORGIA  
 NOTES TO THE FINANCIAL STATEMENTS

**Note 10 – Risk Management**

**A. Property and Liability**

The County is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County established a Health Insurance Fund and a Workers Compensation Fund (internal service funds) to account for and finance its uninsured risks of loss. Under this program, the Workers Compensation Fund provides coverage for up to a maximum of \$250,000 for each worker’s compensation claim, \$2,500 for each enforcement claim. The coverage has a \$1,000,000 cap. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

All funds of the County participate in the Health Insurance and Workers Compensation programs and make payments to the funds based on estimates of the amounts needed to pay prior and current-year claims and to establish a reserve for catastrophe losses. The Health Insurance Fund has a net position deficit of \$5,720 and the Workers Compensation Fund has a net position balance of \$308,896 as of June 30, 2013. At June 30, 2013 the Health Insurance Fund has a claims liability of \$622,070 and the Workers Compensation Fund has a claims liability of \$557,000 reported based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the Health Insurance and Workers Compensation Funds claim liability amounts in fiscal 2012 and 2013 were:

<b>Fiscal Year 2012</b>	<u>Beginning</u>	Claims	Claims	<u>Ending</u>
		Estimates	Paid	
Group Health Fund	\$ 569,068	\$ 3,446,044	3,392,227	\$ 622,885
Workers' Compensation Fund	<u>760,000</u>	<u>727,563</u>	<u>427,563</u>	<u>1,060,000</u>
	<u>\$ 1,329,068</u>	<u>\$ 4,173,607</u>	<u>\$ 3,819,790</u>	<u>\$ 1,682,885</u>

<b>Fiscal Year 2013</b>	<u>Beginning</u>	Claims	Claims	<u>Ending</u>
		Estimates	Paid	
Group Health Fund	\$ 622,885	\$ 4,755,855	4,756,670	\$ 622,070
Workers' Compensation Fund	<u>1,060,000</u>	<u>348,417</u>	<u>851,417</u>	<u>557,000</u>
	<u>\$ 1,682,885</u>	<u>\$ 5,104,272</u>	<u>\$ 5,608,087</u>	<u>\$ 1,179,070</u>

**B. Health Care**

The County manages the employee health coverage uninsured except for a stop-loss policy. Included in the accounts payable of the Health Insurance Fund is an estimated liability of \$ 622,070 which reflects health claims incurred, but not processed prior to year end. This health claims liability was estimated based on such claims paid subsequent to year end.

LOWNDES COUNTY, GEORGIA  
NOTES TO THE FINANCIAL STATEMENTS

**Note 10 – Risk Management - Continued**

**C. Workers' Compensation**

The County participates in the ACCG- Group Self-Insurance Workers' Compensation Fund to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expense incurred for investigation, negotiation, or defense.

Included in the accounts payable of the Workers Compensation Fund is an estimated liability of \$557,000 which reflects workers compensation claims incurred but not processed prior to year end. This workers compensation liability was estimated in the annual actuarial report.

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

**Note 11 – Defined Benefit Pension Plan**

The county contributes to the Association of County Commissioners of Georgia Restated Pension Plan for Lowndes County Employees (The Plan), which is a defined benefit pension plan.

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

**Membership**

As of January 1, 2013, the most recent actuarial valuation date, the Plan membership consisted of the following categories of participants:

Retirees and beneficiaries receiving benefits	150
Terminated plan members entitled to but not yet receiving benefits	250
Disabled in pay status	8
Active plan members	482
Total number of plan participants	<u>890</u>

**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 must satisfy the minimum contribution requirement contained in the State of Georgia statutes. Plan members are not required to contribute.

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

LOWNDES COUNTY, GEORGIA  
 NOTES TO THE FINANCIAL STATEMENTS

**Note 11 – Defined Benefit Pension Plan - Continued**

**Annual Pension Cost**

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

**Derivation of Annual Pension Cost:**

Annual required contribution	\$ 2,522,656
Interest on net pension obligation	16,700
Amortization of net pension obligation (asset)	<u>(17,869)</u>
Annual pension cost	<u>\$ 2,521,487</u>

**Derivation of Net Pension Obligation**

Annual pension cost	\$ 2,521,487
Actual contributions to plan	<u>2,602,505</u>
Increase in net pension obligation (asset)	(81,018)
Net pension obligation (asset) beginning of year	<u>215,484</u>
Net pension obligation (asset) end of year	<u>\$ 134,466</u>

**Basis of Valuation and Actuarial Assumptions**

Current valuation date	January 1, 2013
Annual return on invested plan assets	7.75%
Projected annual salary increases	4.0%-6.5% based on age
Expected annual inflation	3.00%
Actuarial value of assets	Market Value
Actuarial funding method	Projected Unit Credit
Amortization method	Level Percent of Pay (closed)
Remaining Amortization Period*:	10

\* - Represents the estimated amortization period for all unfunded liabilities combined into one.

The following is a schedule of funding progress:

Calendar Year	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded AAL UAAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
2012	\$ 25,996,693	\$ 37,170,867	\$11,174,174	69.9%	\$ 16,550,770	67.5%
2011	23,810,554	34,722,635	10,912,081	68.6%	16,161,704	67.5%

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear 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.

LOWNDES COUNTY, GEORGIA  
 NOTES TO THE FINANCIAL STATEMENTS

**Note 11 – Defined Benefit Pension Plan - Continued**

Trend Information for the Plan

Fiscal Year Ending	Annual Pension Cost	Actual County Contribution	Percentage of APC Contributed	Net Pension Obligation (Asset)
June 30, 2013	\$ 2,521,487	\$ 2,602,505	103%	\$ 134,466
June 30, 2012	2,370,344	2,488,520	105%	215,484
June 30, 2011	2,210,836	1,022,314	46%	333,660
June 30, 2010	1,959,366	2,127,107	109%	(854,862)
June 30, 2009	1,564,953	1,656,183	106%	(687,121)

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

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

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

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

GEBCorp  
 1100 Circle 75 Parkway  
 Suite 300  
 Atlanta, Georgia 30339

**Note 12 - Deferred Compensation Plan**

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Beginning with fiscal year 1999, deferred compensation plan transactions formerly reported in the Agency Fund are excluded from the County’s financial reporting.

As of July 1, 1999, the County implemented a new standard requiring changes to the accounting and financial reporting for the deferred compensation plans created in accordance with Internal Revenue Code 457. The plans are administered by independent plan administrators through administrative service agreements. The County’s administrative involvement is limited to transmitting amounts withheld from payroll to the plan administrator who performs investing functions.

LOWNDES COUNTY, GEORGIA  
 NOTES TO THE FINANCIAL STATEMENTS

**Note 12 - Deferred Compensation Plan - Continued**

Amendments to the laws governing Section 457 plans substantially became effective January 1, 1999. The County approved plan amendments such that the plan assets are held in trust for the benefit of the plan participants and their beneficiaries. The assets will not be diverted to any other purpose. Therefore, the financial activity of these plans is no longer reported in the County’s Agency Fund.

**Note 13– Other Post Employment Benefits**

**Plan Description**

In addition to providing pension benefits, in accordance with County resolution, the County provides certain health care benefits for retired employees. The County’s employees who are eligible for retirement benefits under the pension plan are also eligible for post employment health care benefits. Retirees who meet one of the following requirements are eligible to continue coverage through the County’s self-insured health insurance program:

- Age 65
- Must have 10 or more years of service with Lowndes County, and be at least 55 years of age or
- Must have a combination of years of service and attained age equal to 75, with a minimum age of 55.
- Must have 10 or more years of services with Lowndes County and be deemed to be totally disabled by the Federal Social Security Administration.

Retirees may stay on the plan for their lifetime by making the required contribution. Dependents may participate for the lifetime of the retiree as long as the retiree pays the required contribution for dependent coverage.

The monthly retiree contributions are as follows:

Medical Tier	Non-Medicare Eligible Retiree	Medicare Eligible Retiree
Retiree Only	\$ 166.66	\$ 83.33
Family	\$ 285.86	\$ 142.90

Once the covered member becomes eligible for Medicare, the County’s plan pays claim secondary to Medicare.

The plan is governed by the County Board of Commissioners. The County has made no commitments to maintain this program. The benefits of the plan are not vested and may be modified or eliminated at anytime. A separate financial statement is not issued for the plan.

LOWNDES COUNTY, GEORGIA  
 NOTES TO THE FINANCIAL STATEMENTS

**Note 13– Other Post Employment Benefits - Continued**

**Funding Policy**

The contribution requirements of plan members and the County are established and may be amended by the Board of Commissioners. The required contribution is based on a projected pay-as-you-go financing requirement as determined by the Board of Commissioners.

**Annual OPEB Cost and Net OPEB Obligation**

The County’s annual Other Postemployment Benefit (OPEB) cost is calculated based on the Annual Required Contribution of the Employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or unfunded excess) over a period not to exceed 30 years.

**Funded Status and Funding Progress**

Funding is provided through the general fund as required to the self insurance fund. Premiums paid by retired employees were \$92,451 and the County’s funding was \$632,998.

The annual required contribution amount was determined using actuarial methods.

Employer Annual Required Contribution	\$ 3,009,318
Interest on net OPEB Obligation	230,563
Adjustment to annual required contribution	<u>(220,259)</u>
Annual OPEB cost	3,019,622
Employer contributions for period ending June 30, 2013	<u>(632,998)</u>
Increase in net OPEB Obligation	2,386,624
Net OPEB obligation beginning of year	<u>5,764,073</u>
Net OPEB obligation end of year	<u><u>\$ 8,150,697</u></u>

The annual required contribution was determined as part of the January 1, 2012 actuarial valuation. The chart below shows the annual OPEB cost for the current fiscal year, along with the percentage actually contributed by the County.

Fiscal Year <u>Ending</u>	Annual OPEB <u>Cost (AOC)</u>	Percentage of <u>AOC Contributed</u>	Net OPEB <u>Obligation</u>
6/30/2013	\$ 3,019,622	20.96%	\$ 8,150,697
6/30/2012	\$ 2,926,891	2.89%	\$ 5,764,073
6/30/2011	\$ 2,921,668	0.00%	\$ 2,921,668

LOWNDES COUNTY, GEORGIA  
 NOTES TO THE FINANCIAL STATEMENTS

**Note 13– Other Post Employment Benefits - Continued**

**Funded Status and Funding Progress - Continued**

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

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded AAL UAAL	Funded Ratio	Covered Payroll	UAAL as a Percentage Covered Payroll
1/1/2011	\$ -	\$ 26,402,926	\$ 26,402,926	0.0%	\$ 20,155,927	130.99%
1/1/2013	\$ -	\$ 28,918,129	\$ 28,918,129	0.0%	\$ 20,085,501	143.98%

**Actuarial Methods and Assumptions**

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 continued revision as a result are compared to past expectations and new estimates are made about the future Actuarial calculations reflect a long-term perspective.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members at that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future.

Calculations are based on the plan in effect at January 1, 2012. The assumptions used in the January 1, 2012 actuarial valuation are as follows:

Valuation date	January 1, 2013
Actuarial cost method	Projected unit credit
Amortization method	Level Percentage of Pay, open
Amortization period	30 Years
Asset valuation method	Market Value of Assets
Actuarial assumptions:	
Investment rate of return*	4.00%
Pre-Medicare trend rate	8.50%-5.00%
Year of Ultimate trend rate	2018
*Includes inflation at	3.00%

**Note 14 – Compensated Absences**

It is the County’s policy to permit employees to accumulate earned but unused leave benefits. A maximum of 192 hours of unused leave benefits will be paid to employees upon separation from County service. In the normal course of business, all payments of these accumulated benefits will be funded from appropriations of the year in which they are to be paid from the fund for which the employee’s compensation is funded. While the General Fund covers a majority of the cost of compensated absences, Commissary, Jail Operations, Drug Abuse Treatment, 911 Emergency Telephone, Victim Witness and Special Services funds all contribute to compensated absences for employees paid through those funds.

LOWNDES COUNTY, GEORGIA  
 NOTES TO THE FINANCIAL STATEMENTS

**Note 14 – Compensated Absences – Continued**

	Balance at <u>July 1, 2012</u>	<u>Additions</u>	<u>Reductions</u>	Balance at <u>June 30, 2013</u>	Amount Due <u>In One Year</u>
Primary Government:					
Governmental Activities:					
Compensated absences	\$ 1,223,373	\$ 685,329	\$ 685,089	\$ 1,223,613	\$ 685,223
Business Type Activities:					
Compensated absences	<u>53,980</u>	<u>12,454</u>	<u>30,229</u>	<u>36,205</u>	<u>20,275</u>
Total Primary Government	<u>\$ 1,277,353</u>	<u>\$ 697,783</u>	<u>\$ 715,318</u>	<u>\$ 1,259,818</u>	<u>\$ 705,498</u>
Component Units:					
Board of Health:					
Compensated absences	\$ 589,770	\$ 283,716	\$ 336,169	\$ 537,317	\$ 306,271
Parks & Recreation Authority:					
Compensated absences	<u>58,465</u>	<u>43,912</u>	<u>34,456</u>	<u>67,921</u>	<u>28,181</u>
Total Component Units	<u>\$ 648,235</u>	<u>\$ 327,628</u>	<u>\$ 370,625</u>	<u>\$ 605,238</u>	<u>\$ 334,452</u>

**Note 15 - Capital Leases**

As of December 1, 2003, the County entered into a capital lease with the Central Valdosta Development Authority for the purchase of the Judicial Complex. During FY13 the bonds held by the Central Valdosta Development Authority were refunded and new bonds were issued through the Lowndes County Public Facility Authority. The county entered into a capital lease with the Lowndes County Public Facility for the purchase of the Judicial Complex.

Various capital leases were entered into through the ACCG lease program for the acquisition of a building and equipment. The assets acquired through capital leases for governmental activities are as follows:

Asset:	
Buildings	15,500,000
Equipment	8,130,501
Less: Accumulated Depreciation	<u>(8,020,339)</u>
Total	<u>\$ 15,610,162</u>

**Intergovernmental Agreement**

As of August 1996, the County entered into an intergovernmental funding agreement with the Valdosta-Lowndes County Industrial Authority to secure bonds issued by the Authority for \$ 5,000,000 to finance acquisition and development of industrial sites. The bonds have a floating interest rate based on a percentage of the London Interbank Offer Rate. The bonds were payable “interest only” until January 1, 1999 after which, annual payments of principal are due. The bonds mature January 1, 2017. The balance as of June 30, 2013 is \$ 1,635,000.

As of December 2008, the County entered into an intergovernmental funding agreement with the Valdosta-Lowndes County Industrial Authority to secure bonds issued by the Authority for \$ 15,000,000 to finance acquisition and development of industrial sites. The bonds have a variable fixed interest rate. The bonds mature February 1, 2024. The balance as of June 30, 2013 is \$ 12,375,000.

LOWNDES COUNTY, GEORGIA  
 NOTES TO THE FINANCIAL STATEMENTS

**Note 16 – Long-Term Debt**

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

	Balance at July 1, 2012	Additions	Reductions	Balance at June 30, 2013	Amount Due In One Year
<b>Governmental Activities</b>					
Capital leases - CVDA	\$ 10,570,000	\$ -	\$ 9,840,000	\$ 730,000	\$ 730,000
Capital leases - Public Facility Author	-	9,265,000	-	9,265,000	80,000
Capital leases - Fleet Fund	112,600	-	96,200	69,700	16,400
Total capital leases	<u>10,682,600</u>	<u>9,265,000</u>	<u>9,936,200</u>	<u>10,064,700</u>	<u>826,400</u>
General Obligation Sales Tax Bonds	15,490,000	-	7,590,000	7,900,000	7,900,000
Unamortized Bond Premium	711,567	524,419	375,147	860,839	375,294
Total bonds payable	<u>16,201,567</u>	<u>524,419</u>	<u>7,965,147</u>	<u>8,760,839</u>	<u>8,275,294</u>
Total Governmental Activities	<u>\$ 26,884,167</u>	<u>\$ 9,789,419</u>	<u>\$ 17,901,347</u>	<u>\$ 18,825,539</u>	<u>\$ 9,101,694</u>
<b>Business - Type Activities</b>					
Revenue bonds (2005)	\$ 9,215,000	\$ -	\$ 8,655,000	\$ 1,760,000	\$ 560,000
Revenue bonds (2013)	-	7,545,000	25,000	7,520,000	100,000
Unamortized Bond Premium	224,199	303,780	231,512	296,467	14,127
Total Business-Type Activities	<u>\$ 9,439,199</u>	<u>\$ 7,848,780</u>	<u>\$ 8,911,512</u>	<u>\$ 9,576,467</u>	<u>\$ 674,127</u>

Internal service funds predominately serve the governmental funds. Accordingly, the long-term liabilities for them are included as part of the totals for governmental activities. The additions to capital leases from the internal service Fleet Fund are accounted for in the government-wide statement of net position but are not reflected in the governmental fund statements which do not include the internal service funds.

Governmental activities debt is paid for by direct appropriation of funds for the Lowndes County Public Facility lease in the general fund and by allocation of rental payments for capital assets from applicable general fund departments.

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

	Purpose	Original Issue Date	Interest Rate	Original Issue Amount	Maturity Date	Annual Installments
<b>Governmental Activities</b>						
G.O. Sales Tax Bonds	Judicial/Admin Complex and Jail	2008	Fixed	\$ 40,845,000	2014	Variable
Capital Lease	Judicial/Admin Complex Building	2004	Fixed	\$ 15,500,000	2014	Variable
Capital Lease	Equipment	2007	3.95%	\$ 2,048,000	2017	Variable
Capital Lease	Judicial/Admin Complex Building	2012	Fixed	\$ 9,265,000	2024	Variable
<b>Business Activities</b>						
Revenue Bonds	Water & Sewer Capital Improvements	2006	Fixed	\$ 12,500,000	2016	Variable
Revenue Bonds	Water & Sewer Capital Improvements	2013	Fixed	\$ 7,545,000	2025	Variable

LOWNDES COUNTY, GEORGIA  
 NOTES TO THE FINANCIAL STATEMENTS

**Note 16 – Long-Term Debt – Continued**

Fixed interest rates on the Judicial Complex Building capital lease range from 2.00% in 2013 to 3.00% in 2024. Annual principal installments range from \$700,000 in 2013 to \$1,020,000 in 2024.  
 Fixed interest rates on the Water & Sewer revenue bonds range from 2.00% in 2013 to 3.00% in 2022. Annual principal installments range from \$570,000 in 2013 to \$880,000 in 2025.  
 Fixed interest rates on the general obligation SPLOST bonds range from 3.50% in 2008 to 5.00% in 2014. Annual principal installments range from \$6,735,000 in 2008 to \$7,900,000 in 2014.

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

Year Ending June 30,	Governmental Activities			
	Capital Leases		General Obligation Sale Tax Bonds	
	Principal	Interest	Principal	Interest
2014	\$ 826,400	\$ 244,008	\$ 7,900,000	\$ 182,562
2015	856,400	215,288	-	-
2016	866,400	197,835	-	-
2017	886,400	180,175	-	-
2018	889,100	162,241	-	-
2019-2023	4,720,000	528,200	-	-
2024	1,020,000	30,600	-	-
<b>Total</b>	<b>\$ 10,064,700</b>	<b>\$ 1,558,347</b>	<b>\$ 7,900,000</b>	<b>\$ 182,562</b>

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

Year Ending June 30,	Business Activities	
	Revenue Bonds	
	Principal	Interest
2014	\$ 660,000	\$ 241,613
2015	685,000	217,213
2016	715,000	185,962
2017	735,000	160,900
2018	750,000	146,200
2019-2023	3,990,000	491,750
2024-2025	1,745,000	52,500
<b>Total</b>	<b>\$ 9,280,000</b>	<b>\$ 1,496,138</b>

**Advance Refunding of Debt**

During FY13, the County advance refunded that portion of the Series 2012 Lowndes County Judicial/Administration Complex Bonds maturing on June 1, 2024, in the aggregate principal amount of \$9,265,000. The net proceeds of \$9,519,341 were deposited with an escrow agent to provide all future debt service payments on the refunded bonds. The result of this transaction is a decrease in future debt service payments of \$1,505,442 and resulting in a net present value savings to the County of \$1,141,017. The refunded bonds are considered defeased.

LOWNDES COUNTY, GEORGIA  
 NOTES TO THE FINANCIAL STATEMENTS

**Note 16 – Long-Term Debt – Continued**

**Advance Refunding of Debt - Continued**

During FY13, the County advance refunded that portion of the Series 2005 Lowndes County Water and Sewerage Project Bonds maturing on June 1, 2025, in the aggregate principal amount of \$7,545,000. The net proceeds of \$7,694,024 were deposited with an escrow agent to provide all future debt service payments on the refunded bonds. The result of this transaction is a decrease in future debt service payments of \$1,144,426 and resulting in a net present value savings to the County of \$827,780. The refunded bonds are considered defeased.

**Note 17 – Legal Debt Margin**

The legal debt limit of the County for general obligation debt is determined by the Constitution of Georgia to be 10% of the total assessed value of all real, personal, and public utility property less any debt applicable to the limit. The legal debt margin as June 30, 2013 was \$278,850,728 based on a total assessed values of \$2,867,507,282 less the general obligation bonded debt outstanding of \$7,900,000.

**Note 18 – Landfill Postclosure Cost**

	<u>Balance at July 1, 2012</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2013</u>	<u>Amount Due In One Year</u>
Business Type Activities:					
Postclosure care cost	\$ 999,146	\$ -	\$ 65,653	\$ 933,493	\$ 71,807

State and federal laws and regulations require the County to cover a landfill and maintain monitoring functions for thirty years after closure. The County has accrued the expected postclosure cost for the landfill that closed November 1996. The amount accrued of \$933,493 represents 100% of the total estimated remaining postclosure cost which is made up of estimated monitoring costs and maintenance costs. This estimate is subject to change based on changes in technology or applicable laws and regulations. Solid waste host fees are utilized to cover the postclosure cost.

**Note 19 – Component Units**

**A. Lowndes County Board of Health**

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

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

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

LOWNDES COUNTY, GEORGIA  
 NOTES TO THE FINANCIAL STATEMENTS

**Note 19 – Component Units - Continued**

**A. Lowndes County Board of Health -Continued**

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

Property and equipment as of June 30, 2013, was as follows:

Equipment	\$ 2,430,148
Vehicles	159,485
Less: Accumulated Depreciation	<u>(2,101,684)</u>
Net Property and Equipment	<u><u>\$ 487,949</u></u>

Retirement Plan

The employees of the Health Department participate in the Georgia State Employees Retirement System, a multi-employer, defined contribution plan. The Plan is administered by the State of Georgia, and accumulated benefits and Plan assets are not determined or allocated to the individual participating governmental entities. The Georgia State Employees’ Retirement System of Georgia requires ten years of continuous service to become fully vested. The total retirement contributions to the Georgia State Employees Retirement System for the year ended June 30, 2013 were \$729,307. Ten-year historical trend information and relevant actuarial information may be obtained from the Employee’s Retirement System, Two Northside 75, Suite 300, Atlanta, Georgia 30316-7778 or calling 1-406-352-6400.

**B. Valdosta-Lowndes County Industrial Authority**

Basis of Accounting. The financial statements of Valdosta Lowndes County Industrial Authority (the Authority) have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results may differ from those estimates.

Cash and Cash Equivalents The Authority considers all highly liquid instruments purchased with a maturity of less than three months to be cash equivalents. Cash and cash equivalents and investments of the Authority are presented as “Cash and Cash Equivalents in Segregated Accounts” and “Investments in Segregated Accounts”, respectively.

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

Property and equipment as of June 30, 2013, was as follows:

Land	\$ 17,088,274
Land improvements	8,097,040
Equipment	274,150
Less: Accumulated Depreciation	<u>(4,655,414)</u>
Net Property and Equipment	<u><u>\$ 20,804,050</u></u>

LOWNDES COUNTY, GEORGIA  
 NOTES TO THE FINANCIAL STATEMENTS

**Note 19 – Component Units - Continued**

**B. Valdosta-Lowndes County Industrial Authority - Continued**

Bonds Payable In 1996, the Authority issued bonds in the amount of \$5,000,000 to finance acquisition and development of industrial sites in Lowndes County, Georgia. The revenue bonds have a maturity date of January 1, 2017. The bonds have a floating interest rate based on a percentage of the London Interbank Offer Rate. The bonds were payable “interest only” until January 1, 1999, after which, annual payments of principal are due. The bonds are secured by an “inter governmental” funding agreement between the Authority and Lowndes County, Georgia.

The following is a summary of the Authority’s future annual debt service requirements on bonds payable:

Year Ending June 30,	Bonds	
	<u>Principal</u>	<u>Interest</u>
2014	\$ 370,000	\$ 19,200
2015	395,000	14,900
2016	420,000	10,200
2017	450,000	5,300
Total	<u>\$ 1,635,000</u>	<u>\$ 49,600</u>

Bonds Payable In December 2008, the Authority issued bonds in the amount of \$15,000,000 to finance acquisition and development of industrial sites in Lowndes County, Georgia. The revenue bonds have a maturity date of February 1, 2024. The bonds have a variable fixed interest rate. The bonds are secured by an “inter governmental” funding agreement between the Authority and Lowndes County, Georgia.

The following is a summary of the Authority’s future annual debt service requirements on bonds payable:

Year Ending June 30,	<u>Principal</u>	<u>Interest</u>
2014	\$ 780,000	\$ 870,303
2015	835,000	817,182
2016	895,000	754,065
2017	955,000	689,776
2018	1,025,000	619,245
2019-2023	6,325,000	1,837,154
2024	1,560,000	117,000
Total	<u>\$ 12,375,000</u>	<u>\$ 5,704,725</u>

LOWNDES COUNTY, GEORGIA  
 NOTES TO THE FINANCIAL STATEMENTS

**Note 19 – Component Units - Continued**

**B. Valdosta-Lowndes County Industrial Authority - Continued**

During the year ended June 30, 2013 interest paid on the 1996 and 2008 Series Bonds was in the amount of \$951,388.

**C. Valdosta-Lowndes County Parks and Recreation Authority**

Basis of Accounting. The financial statements of Valdosta Lowndes County Parks and Recreation Authority (the Authority) have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results may differ from those estimates.

Cash and Cash Equivalents The Authority considers all highly liquid instruments purchased with a maturity of less than three months to be cash equivalents. Cash and cash equivalents and investments of the Authority are presented as “Cash and Cash Equivalents in Segregated Accounts” and “Investments in Segregated Accounts”, respectively.

Property and Equipment Property and equipment are carried at cost or, if donated, the fair value on the date donated. Depreciation is computed using the straight-line method over the estimated useful life of the asset. Property and equipment as of June 30, 2013, was as follows:

Land	\$ 3,484,425
Construction in progress	9,100
Land improvements	5,607,631
Equipment	481,189
Vehicles	299,364
Less: Accumulated Depreciation	<u>(1,485,901)</u>
Net Property and Equipment	<u>\$ 8,395,808</u>

**Note 20 – Insurance Pools**

**A. ACCG – Group Self-Insurance Workers Compensation and Interlocal Risk Management Agency**

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

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

LOWNDES COUNTY, GEORGIA  
NOTES TO THE FINANCIAL STATEMENTS

**Note 20 – Insurance Pools - Continued**

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

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

**Note 21 – Joint Ventures**

The County and the City of Valdosta jointly govern the Valdosta-Lowndes County Airport Authority and the Valdosta-Lowndes County Conference Center and Tourism Authority as is described in Note 1 - Reporting Entity. The County does not retain an ongoing financial interest or responsibility in the Valdosta-Lowndes County Airport Authority.

The County, in conjunction with cities and counties in the (10) county South Georgia area are members of the Southern Georgia Regional Commission. Membership in a Regional Commission is automatic for each municipality and county in the state. The official Code Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the Regional Commission’s. Each county and municipality in the state is required by law to pay minimum annual dues to the Regional Commission. The County paid annual dues in the amount of \$67,616 to the Regional Commission for the year ended June 30, 2013. The Regional Commission Board membership includes the Chief elected official of each county and the Chief elected official of each municipality. The County Board members and municipal Board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality to serve as the non-public Board member from a County.

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

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

Southern Georgia Regional Commission  
3395 Harris Road  
Waycross, Georgia 31503

**Note 22 – Related Party Transactions**

The County appropriated \$289,237 to the Valdosta - Lowndes County Airport Authority and \$109,045 to the Valdosta-Lowndes County Conference Center and Tourism Authority.

**Note 23 – Contingent Liabilities**

The site purchased for building of the Judicial and Administrative Complex was given environmental clearance at the time of sale but it was discovered that there was leakage of petroleum products from a former gas station site that had not been detected. The County has completed the process of cleaning up the site in cooperation with the.

LOWNDES COUNTY, GEORGIA  
NOTES TO THE FINANCIAL STATEMENTS

**Note 23 – Contingent Liabilities - Continued**

Environmental Protection Agency and will receive some funding from them for the clean up cost. There will be continued monitoring of the site and the County will incur the cost for that monitoring.

The County participates in federal and state assisted grant programs subject to program compliance audits by the grantors or their representatives. It is the County’s opinion that no material unrecorded liabilities will arise from audits previously performed or to be performed. Regardless, receipt of these federal and state grant revenues is not assured in the future.

*Commitments.* The County is contingently liable for the obligations of two authorities through funding agreements. The first is with the Valdosta-Lowndes County Industrial Authority guaranteeing the funding necessary for the repayment of Valdosta-Lowndes County Industrial Authority Industrial Development Revenue Bonds, Series 1997, in the aggregate principal amount of \$5,000,000 and Valdosta-Lowndes County Industrial Authority Industrial Development Revenue Bonds, Series 2012, in the aggregate principal amount of \$15,000,000.

*Commitments.* The second funding agreement is with the Hospital Authority of Valdosta and Lowndes County, Georgia guaranteeing the funding necessary for the repayment of Hospital Authority of Valdosta and Lowndes County, Georgia Revenue Certificates, Series 2012B, in the aggregate principal amount of \$148,280,000. The certificates are to be retired from revenues generated from the operations of South Georgia Medical Center.

*Litigation.* The County is a defendant in a number of claims and lawsuits. The County Attorney has reviewed these claims and lawsuits, and has concluded that it is not possible to evaluate the probability of an unfavorable outcome or to estimate the amount of potential loss. As a result and pursuant to Financial Accounting Standards Board Statement No. 5 (Accounting for Contingencies), no liabilities have been recorded. County management is of the opinion that any actual losses will not be material to the County.

*Liability Insurance.* The County acquires insurance for liability claims. The County is responsible for the first \$2,500 per occurrence for general liability and the first \$5,000 per occurrence for Public Officials Liability, Law Enforcement Liability, errors, and omissions

**Note 24 – Accountability**

*Deficit Net Positions and Fund Balances*

The following funds had deficits at June 30, 2013:

Special Revenue Fund:

Drug Abuse Treatment Fund – The fund deficit of \$4,030 is due to a decline in fine income to this fund. The deficit will be funded by a reduction of expenditures in future years.

Enterprise Fund:

Special Tax Lighting District Fund – The net position deficit of \$40,780 is due to rising utility cost. The Board of Commissioners are reviewing different fee structures to fund the deficit.

LOWNDES COUNTY, GEORGIA  
NOTES TO THE FINANCIAL STATEMENTS

**Note 25 – Assignment**

Georgia code section 48-8-91 requires local governments collecting local option sales tax to calculate a reduction of the local millage rate based on the prior year collections of the local option sales tax. The assignment of fund balance for property tax roll back, accounts for the annual collection of local option sales tax fund that will be used in the calculation for the next year’s millage rate reduction.

**Note 26 – New Fund**

A new capital projects funds which is titled the Public Roads Fund was established to account for the Local Maintenance and Improvement Grant (LMIG) from Georgia Department of Transportation. These new funds are required to be maintained in a separate fund.

**Note 27 – Subsequent Event**

Subsequent events were evaluated through January 13, 2014, which is the date the financial statements were available to be issued.

In July 2013, a referendum was held for a new SPLOST to begin January 2014. The SPLOST referendum was successful.

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**REQUIRED SUPPLEMENTAL INFORMATION**

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LOWNDES COUNTY, GEORGIA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For The Year Ended June 30, 2013

	Budgeted Amounts			Variance With Final Budget Over (Under)
	Original	Final	Actual	
<b>REVENUES:</b>				
Taxes	\$ 41,105,000	\$ 41,525,500	\$ 41,055,684	\$ (469,816)
Licenses and permits	4,000	4,000	1,776	(2,224)
Intergovernmental revenues	230,885	268,885	258,284	(10,601)
Charges for services	3,899,600	4,002,600	3,747,909	(254,691)
Fines and forfeitures	1,700,000	1,800,000	1,793,077	(6,923)
Investment income	5,000	8,000	8,126	126
Miscellaneous	10,000	80,000	78,530	(1,470)
<b>TOTAL REVENUES</b>	<b>46,954,485</b>	<b>47,688,985</b>	<b>46,943,386</b>	<b>(745,599)</b>
<b>EXPENDITURES:</b>				
<b>GENERAL GOVERNMENT</b>				
Board of Commissioners				
Personal services	102,367	127,367	127,161	(206)
Supplies	2,250	2,750	2,571	(179)
Other services and charges	39,733	42,733	42,977	244
	<u>144,350</u>	<u>172,850</u>	<u>172,709</u>	<u>(141)</u>
County Manager				
Personal services	338,700	351,700	350,122	(1,578)
Supplies	2,601	2,601	3,967	1,366
Other services and charges	8,800	8,800	8,480	(320)
	<u>350,101</u>	<u>363,101</u>	<u>362,569</u>	<u>(532)</u>
County Clerk				
Personal services	172,852	176,852	175,818	(1,034)
Supplies	1,250	3,550	3,041	(509)
Other services and charges	5,072	5,072	4,313	(759)
	<u>179,174</u>	<u>185,474</u>	<u>183,172</u>	<u>(2,302)</u>

See accompanying note to budgetary comparison schedules.

LOWNDES COUNTY, GEORGIA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For The Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
Board of Elections				
Personal services	307,945	397,945	397,855	(90)
Supplies	8,800	26,800	27,907	1,107
Other services and charges	77,390	90,390	88,412	(1,978)
	<u>394,135</u>	<u>515,135</u>	<u>514,174</u>	<u>(961)</u>
County Attorney				
Other services and charges	300,000	565,000	563,899	(1,101)
	<u>300,000</u>	<u>565,000</u>	<u>563,899</u>	<u>(1,101)</u>
Finance				
Personal services	350,029	352,529	354,457	1,928
Supplies	3,500	3,500	2,732	(768)
Other services and charges	160,544	163,044	161,326	(1,718)
	<u>514,073</u>	<u>519,073</u>	<u>518,515</u>	<u>(558)</u>
Human Resources				
Personal services	265,714	215,714	199,000	(16,714)
Supplies	4,800	4,800	4,635	(165)
Other services and charges	616,435	616,435	631,298	14,863
	<u>886,949</u>	<u>836,949</u>	<u>834,933</u>	<u>(2,016)</u>
Information Technology Services				
Personal services	493,799	493,799	499,846	6,047
Supplies	18,300	18,300	34,917	16,617
Other services and charges	441,328	441,328	446,648	5,320
Capital outlay	400,000	170,000	138,359	(31,641)
	<u>1,353,427</u>	<u>1,123,427</u>	<u>1,119,770</u>	<u>(3,657)</u>
General Facilities				
Supplies	8,000	8,000	2,147	(5,853)
Other services and charges	131,000	131,500	137,159	5,659
	<u>139,000</u>	<u>139,500</u>	<u>139,306</u>	<u>(194)</u>

See accompanying note to budgetary comparison schedules.

LOWNDES COUNTY, GEORGIA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For The Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
Tax Commissioner				
Personal services	1,038,963	1,038,963	1,034,982	(3,981)
Supplies	19,575	19,575	23,663	4,088
Other services and charges	171,881	126,881	124,272	(2,609)
	<u>1,230,419</u>	<u>1,185,419</u>	<u>1,182,917</u>	<u>(2,502)</u>
Board of Assessors				
Personal services	1,178,308	1,178,308	1,177,801	(507)
Supplies	5,000	5,000	3,912	(1,088)
Other services and charges	221,467	151,467	149,260	(2,207)
	<u>1,404,775</u>	<u>1,334,775</u>	<u>1,330,973</u>	<u>(3,802)</u>
Facilities Maintenance				
Personal services	804,205	879,205	874,645	(4,560)
Supplies	51,050	51,050	47,897	(3,153)
Other services and charges	2,312,639	2,133,739	2,135,265	1,526
	<u>3,167,894</u>	<u>3,063,994</u>	<u>3,057,807</u>	<u>(6,187)</u>
Engineering				
Personal services	559,771	519,771	517,662	(2,109)
Supplies	3,600	3,600	2,716	(884)
Other services and charges	76,315	76,315	76,010	(305)
	<u>639,686</u>	<u>599,686</u>	<u>596,388</u>	<u>(3,298)</u>
Contingency				
Other services and charges	228,230	3,230	316	(2,914)
	<u>228,230</u>	<u>3,230</u>	<u>316</u>	<u>(2,914)</u>
<b>Total - General Government</b>	<b><u>10,932,213</u></b>	<b><u>10,607,613</u></b>	<b><u>10,577,448</u></b>	<b><u>(30,165)</u></b>

See accompanying note to budgetary comparison schedules.

LOWNDES COUNTY, GEORGIA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For The Year Ended June 30, 2013

	Budgeted Amounts			Variance With Final Budget Over (Under)
	Original	Final	Actual	
<b>JUDICIAL</b>				
Superior Court				
Personal services	292,033	332,033	336,850	4,817
Supplies	800	800	269	(531)
Other services and charges	40,890	40,890	34,672	(6,218)
	<u>333,723</u>	<u>373,723</u>	<u>371,791</u>	<u>(1,932)</u>
Clerk of Court				
Personal services	884,281	902,281	892,419	(9,862)
Supplies	9,500	9,500	21,496	11,996
Other services and charges	257,910	282,910	279,515	(3,395)
	<u>1,151,691</u>	<u>1,194,691</u>	<u>1,193,430</u>	<u>(1,261)</u>
District Attorney				
Other services and charges	656,262	658,262	658,144	(118)
	<u>656,262</u>	<u>658,262</u>	<u>658,144</u>	<u>(118)</u>
District Court Administrator				
Other services and charges	4,800	4,800	4,800	-
	<u>4,800</u>	<u>4,800</u>	<u>4,800</u>	<u>-</u>
State Court				
Personal services	724,440	674,440	676,093	1,653
Supplies	7,928	7,928	8,150	222
Other services and charges	89,791	89,791	85,712	(4,079)
	<u>822,159</u>	<u>772,159</u>	<u>769,955</u>	<u>(2,204)</u>
Magistrate Court				
Personal services	629,161	635,661	632,836	(2,825)
Supplies	8,615	8,615	8,538	(77)
Other services and charges	29,584	29,584	32,148	2,564
	<u>667,360</u>	<u>673,860</u>	<u>673,522</u>	<u>(338)</u>
Probate Court				
Personal services	311,234	311,234	318,481	7,247
Supplies	3,500	3,500	3,845	345
Other services and charges	84,320	144,320	133,294	(11,026)
	<u>399,054</u>	<u>459,054</u>	<u>455,620</u>	<u>(3,434)</u>
Ankle Monitor				
Personal services	64,910	64,910	63,646	(1,264)
Supplies	500	500	2,991	2,491
Other services and charges	103,500	93,500	83,476	(10,024)
	<u>168,910</u>	<u>158,910</u>	<u>150,113</u>	<u>(8,797)</u>

See accompanying note to budgetary comparison schedules.

LOWNDES COUNTY, GEORGIA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For The Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
Juvenile Court				
Personal services	84,248	84,248	100,198	15,950
Other services and charges	<u>36,800</u>	<u>36,800</u>	<u>14,088</u>	<u>(22,712)</u>
	<u>121,048</u>	<u>121,048</u>	<u>114,286</u>	<u>(6,762)</u>
Probation				
Other services and charges	<u>4,665</u>	<u>8,665</u>	<u>8,439</u>	<u>(226)</u>
	<u>4,665</u>	<u>8,665</u>	<u>8,439</u>	<u>(226)</u>
Circuit Public Defender				
Other services and charges	<u>810,323</u>	<u>812,323</u>	<u>811,369</u>	<u>(954)</u>
	<u>810,323</u>	<u>812,323</u>	<u>811,369</u>	<u>(954)</u>
<b>Total - Judicial</b>	<b><u>5,139,995</u></b>	<b><u>5,237,495</u></b>	<b><u>5,211,469</u></b>	<b><u>(26,026)</u></b>
<b>PUBLIC SAFETY</b>				
Sheriff				
Personal services	12,585,781	13,155,781	13,152,180	(3,601)
Supplies	48,500	164,500	174,223	9,723
Other services and charges	<u>3,786,013</u>	<u>4,006,013</u>	<u>3,999,367</u>	<u>(6,646)</u>
	<u>16,420,294</u>	<u>17,326,294</u>	<u>17,325,770</u>	<u>(524)</u>
Animal Control				
Personal services	481,932	481,932	466,837	(15,095)
Supplies	30,263	33,263	37,711	4,448
Other services and charges	<u>196,624</u>	<u>196,624</u>	<u>205,834</u>	<u>9,210</u>
	<u>708,819</u>	<u>711,819</u>	<u>710,382</u>	<u>(1,437)</u>
Emergency Medical Services				
Other services and charges	866,229	576,229	575,683	(546)
Capital outlay	<u>100,000</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>
	<u>966,229</u>	<u>776,229</u>	<u>775,683</u>	<u>(546)</u>
Coroner				
Personal services	56,950	97,950	84,680	(13,270)
Supplies	500	500	539	39
Other services and charges	<u>23,877</u>	<u>23,877</u>	<u>36,647</u>	<u>12,770</u>
	<u>81,327</u>	<u>122,327</u>	<u>121,866</u>	<u>(461)</u>
Emergency Management Agency				
Personal services	81,342	81,342	83,209	1,867
Supplies	4,500	4,500	504	(3,996)
Other services and charges	<u>103,654</u>	<u>103,654</u>	<u>101,008</u>	<u>(2,646)</u>
	<u>189,496</u>	<u>189,496</u>	<u>184,721</u>	<u>(4,775)</u>
<b>Total - Public Safety</b>	<b><u>18,366,165</u></b>	<b><u>19,126,165</u></b>	<b><u>19,118,422</u></b>	<b><u>(7,743)</u></b>

See accompanying note to budgetary comparison schedules.

LOWNDES COUNTY, GEORGIA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For The Year Ended June 30, 2013

	<u>Budgeted Amounts</u>			Variance With Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>PUBLIC WORKS</b>				
Administration				
Personal services	335,777	335,777	341,894	6,117
Supplies	6,200	6,200	4,213	(1,987)
Other services and charges	48,945	48,945	44,492	(4,453)
	<u>390,922</u>	<u>390,922</u>	<u>390,599</u>	<u>(323)</u>
Road Maintenance				
Personal services	1,760,859	1,838,859	1,833,378	(5,481)
Supplies	22,302	22,302	27,916	5,614
Other services and charges	1,017,881	1,217,881	1,210,375	(7,506)
Capital outlay	-	5,000	12,100	7,100
	<u>2,801,042</u>	<u>3,084,042</u>	<u>3,083,769</u>	<u>(273)</u>
Road Construction				
Personal services	466,351	466,351	450,839	(15,512)
Supplies	1,000	1,000	2,388	1,388
Other services and charges	326,180	354,180	367,850	13,670
	<u>793,531</u>	<u>821,531</u>	<u>821,077</u>	<u>(454)</u>
Traffic Signals				
Other services and charges	150,200	201,200	200,871	(329)
	<u>150,200</u>	<u>201,200</u>	<u>200,871</u>	<u>(329)</u>
<b>Total - Public Works</b>	<b><u>4,135,695</u></b>	<b><u>4,497,695</u></b>	<b><u>4,496,316</u></b>	<b><u>(1,379)</u></b>

See accompanying note to budgetary comparison schedules.

LOWNDES COUNTY, GEORGIA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For The Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
<b>HEALTH AND WELFARE</b>				
Feed The Elderly				
Other services and charges	-	25,000	24,863	(137)
	-	25,000	24,863	(137)
Mental Health Department				
Other services and charges	75,000	75,000	75,000	-
	75,000	75,000	75,000	-
Public Health Department				
Other services and charges	330,000	330,600	330,548	(52)
	330,000	330,600	330,548	(52)
Extension Services				
Supplies	4,500	4,500	4,495	(5)
Other services and charges	141,390	121,390	120,517	(873)
	145,890	125,890	125,012	(878)
Family Services				
Other services and charges	124,500	124,500	124,500	-
	124,500	124,500	124,500	-
<b>Total - Health and Welfare</b>	<b>675,390</b>	<b>680,990</b>	<b>679,923</b>	<b>(1,067)</b>

See accompanying note to budgetary comparison schedules.

LOWNDES COUNTY, GEORGIA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For The Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
<b>CULTURE AND RECREATION</b>				
Libraries				
Other services and charges	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
Parks and Recreation Authority				
Other services and charges	<u>3,500,000</u>	<u>3,580,000</u>	<u>3,577,105</u>	<u>(2,895)</u>
	<u>3,500,000</u>	<u>3,580,000</u>	<u>3,577,105</u>	<u>(2,895)</u>
<b>Total - Culture &amp; Recreation</b>	<b><u>4,500,000</u></b>	<b><u>4,580,000</u></b>	<b><u>4,577,105</u></b>	<b><u>(2,895)</u></b>
<b>HOUSING AND DEVELOPMENT</b>				
Equalization Board				
Other services and charges	<u>15,000</u>	<u>22,000</u>	<u>21,986</u>	<u>(14)</u>
	<u>15,000</u>	<u>22,000</u>	<u>21,986</u>	<u>(14)</u>
Moody Support Group				
Other services and charges	<u>25,000</u>	<u>27,000</u>	<u>26,920</u>	<u>(80)</u>
	<u>25,000</u>	<u>27,000</u>	<u>26,920</u>	<u>(80)</u>
Industrial Authority				
Other services and charges	<u>3,000,000</u>	<u>2,870,000</u>	<u>2,861,894</u>	<u>(8,106)</u>
	<u>3,000,000</u>	<u>2,870,000</u>	<u>2,861,894</u>	<u>(8,106)</u>
<b>Total - Housing &amp; Development</b>	<b><u>3,040,000</u></b>	<b><u>2,919,000</u></b>	<b><u>2,910,800</u></b>	<b><u>(8,200)</u></b>
<b>TOTAL EXPENDITURES</b>	<b><u>46,789,458</u></b>	<b><u>47,648,958</u></b>	<b><u>47,571,483</u></b>	<b><u>(77,475)</u></b>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	165,027	40,027	(628,097)	(668,124)
OTHER FINANCING SOURCES (USES)				
Refunding Bond Proceeds	-	9,265,000	9,265,000	-
Payments to Refunded Bonds	-	(9,140,000)	(9,140,000)	-
Transfers In	714,000	714,000	714,000	-
Transfers Out	<u>(879,027)</u>	<u>(879,027)</u>	<u>(879,027)</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b><u>(165,027)</u></b>	<b><u>(40,027)</u></b>	<b><u>(40,027)</u></b>	<b><u>-</u></b>
NET CHANGE IN FUND BALANCE	-	-	(668,124)	(668,124)
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>17,429,608</u>	<u>17,429,608</u>
FUND BALANCES AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,761,484</u>	<u>\$ 16,761,484</u>

See accompanying note to budgetary comparison schedules.

LOWNDES COUNTY, GEORGIA  
NOTES TO BUDGETARY COMPARISON SCHEDULES  
For the Year Ended June 30, 2013

**Note 1 - Budgetary Basis of Accounting**

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

1. Encumbrances are treated as expenditures under the Budgetary Basis.

There were no encumbrances for any fund for the year ending June 30, 2013.

LOWNDES COUNTY, GEORGIA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 June 30, 2013

SCHEDULE OF FUNDING PROGRESS – PENSION  
 2007-2012  
 (Unaudited)

Calendar Year	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded AAL UAAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
2012	\$ 25,996,693	\$ 37,170,867	\$11,174,174	69.9%	\$ 16,550,770	67.5%
2011	23,810,554	34,722,635	10,912,081	68.6%	16,161,704	67.5%
2010	21,876,638	32,291,448	10,414,810	67.7%	15,438,775	67.5%
2009	21,092,177	29,391,168	8,298,991	71.8%	14,704,109	56.4%
2008	18,977,095	25,798,820	6,821,725	73.6%	13,630,463	50.0%
2007	18,679,382	23,128,221	4,448,839	80.8%	12,899,134	34.5%

**Note:** See assumptions used for the schedule of Funding Progress in Note 11 to the financial statements.

SCHEDULE OF FUNDING PROGRESS – OPEB  
 2013  
 (Unaudited)

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded AAL UAAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2011	\$ -	\$ 26,402,926	\$ 26,402,926	0.0%	\$ 20,155,927	130.99%
1/1/2013	\$ -	\$ 28,918,129	\$ 28,918,129	0.0%	\$ 20,085,501	143.98%

**Note:** See assumptions used for the schedule of Funding Progress in Note 13 to the financial statements.

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**COMBINING AND INDIVIDUAL FUND SCHEDULES**

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## **MAJOR GOVERNMENTAL FUNDS**

### **CAPITAL PROJECT FUNDS**

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

**Capital Projects Special Sales Tax VI Fund** – To account for the special purpose local option sales tax that was renewed for the sixth time by referendum. The revenue is restricted to the stated purposes of the referendum.

LOWNDES COUNTY, GEORGIA  
 CAPITAL PROJECTS SALES TAX VI FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For The Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Taxes	\$ 21,000,000	\$ 21,000,000	\$ 21,359,925	\$ 359,925
Investment income	5,000	5,000	12,407	7,407
TOTAL REVENUES	<u>21,005,000</u>	<u>21,005,000</u>	<u>21,372,332</u>	<u>367,332</u>
EXPENDITURES				
Current				
Public works	-	-	854	854
Intergovernmental	9,000,000	9,000,000	9,384,155	384,155
Capital outlay	3,709,000	3,709,000	-	(3,709,000)
Debt service	8,296,000	8,296,000	8,295,775	(225)
TOTAL EXPENDITURES	<u>21,005,000</u>	<u>21,005,000</u>	<u>17,680,784</u>	<u>(3,324,216)</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	3,691,548	3,691,548
FUND BALANCE AT BEGINNING OF YEAR	-	-	2,048,815	2,048,815
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,740,363</u>	<u>\$ 5,740,363</u>

See accompanying note to budgetary comparison schedules.

## NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

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

**Special Services Fund** – To account for the revenues and expenditures that are derived and expended in the unincorporated areas of the County.

**Commissary Fund** – To account for funds received through commissary services at the jail.

**Seizures Special Revenue** – To account for funds received through drug seizures.

**Hotel/Motel Tax** – To account for tax revenue accessed for hotel/motel accommodations.

**Intergovernmental Grants** – To account for various grant revenues received.

**Jail Operations** – To account for funds accessed with fines and designated for the operations of jails.

**911 Emergency Telephone** – To account for funds collected and designated for the operations of the 911 emergency services.

**Drug Abuse Treatment** – To account for funds accessed with fines and designated for drug abuse education and treatment programs.

**Victim Assistance** – To account for funds accessed with fines and designated for the assistance programs for victims of crime.

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

## **NONMAJOR GOVERNMENTAL FUNDS**

### **CAPITAL PROJECT FUNDS**

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

**Capital Projects CDBG Grant Fund** – To account for the grant funds received for a facility for abused women and children.

**Capital Projects Judicial Complex & Jail Fund** - To account for the funds borrowed for the building of new Judicial and Administration Complex.

**Capital Projects Special Sales Tax IV Fund** – To account for the special purpose local option sales tax that was renewed for the fourth time by referendum. The revenue is restricted to the stated purposes of the referendum.

**Capital Projects Special Sales Tax V Fund** – To account for the special purpose local option sales tax that was renewed for the fifth time by referendum. The revenue is restricted to the stated purposes of the referendum.

**Capital Projects Public Roads Fund** – To account for LMIG road funds from the Georgia Department of Transportation. The revenue is restricted for road and bridge work.

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

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>ASSETS</b>			
Equity in pooled cash and cash equivalents	\$ 890,752	\$ 1,336,479	\$ 2,227,231
Cash and cash equivalents in segregated accounts	985,871	2,303,239	3,289,110
Certificate of deposit	374,848	-	374,848
Government investment pool	31,549	396,046	427,595
Accounts receivable	663,619	17,407	681,026
Due from other governments	103,987	-	103,987
TOTAL ASSETS	<u>\$ 3,050,626</u>	<u>\$ 4,053,171</u>	<u>\$ 7,103,797</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 507,305	\$ 40,855	\$ 548,160
Accrued wages	77,442	-	77,442
Interfund payable	171,545	-	171,545
TOTAL LIABILITIES	<u>756,292</u>	<u>40,855</u>	<u>797,147</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue	7,296	-	7,296
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>7,296</u>	<u>-</u>	<u>7,296</u>
<b>FUND BALANCES (DEFICITS)</b>			
Restricted for capital projects	-	4,012,316	4,012,316
Restricted for jail operations	520,597	-	520,597
Restricted for tourism	24,057	-	24,057
Restricted for drug enforcement operations	992,452	-	992,452
Restricted for law library	333,430	-	333,430
Restricted for victim assistance	44,702	-	44,702
Restricted for 911 emergency telephone	116,653	-	116,653
Assigned for unincorporated services	259,177	-	259,177
Unassigned	(4,030)	-	(4,030)
TOTAL FUND BALANCES (DEFICITS)	<u>2,287,038</u>	<u>4,012,316</u>	<u>6,299,354</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 3,050,626</u>	<u>\$ 4,053,171</u>	<u>\$ 7,103,797</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
 ALL NONMAJOR GOVERNMENTAL FUNDS  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 For The Year Ending June 30, 2013

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>REVENUES</b>			
Taxes	\$ 3,620,073	\$ -	\$ 3,620,073
Licenses and permits	97,565	-	97,565
Intergovernmental revenues	2,240,368	1,282,567	3,522,935
Charges for services	1,939,218	-	1,939,218
Fines and forfeitures	1,475,674	-	1,475,674
Investment income	6,216	3,956	10,172
Miscellaneous	401,971	-	401,971
TOTAL REVENUES	<u>9,781,085</u>	<u>1,286,523</u>	<u>11,067,608</u>
<b>EXPENDITURES</b>			
Current			
General government			
Legislative	457,562	-	457,562
Judicial	461,197	269,371	730,568
Public safety	6,574,671	-	6,574,671
Public works	1,278,650	172,539	1,451,189
Health and welfare	180,000	-	180,000
Housing and development	1,151,526	495,000	1,646,526
Intergovernmental	-	519,993	519,993
Capital outlay	-	302,387	302,387
TOTAL EXPENDITURES	<u>10,103,606</u>	<u>1,759,290</u>	<u>11,862,896</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(322,521)	(472,767)	(795,288)
OTHER FINANCING SOURCES (USES):			
TRANSFERS IN	1,004,027	-	1,004,027
TRANSFERS (OUT)	(505,000)	-	(505,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>499,027</u>	<u>-</u>	<u>499,027</u>
REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	176,506	(472,767)	(296,261)
FUND BALANCE, BEGINNING OF YEAR	<u>2,110,532</u>	<u>4,485,083</u>	<u>6,595,615</u>
FUND BALANCE, END OF YEAR	<u>\$ 2,287,038</u>	<u>\$ 4,012,316</u>	<u>\$ 6,299,354</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
NONMAJOR GOVERNMENTAL FUNDS – SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
June 30, 2013

	<u>Special Services</u>	<u>Commissary</u>	<u>Seizures Special Revenues</u>	<u>Hotel/Motel Tax</u>	<u>Intergovern- mental Grants</u>
<b>ASSETS</b>					
Equity in pooled cash and cash equivalents	\$ 288,819	\$ 418,520	\$ -	\$ 35,685	\$ 147,567
Cash and cash equivalents in segregated accounts	-	-	755,968	-	-
Certificate of deposit	-	-	236,484	-	-
Government investment pool	31,549	-	-	-	-
Receivables (net of allowance for doubtful accounts):					
Accounts	72,895	105,016	-	26,757	-
Due from other governments	-	-	-	-	103,987
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>103,987</u>
TOTAL ASSETS	<u>\$ 393,263</u>	<u>\$ 523,536</u>	<u>\$ 992,452</u>	<u>\$ 62,442</u>	<u>\$ 251,554</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 99,429	\$ 46,697	\$ -	\$ 38,385	\$ 246,986
Accrued wages	29,576	2,005	-	-	2,353
Interfund payable	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>129,005</u>	<u>48,702</u>	<u>-</u>	<u>38,385</u>	<u>249,339</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue	5,081	-	-	-	2,215
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>5,081</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,215</u>
<b>FUND BALANCES</b>					
Restricted for jail operations	-	474,834	-	-	-
Restricted for tourism	-	-	-	24,057	-
Restricted for drug enforcement operations	-	-	992,452	-	-
Restricted for law library	-	-	-	-	-
Restricted for victim assistance	-	-	-	-	-
Restricted for 911 emergency telephone	-	-	-	-	-
Assigned for unincorporated services	259,177	-	-	-	-
Unassigned	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL FUND BALANCES	<u>259,177</u>	<u>474,834</u>	<u>992,452</u>	<u>24,057</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 393,263</u>	<u>\$ 523,536</u>	<u>\$ 992,452</u>	<u>\$ 62,442</u>	<u>\$ 251,554</u>

See independent auditors' report.

<u>Jail Operations</u>	<u>Drug Abuse Treatment</u>	<u>911 Emergency Telephone</u>	<u>Victim Assistance</u>	<u>Law Library</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ 161	\$ -	\$ 890,752
6,516	29,936	-	2,034	191,417	985,871
-	-	-	-	138,364	374,848
-	-	-	-	-	31,549
88,993	-	321,408	44,901	3,649	663,619
-	-	-	-	-	103,987
<u>\$ 95,509</u>	<u>\$ 29,936</u>	<u>\$ 321,408</u>	<u>\$ 47,096</u>	<u>\$ 333,430</u>	<u>\$ 3,050,626</u>
\$ 48,728	\$ -	\$ 27,048	\$ 32	\$ -	\$ 507,305
1,018	-	40,645	1,845	-	77,442
-	33,966	137,062	517	-	171,545
49,746	33,966	204,755	2,394	-	756,292
-	-	-	-	-	7,296
-	-	-	-	-	7,296
45,763	-	-	-	-	520,597
-	-	-	-	-	24,057
-	-	-	-	-	992,452
-	-	-	-	333,430	333,430
-	-	-	44,702	-	44,702
-	-	116,653	-	-	116,653
-	-	-	-	-	259,177
-	(4,030)	-	-	-	(4,030)
45,763	(4,030)	116,653	44,702	333,430	2,287,038
<u>\$ 95,509</u>	<u>\$ 29,936</u>	<u>\$ 321,408</u>	<u>\$ 47,096</u>	<u>\$ 333,430</u>	<u>\$ 3,050,626</u>

LOWNDES COUNTY, GEORGIA  
NONMAJOR GOVERNMENTAL FUNDS – SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
For The Year Ending June 30, 2013

	Special Services	Commissary	Seizures Special Revenues	Hotel/Motel Tax	Intergovern- mental Grants
<b>REVENUES</b>					
Taxes	\$ 3,347,461	\$ -	\$ -	\$ 272,612	\$ -
Licenses and permits	97,565	-	-	-	-
Intergovernmental revenue	-	-	-	-	1,542,752
Charges for services	26,360	\$ 297,910	-	-	-
Fines and forfeitures	-	-	669,269	-	-
Investment income	49	-	2,149	-	-
Miscellaneous	-	374,138	-	-	-
TOTAL REVENUES	<u>3,471,435</u>	<u>672,048</u>	<u>671,418</u>	<u>272,612</u>	<u>1,542,752</u>
<b>EXPENDITURES</b>					
Current					
General Government					
Legislative	457,562	-	-	-	-
Judicial	-	-	-	-	156,834
Public safety	1,841,504	656,284	643,202	-	137,451
Public works	179,884	-	-	-	1,098,766
Health and welfare	-	-	-	-	-
Housing and development	603,543	-	-	398,282	149,701
TOTAL EXPENDITURES	<u>3,082,493</u>	<u>656,284</u>	<u>643,202</u>	<u>398,282</u>	<u>1,542,752</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	388,942	15,764	28,216	(125,670)	-
OTHER FINANCING SOURCES (USES):					
TRANSFERS IN	-	-	-	125,000	-
TRANSFERS (OUT)	(345,000)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(345,000)</u>	<u>-</u>	<u>-</u>	<u>125,000</u>	<u>-</u>
REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES ( USES)	43,942	15,764	28,216	(670)	-
BEGINNING FUND BALANCE	<u>215,235</u>	<u>459,070</u>	<u>964,236</u>	<u>24,727</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ 259,177</u>	<u>\$ 474,834</u>	<u>\$ 992,452</u>	<u>\$ 24,057</u>	<u>\$ -</u>

See independent auditors' report.

<u>Jail Operations</u>	<u>Drug Abuse Treatment</u>	<u>911 Emergency Telephone</u>	<u>Victim Assistance</u>	<u>Law Library</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,620,073
-	-	-	-	-	97,565
-	-	580,976	116,640	-	2,240,368
-	-	1,614,948	-	-	1,939,218
460,586	173,485	-	128,699	43,635	1,475,674
-	-	-	-	4,018	6,216
-	-	27,833	-	-	401,971
<u>460,586</u>	<u>173,485</u>	<u>2,223,757</u>	<u>245,339</u>	<u>47,653</u>	<u>9,781,085</u>
-	-	-	-	-	457,562
-	-	-	233,301	71,062	461,197
460,066	-	2,836,164	-	-	6,574,671
-	-	-	-	-	1,278,650
-	180,000	-	-	-	180,000
-	-	-	-	-	1,151,526
<u>460,066</u>	<u>180,000</u>	<u>2,836,164</u>	<u>233,301</u>	<u>71,062</u>	<u>10,103,606</u>
520	(6,515)	(612,407)	12,038	(23,409)	(322,521)
-	-	879,027	-	-	1,004,027
-	-	(160,000)	-	-	(505,000)
-	-	<u>719,027</u>	-	-	<u>499,027</u>
520	(6,515)	106,620	12,038	(23,409)	176,506
<u>45,243</u>	<u>2,485</u>	<u>10,033</u>	<u>32,664</u>	<u>356,839</u>	<u>2,110,532</u>
<u>\$ 45,763</u>	<u>\$ (4,030)</u>	<u>\$ 116,653</u>	<u>\$ 44,702</u>	<u>\$ 333,430</u>	<u>\$ 2,287,038</u>

LOWNDES COUNTY, GEORGIA  
NONMAJOR GOVERNMENTAL FUNDS – CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
June 30, 2013

	CDBG Grant <u>Fund</u>	Public Roads <u>Fund</u>	Judicial Complex And Jail <u>Fund</u>	Sales Tax IV <u>Fund</u>	Sales Tax V <u>Fund</u>	<u>Total</u>
<b>ASSETS</b>						
Equity in pooled cash and cash equivalents	\$ -	\$ 670,247	\$ 609,468	\$ -	\$ 56,764	\$1,336,479
Cash and cash equivalents in segregated accounts	-	-	-	-	2,303,239	2,303,239
Government investment pool	-	-	-	-	396,046	396,046
Accounts receivable	-	-	15,628	-	1,779	17,407
	<u>-</u>	<u>-</u>	<u>15,628</u>	<u>-</u>	<u>1,779</u>	<u>17,407</u>
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 670,247</u>	<u>\$ 625,096</u>	<u>\$ -</u>	<u>\$2,757,828</u>	<u>\$4,053,171</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ -	\$ -	\$ 33,725	\$ -	\$ 7,130	\$ 40,855
	<u>-</u>	<u>-</u>	<u>33,725</u>	<u>-</u>	<u>7,130</u>	<u>40,855</u>
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>33,725</u>	<u>-</u>	<u>7,130</u>	<u>40,855</u>
<b>FUND BALANCES</b>						
Restricted for capital projects	-	670,247	591,371	-	2,750,698	4,012,316
	<u>-</u>	<u>670,247</u>	<u>591,371</u>	<u>-</u>	<u>2,750,698</u>	<u>4,012,316</u>
TOTAL FUND BALANCES	<u>-</u>	<u>670,247</u>	<u>591,371</u>	<u>-</u>	<u>2,750,698</u>	<u>4,012,316</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 670,247</u>	<u>\$ 625,096</u>	<u>\$ -</u>	<u>\$2,757,828</u>	<u>\$4,053,171</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
NONMAJOR GOVERNMENTAL FUNDS – CAPITAL PROJECTS FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
For The Year Ending June 30, 2013

	CDBG Grant <u>Fund</u>	Public Roads <u>Fund</u>	Judicial Complex And Jail <u>Fund</u>	Sales Tax IV <u>Fund</u>	Sales Tax V <u>Fund</u>	<u>Total</u>
<b>REVENUES</b>						
Intergovernmental	\$495,000	\$ 746,985	\$ 40,582	\$ -	\$ -	\$1,282,567
Investment income	-	-	675	-	3,281	3,956
<b>TOTAL REVENUES</b>	<u>495,000</u>	<u>746,985</u>	<u>41,257</u>	<u>-</u>	<u>3,281</u>	<u>1,286,523</u>
<b>EXPENDITURES</b>						
Current:						
General government						
Judicial	-	-	269,371	-	-	269,371
Public works	-	76,738	-	-	95,801	172,539
Housing and development	495,000	-	-	-	-	495,000
Intergovernmental	-	-	-	7,186	512,807	519,993
Capital outlay	-	-	-	-	302,387	302,387
<b>TOTAL EXPENDITURES</b>	<u>495,000</u>	<u>76,738</u>	<u>269,371</u>	<u>7,186</u>	<u>910,995</u>	<u>1,759,290</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	670,247	(228,114)	(7,186)	(907,714)	(472,767)
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>819,485</u>	<u>7,186</u>	<u>3,658,412</u>	<u>4,485,083</u>
<b>FUND BALANCE, END OF YEAR</b>	<u>\$ -</u>	<u>\$ 670,247</u>	<u>\$ 591,371</u>	<u>\$ -</u>	<u>\$2,750,698</u>	<u>\$4,012,316</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
SPECIAL SERVICES FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For The Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Over (Under)
REVENUES				
Taxes	\$3,300,000	\$3,300,000	\$3,347,461	\$ 47,461
Licenses and permits	120,500	120,500	97,565	(22,935)
Charges for services	24,000	24,000	26,360	2,360
Investment income	-	-	49	49
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL REVENUES	<u>3,444,500</u>	<u>3,444,500</u>	<u>3,471,435</u>	<u>26,935</u>
EXPENDITURES				
Current				
General Government				
Legislative	465,981	465,981	457,562	(8,419)
Public safety	1,893,208	1,893,208	1,841,504	(51,704)
Public works	165,908	165,908	179,884	13,976
Housing and development	566,166	566,166	603,543	37,377
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL EXPENDITURES	<u>3,091,263</u>	<u>3,091,263</u>	<u>3,082,493</u>	<u>(8,770)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>353,237</u>	<u>353,237</u>	<u>388,942</u>	<u>35,705</u>
OTHER FINANCING SOURCES (USES)				
TRANSFERS IN (OUT)	<u>(353,237)</u>	<u>(353,237)</u>	<u>(345,000)</u>	<u>8,237</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(353,237)</u>	<u>(353,237)</u>	<u>(345,000)</u>	<u>8,237</u>
REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	-	-	43,942	43,942
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>215,235</u>	<u>215,235</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 259,177</u>	<u>\$ 259,177</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
 COMMISSARY FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For The Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
<b>REVENUES</b>				
Charges for services	\$ 352,000	\$ 352,000	\$ 297,910	\$ (54,090)
Miscellaneous	<u>350,000</u>	<u>350,000</u>	<u>374,138</u>	<u>24,138</u>
<b>TOTAL REVENUES</b>	<u>702,000</u>	<u>702,000</u>	<u>672,048</u>	<u>(29,952)</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	<u>702,000</u>	<u>702,000</u>	<u>656,284</u>	<u>(45,716)</u>
<b>TOTAL EXPENDITURES</b>	<u>702,000</u>	<u>702,000</u>	<u>656,284</u>	<u>(45,716)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>				
	-	-	15,764	15,764
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>459,070</u>	<u>459,070</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 474,834</u>	<u>\$ 474,834</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
 SEIZURES SPECIAL REVENUE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For The Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget
				Over (Under)
REVENUES				
Fines and forfeitures	\$ 1,000,000	\$ 1,000,000	\$ 669,269	\$ (330,731)
Investment income	-	-	2,149	2,149
TOTAL REVENUES	<u>1,000,000</u>	<u>1,000,000</u>	<u>671,418</u>	<u>(328,582)</u>
EXPENDITURES				
Current:				
Public safety	<u>1,000,000</u>	<u>1,000,000</u>	<u>643,202</u>	<u>(356,798)</u>
TOTAL EXPENDITURES	<u>1,000,000</u>	<u>1,000,000</u>	<u>643,202</u>	<u>(356,798)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	28,216	28,216
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>964,236</u>	<u>964,236</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 992,452</u>	<u>\$ 992,452</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
HOTEL/MOTEL TAX FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For The Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Taxes	\$ 260,000	\$ 265,500	\$ 272,612	\$ 7,112
TOTAL REVENUES	<u>260,000</u>	<u>265,500</u>	<u>272,612</u>	<u>7,112</u>
EXPENDITURES				
Current:				
Housing and development	393,237	398,737	398,282	(455)
TOTAL EXPENDITURES	<u>393,237</u>	<u>398,737</u>	<u>398,282</u>	<u>(455)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(133,237)	(133,237)	(125,670)	7,567
OTHER FINANCING SOURCES (USES)				
TRANSFER IN (OUT)	<u>133,237</u>	<u>133,237</u>	<u>125,000</u>	<u>8,237</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>133,237</u>	<u>133,237</u>	<u>125,000</u>	<u>8,237</u>
REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	-	-	(670)	(670)
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>24,727</u>	<u>24,727</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,057</u>	<u>\$ 24,057</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
 INTERGOVERNMENTAL GRANT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For The Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental revenues	\$ 94,057	\$ 1,544,557	1,542,752	\$ (1,805)
TOTAL REVENUES	<u>94,057</u>	<u>1,544,557</u>	<u>1,542,752</u>	<u>(1,805)</u>
<b>EXPENDITURES</b>				
Current:				
General government				
Judicial	94,057	157,057	156,834	(223)
Public safety	-	137,800	137,451	(349)
Public works	-	1,099,700	1,098,766	(934)
Housing and development	-	150,000	149,701	(299)
TOTAL EXPENDITURES	<u>94,057</u>	<u>1,544,557</u>	<u>1,542,752</u>	<u>(1,805)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
 JAIL OPERATIONS FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For The Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
<b>REVENUES</b>				
Fines and forfeitures	\$ 525,000	\$ 525,000	\$ 460,586	\$ (64,414)
TOTAL REVENUES	<u>525,000</u>	<u>525,000</u>	<u>460,586</u>	<u>(64,414)</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	525,000	525,000	460,066	(64,934)
TOTAL EXPENDITURES	<u>525,000</u>	<u>525,000</u>	<u>460,066</u>	<u>(64,934)</u>
EXCESS OF REVENUES OVER(UNDER) EXPENDITURES	-	-	520	520
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>45,243</u>	<u>45,243</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,763</u>	<u>\$ 45,763</u>

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LOWNDES COUNTY, GEORGIA  
 DRUG ABUSE TREATMENT FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For The Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
<b>REVENUES</b>				
Fines and forfeitures	\$ 180,000	\$ 180,000	\$ 173,485	\$ (6,515)
TOTAL REVENUES	<u>180,000</u>	<u>180,000</u>	<u>173,485</u>	<u>(6,515)</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare	180,000	180,000	180,000	-
TOTAL EXPENDITURES	<u>180,000</u>	<u>180,000</u>	<u>180,000</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(6,515)	(6,515)
FUND BALANCE AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>2,485</u>	<u>2,485</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,030)</u>	<u>\$ (4,030)</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
 911 EMERGENCY TELEPHONE FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For The Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental revenues	\$ 604,106	\$ 604,106	\$ 580,976	\$ (23,130)
Charges for services	1,600,000	1,600,000	1,614,948	14,948
Miscellaneous income	25,000	25,000	27,833	2,833
<b>TOTAL REVENUES</b>	<u>2,229,106</u>	<u>2,229,106</u>	<u>2,223,757</u>	<u>(5,349)</u>
<b>EXPENDITURES</b>				
Current				
Public safety	2,948,133	2,948,133	2,836,164	(111,969)
<b>TOTAL EXPENDITURES</b>	<u>2,948,133</u>	<u>2,948,133</u>	<u>2,836,164</u>	<u>(111,969)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>				
	(719,027)	(719,027)	(612,407)	106,620
<b>OTHER FINANCING SOURCES (USES)</b>				
TRANSFERS IN	879,027	879,027	879,027	-
TRANSFERS (OUT)	(160,000)	(160,000)	(160,000)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>719,027</u>	<u>719,027</u>	<u>719,027</u>	<u>-</u>
<b>REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)</b>				
	-	-	106,620	106,620
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>10,033</u>	<u>10,033</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 116,653</u>	<u>\$ 116,653</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
VICTIM ASSISTANCE FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL  
For The Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With
	Original	Final		Final Budget Over (Under)
<b>REVENUES</b>				
Intergovernmental	\$ 94,500	\$ 94,500	\$ 116,640	\$ 22,140
Fines and forfeitures	141,339	141,339	128,699	(12,640)
TOTAL REVENUES	<u>235,839</u>	<u>235,839</u>	<u>245,339</u>	<u>9,500</u>
<b>EXPENDITURES</b>				
Current:				
General Government				
Judicial	235,839	235,839	233,301	(2,538)
TOTAL EXPENDITURES	<u>235,839</u>	<u>235,839</u>	<u>233,301</u>	<u>(2,538)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	12,038	12,038
FUND BALANCE AT BEGINNING OF YEAR	-	-	32,664	32,664
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,702</u>	<u>\$ 44,702</u>

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LOWNDES COUNTY, GEORGIA  
 LAW LIBRARY FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For The Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
<b>REVENUES</b>				
Fines and forfeitures	\$ -	\$ 67,400	\$ 43,635	\$ (23,765)
Investment income	-	4,000	4,018	18
<b>TOTAL REVENUES</b>	<u>-</u>	<u>71,400</u>	<u>47,653</u>	<u>(23,747)</u>
<b>EXPENDITURES</b>				
Current:				
General Government				
Judicial	-	71,400	71,062	(338)
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>71,400</u>	<u>71,062</u>	<u>(338)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	(23,409)	(23,409)
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>356,839</u>	<u>356,839</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 333,430</u>	<u>\$ 333,430</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
 CAPITAL PROJECTS CDBG GRANT  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For The Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental revenues	\$ -	\$ 495,000	\$ 495,000	\$ -
<b>TOTAL REVENUES</b>	<u>-</u>	<u>495,000</u>	<u>495,000</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare	-	495,000	495,000	-
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>495,000</u>	<u>495,000</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	-	-
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
 JUDICIAL COMPLEX AND JAIL FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For The Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental revenue	\$ -	\$ -	\$ 40,582	\$ 40,582
Investment income	-	-	675	675
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>41,257</u>	<u>41,257</u>
<b>EXPENDITURES</b>				
Current				
General Government				
Judicial	<u>1,000,000</u>	<u>1,000,000</u>	<u>269,371</u>	<u>(730,629)</u>
TOTAL EXPENDITURES	<u>1,000,000</u>	<u>1,000,000</u>	<u>269,371</u>	<u>(730,629)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>				
	(1,000,000)	(1,000,000)	(228,114)	771,886
FUND BALANCE AT BEGINNING OF YEAR	<u>1,000,000</u>	<u>1,000,000</u>	<u>819,485</u>	<u>(180,515)</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 591,371</u>	<u>\$ 591,371</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
 CAPITAL PROJECTS SALES TAX IV FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For The Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Investment income	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Current:				
Intergovernmental	<u>7,400</u>	<u>7,400</u>	<u>7,186</u>	<u>(214)</u>
TOTAL EXPENDITURES	<u>7,400</u>	<u>7,400</u>	<u>7,186</u>	<u>(214)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(7,400)	(7,400)	(7,186)	214
FUND BALANCE AT BEGINNING OF YEAR	<u>7,400</u>	<u>7,400</u>	<u>7,186</u>	<u>(214)</u>
FUND BALANCE AT END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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LOWNDES COUNTY, GEORGIA  
 CAPITAL PROJECTS SALES TAX V FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL  
 For The Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
<b>REVENUES</b>				
Investment income	\$ 1,200	\$ 1,200	\$ 3,281	\$ 2,081
TOTAL REVENUES	<u>1,200</u>	<u>1,200</u>	<u>3,281</u>	<u>2,081</u>
<b>EXPENDITURES</b>				
Current				
Public works	-	-	95,801	95,801
Intergovernmental	3,300,000	3,300,000	512,807	(2,787,193)
Capital outlay	-	-	302,387	302,387
TOTAL EXPENDITURES	<u>3,300,000</u>	<u>3,300,000</u>	<u>910,995</u>	<u>(2,389,005)</u>
EXCESS OF EXPENDITURES OVER (UNDER) REVENUES	(3,298,800)	(3,298,800)	(907,714)	2,391,086
FUND BALANCE AT BEGINNING OF YEAR	<u>3,298,800</u>	<u>3,298,800</u>	<u>3,658,412</u>	<u>359,612</u>
FUND BALANCE AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,750,698</u>	<u>\$ 2,750,698</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
 CAPITAL PROJECTS PUBLIC ROADS FUND  
 SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET TO ACTUAL  
 For the Fiscal Year Ended June 30, 2013

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental revenues	\$ -	\$ 750,000	\$ 746,985	\$ (3,015)
<b>TOTAL REVENUES</b>	<u>-</u>	<u>750,000</u>	<u>746,985</u>	<u>(3,015)</u>
<b>EXPENDITURES</b>				
Current:				
Public works	-	750,000	76,738	(673,262)
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>750,000</u>	<u>76,738</u>	<u>(673,262)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	670,247	670,247
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 670,247</u>	<u>\$ 670,247</u>

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## **OTHER ENTERPRISE FUNDS**

Enterprise Funds are used to account for any activity for which a fee is charged to external users of good or services.

**Landfill Fund** – to account for solid waste host fees collected and for post-closure care cost of the closed landfill.

**Sanitation Fund** – to account for fees collected by the County for sanitation services.

**Special Tax Lighting District** – to account for fees collected for street lighting in special districts in the County.

LOWNDES COUNTY, GEORGIA  
 OTHER ENTERPRISE FUNDS  
 COMBINING STATEMENT OF NET POSITION  
 June 30, 2013

	Landfill <u>Fund</u>	Sanitation <u>Fund</u>	Special Tax Lighting District <u>Fund</u>	<u>Total</u>
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Equity in pooled cash and cash equivalents	\$ 833,777	\$ -	\$ -	\$ 833,777
Receivables (net of allowance for doubtful accounts Accounts	<u>61,733</u>	<u>-</u>	<u>291</u>	<u>62,024</u>
TOTAL CURRENT ASSETS	<u>895,510</u>	<u>-</u>	<u>291</u>	<u>895,801</u>
<b>NONCURRENT ASSETS</b>				
<b>Capital Assets</b>				
Land	<u>203,639</u>	<u>-</u>	<u>-</u>	<u>203,639</u>
TOTAL NONCURRENT ASSETS	<u>203,639</u>	<u>-</u>	<u>-</u>	<u>203,639</u>
TOTAL ASSETS	<u>1,099,149</u>	<u>-</u>	<u>291</u>	<u>1,099,440</u>
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES</b>				
Accounts payable	646	-	24,500	25,146
Interfund payable	-	-	16,571	16,571
Current portion of postclosure cost	<u>71,807</u>	<u>-</u>	<u>-</u>	<u>71,807</u>
TOTAL CURRENT LIABILITIES	<u>72,453</u>	<u>-</u>	<u>41,071</u>	<u>113,524</u>
<b>LONG-TERM LIABILITIES</b>				
Postclosure cost	<u>861,686</u>	<u>-</u>	<u>-</u>	<u>861,686</u>
TOTAL LONG-TERM LIABILITIES	<u>861,686</u>	<u>-</u>	<u>-</u>	<u>861,686</u>
TOTAL LIABILITIES	<u>934,139</u>	<u>-</u>	<u>41,071</u>	<u>975,210</u>
<b>NET POSITION</b>				
Investment in capital assets	203,639	-	-	203,639
Unrestricted	<u>(38,629)</u>	<u>-</u>	<u>(40,780)</u>	<u>(79,409)</u>
TOTAL NET POSITION	<u>\$ 165,010</u>	<u>\$ -</u>	<u>\$ (40,780)</u>	<u>\$ 124,230</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
 OTHER ENTERPRISE FUNDS  
 COMBINING STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION  
 For The Year Ending June 30, 2013

	Landfill Fund	Sanitation Fund	Special Tax Lighting District Fund	Total
<b>OPERATING REVENUES</b>				
Charges for services	\$ -	\$ 299,467	\$ 243,043	\$ 542,510
Other income	<u>435,720</u>	<u>-</u>	<u>-</u>	<u>435,720</u>
<b>TOTAL OPERATING REVENUES</b>	<u>435,720</u>	<u>299,467</u>	<u>243,043</u>	<u>978,230</u>
<b>OPERATING EXPENSES</b>				
Personal services	-	206,495	-	206,495
Payroll taxes	-	17,594	-	17,594
Fringe benefits	-	101,155	-	101,155
Contractual services	46,210	329,522	290,639	666,371
Materials and supplies	-	3,281	-	3,281
Depreciation	<u>-</u>	<u>2,690</u>	<u>-</u>	<u>2,690</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>46,210</u>	<u>660,737</u>	<u>290,639</u>	<u>997,586</u>
<b>OPERATING INCOME (LOSS)</b>	389,510	(361,270)	(47,596)	(19,356)
<b>TRANSFERS IN</b>	-	424,523	-	424,523
<b>TRANSFERS OUT</b>	<u>(428,523)</u>	<u>(65,000)</u>	<u>-</u>	<u>(493,523)</u>
<b>CHANGE IN NET POSITION</b>	(39,013)	(1,747)	(47,596)	(88,356)
<b>NET POSITION AT BEGINNING OF YEAR</b>	<u>204,023</u>	<u>1,747</u>	<u>6,816</u>	<u>212,586</u>
<b>NET POSITION AT END OF YEAR</b>	<u>\$ 165,010</u>	<u>\$ -</u>	<u>\$ (40,780)</u>	<u>\$ 124,230</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
 OTHER ENTERPRISE FUNDS  
 COMBINING STATEMENTS OF CASH FLOWS  
 For The Year Ending June 30, 2013

	Landfill Fund	Sanitation Fund	Special Tax Lighting District Fund	Total
<b><u>Increase (Decrease) in Cash and Cash Equivalents</u></b>				
<b><u>Cash Flows From Operating Activities</u></b>				
Cash received from other customers	\$ -	\$ 223,596	\$ 243,730	\$ 467,326
Cash received from other income	455,819	-	-	455,819
Cash received from other interfund transactions	-	-	16,571	16,571
Cash payment for personal services	-	(241,654)	-	(241,654)
Cash payment for payroll taxes	-	(17,594)	-	(17,594)
Cash payment for fringe benefits	-	(101,155)	-	(101,155)
Cash payments for contractual services	(111,354)	(362,567)	(290,468)	(764,389)
Cash payments for materials and supplies	-	(3,278)	-	(3,278)
Net Cash Provided by (Used for) Operating Activities	344,465	(502,652)	(30,167)	(188,354)
<b><u>Cash Flows From Noncapital Financing Activities</u></b>				
Cash received from transfers in	-	424,523	-	424,523
Cash payments from transfers out	(428,523)	(65,000)	-	(493,523)
Net Cash Used For Noncapital Financing Activities	(428,523)	359,523	-	(69,000)
Net Increase (Decrease) in Cash and Cash Equivalents	(84,058)	(143,129)	(30,167)	(257,354)
Cash and Cash Equivalents at Beginning of Year	\$ 917,835	\$ 143,129	\$ 30,167	1,091,131
Cash and Cash Equivalents at End of Year	\$ 833,777	\$ -	\$ -	\$ 833,777
Equity in pooled cash and cash equivalents	\$ 833,777	\$ -	\$ -	\$ 833,777

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
 OTHER ENTERPRISE FUNDS  
 COMBINING STATEMENTS OF CASH FLOWS  
 For The Year Ending June 30, 2013

	<u>Landfill Fund</u>	<u>Sanitation Fund</u>	<u>Special Tax Lighting District Fund</u>	<u>Total</u>
<b>Reconciliation of Operating Income (Loss) To</b>				
<b><u>Net Cash Provided by (Used For) Operating Activities</u></b>				
Operating Income (Loss)	\$ 389,510	\$ (361,270)	\$ (47,596)	\$ (19,356)
<b>Adjustments to Reconcile Operating Income (Loss) To</b>				
<b><u>Net Cash Provided by (Used For) Operating Activities</u></b>				
Depreciation	-	2,690	-	2,690
Changes in Assets and Liabilities:				
(Increase) decrease in accounts receivable	20,099	2,679	687	23,465
Increase (decrease) in accounts payable	509	(33,042)	171	(32,362)
Increase (decrease) in accrued compensated absences	-	(24,632)	-	(24,632)
Increase (decrease) in interfund payable	-	-	16,571	16,571
Increase (decrease) in unearned revenue	-	(78,550)	-	(78,550)
Increase (decrease) in accrued liabilities	<u>(65,653)</u>	<u>(10,527)</u>	<u>-</u>	<u>(76,180)</u>
Net Cash Provided By (Used For) Operating Activities	<u>\$ 344,465</u>	<u>\$ (502,652)</u>	<u>\$ (30,167)</u>	<u>\$ (188,354)</u>

See independent auditors' report.

## **INTERNAL SERVICE FUNDS**

Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

**Equipment Operations** – to account for charges to other funds for the maintenance and repair of County equipment.

**Health Insurance** – to account for charges to other funds and contributions from employees and for the payment of health insurance premiums and benefits.

**Fleet Manager** – to account for charges to other funds for the use of vehicles and equipment purchased through the fleet manager fund.

**Workers Compensation** – to account for charges to other funds and contributions from employees and for the payment of workers compensation premiums and benefits.

LOWNDES COUNTY, GEORGIA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET POSITION  
June 30, 2013

	Equipment Fund	Health Insurance Fund	Workers Compensation Fund	Fleet Manager Fund	Total
<b>ASSETS</b>					
Current Assets					
Equity in pooled cash and cash equivalents	\$ 8,934	\$ 312,118	\$ 757,363	\$ 234	\$ 1,078,649
Government investment pool	-	19,099	-	-	19,099
Receivables (net of allowance for doubtful accounts)					
Accounts	22,089	285,133	-	-	307,222
Prepaid expense	-	-	108,686	-	108,686
Inventory	-	-	-	416,794	416,794
<b>TOTAL CURRENT ASSETS</b>	<u>31,023</u>	<u>616,350</u>	<u>866,049</u>	<u>417,028</u>	<u>1,930,450</u>
Noncurrent Assets					
Capital Assets					
Depreciable capital assets, net	-	-	-	1,054,172	1,054,172
<b>TOTAL NONCURRENT ASSETS</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,054,172</u>	<u>1,054,172</u>
<b>TOTAL ASSETS</b>	<u>31,023</u>	<u>616,350</u>	<u>866,049</u>	<u>1,471,200</u>	<u>2,984,622</u>
<b>LIABILITIES</b>					
Current Liabilities					
Accounts payable	950	622,070	153	216,280	839,453
Accrued liabilities	8,753	-	557,000	-	565,753
Compensated absences payable	7,914	-	-	-	7,914
Accrued interest payable	-	-	-	235	235
Interfund payable	-	-	-	460,771	460,771
Current portion of capital lease obligations	-	-	-	16,400	16,400
<b>TOTAL CURRENT LIABILITIES</b>	<u>17,617</u>	<u>622,070</u>	<u>557,153</u>	<u>693,686</u>	<u>1,890,526</u>
Long-Term Liabilities					
Compensated absences payable	6,219	-	-	-	6,219
Capital lease obligations	-	-	-	53,300	53,300
<b>TOTAL LONG-TERM LIABILITIES</b>	<u>6,219</u>	<u>-</u>	<u>-</u>	<u>53,300</u>	<u>59,519</u>
<b>TOTAL LIABILITIES</b>	<u>23,836</u>	<u>622,070</u>	<u>557,153</u>	<u>746,986</u>	<u>1,950,045</u>
<b>NET POSITION</b>					
Invested in capital assets, net of related debt	-	-	-	984,472	984,472
Unrestricted	7,187	(5,720)	308,896	(260,258)	50,105
<b>TOTAL NET POSITION</b>	<u>\$ 7,187</u>	<u>\$ (5,720)</u>	<u>\$ 308,896</u>	<u>\$ 724,214</u>	<u>\$ 1,034,577</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET POSITION  
For The Year Ending June 30, 2013

	Equipment Fund	Health Insurance Fund	Workers Compensation Fund	Fleet Manager Fund	Total
<b>OPERATING REVENUES</b>					
Charges for services	\$ 486,947	\$ 5,261,449	\$ 298,794	\$ 3,042,200	\$ 9,089,390
<b>TOTAL OPERATING REVENUES</b>	<u>486,947</u>	<u>5,261,449</u>	<u>298,794</u>	<u>3,042,200</u>	<u>9,089,390</u>
<b>OPERATING EXPENSES</b>					
Personal services	282,994	-	-	-	282,994
Payroll taxes	20,002	-	-	-	20,002
Fringe benefits	109,209	-	-	-	109,209
Contractual services	68,514	-	-	-	68,514
Insurance and bond	-	5,429,757	377	-	5,430,134
Materials and supplies	13,020	-	-	2,754,382	2,767,402
Depreciation	-	-	-	763,569	763,569
<b>TOTAL OPERATING EXPENSES</b>	<u>493,739</u>	<u>5,429,757</u>	<u>377</u>	<u>3,517,951</u>	<u>9,441,824</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(6,792)</u>	<u>(168,308)</u>	<u>298,417</u>	<u>(475,751)</u>	<u>(352,434)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Interest revenue	-	30	-	-	30
Interest expense	-	-	-	(3,405)	(3,405)
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	<u>-</u>	<u>30</u>	<u>-</u>	<u>(3,405)</u>	<u>(3,375)</u>
<b>CHANGE IN NET POSITION</b>	<u>(6,792)</u>	<u>(168,278)</u>	<u>298,417</u>	<u>(479,156)</u>	<u>(355,809)</u>
<b>NET POSITION AT BEGINNING OF YEAR</b>	<u>13,979</u>	<u>162,558</u>	<u>10,479</u>	<u>1,203,370</u>	<u>1,390,386</u>
<b>NET POSITION AT END OF YEAR</b>	<u>\$ 7,187</u>	<u>\$ (5,720)</u>	<u>\$ 308,896</u>	<u>\$ 724,214</u>	<u>\$ 1,034,577</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENTS OF CASH FLOWS  
For The Year Ending June 30, 2013

	Equipment Fund	Health Insurance Fund	Workers Compensation Fund	Fleet Manager Fund	Total
<b><u>Increase (Decrease) in Cash and Cash Equivalents</u></b>					
<b><u>Cash Flows From Operating Activities</u></b>					
Cash received from other funds for services	\$ 487,934	\$ 4,976,316	\$ 298,795	\$ 3,042,200	\$ 8,805,245
Cash payments for personal services	(280,468)	-	-	-	(280,468)
Cash payments for payroll taxes	(20,002)	-	-	-	(20,002)
Cash payments for fringe benefits	(109,209)	-	-	-	(109,209)
Cash payments for contractual services	(68,514)	-	-	-	(68,514)
Cash payments for insurance and bond	-	(5,430,572)	(550,152)	-	(5,980,724)
Cash payments for materials and supplies	(14,349)	-	-	(3,004,441)	(3,018,790)
Net Cash Provided by (Used for) Operating Activities	(4,608)	(454,256)	(251,357)	37,759	(672,462)
<b><u>Cash Flows From Capital and Related Financing Activities</u></b>					
Cash payments for principal and interest on capital leases	-	-	-	(46,449)	(46,449)
Net Cash Used For Capital and Related Financing Activities	-	-	-	(46,449)	(46,449)
<b><u>Cash Flows From Investing Activities</u></b>					
Cash received from interest	-	30	-	-	30
Net Cash Flows Provided By Investing Activities	-	30	-	-	30
Net Increase in Cash and Cash Equivalents	(4,608)	(454,226)	(251,357)	(8,690)	(718,881)
Cash and Cash Equivalents at Beginning of Year	\$ 13,542	\$ 785,443	\$ 1,008,720	\$ 8,924	1,816,629
Cash and Cash Equivalents at End of Year	\$ 8,934	\$ 331,217	\$ 757,363	\$ 234	\$ 1,097,748
Equity in pooled cash and cash equivalents	\$ 8,934	\$ 312,118	\$ 757,363	\$ 234	\$ 1,078,649
Government investment pool	-	19,099	-	-	19,099
Total Cash and Cash Equivalents	\$ 8,934	\$ 331,217	\$ 757,363	\$ 234	\$ 1,097,748

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENTS OF CASH FLOWS  
For The Year Ending June 30, 2013

	<u>Equipment Fund</u>	<u>Health Insurance Fund</u>	<u>Workers Compensation Fund</u>	<u>Fleet Manager Fund</u>	<u>Total</u>
<b>Reconciliation of Operating Income (Loss) To</b>					
<b><u>Net Cash Provided by (Used For) Operating Activities</u></b>					
Operating Income (Loss)	\$ (6,792)	\$ (168,308)	\$ 298,417	\$ (475,751)	\$ (352,434)
<b>Adjustments to Reconcile Operating Income (Loss) To</b>					
<b><u>Net Cash Provided by (Used For) Operating Activities</u></b>					
Depreciation	-	-	-	763,569	763,569
Changes in Assets and Liabilities:					
(Increase) decrease in accounts receivable	987	(285,133)	-	-	(284,146)
(Increase) decrease in prepaid expense	-	-	(12,412)	-	(12,412)
(Increase) decrease in inventory	-	-	-	(210,076)	(210,076)
Increase (decrease) in accounts payable	(1,329)	(815)	(34,362)	(31,483)	(67,989)
Increase (decrease) in compensated absences payable	2,492	-	-	-	2,492
Increase (decrease) in interfund payable	-	-	-	(8,500)	(8,500)
Increase (decrease) in accrued expenses	34	-	(503,000)	-	(502,966)
	<u>34</u>	<u>-</u>	<u>(503,000)</u>	<u>-</u>	<u>(502,966)</u>
Net Cash Provided By (Used For) Operating Activities	<u>\$ (4,608)</u>	<u>\$ (454,256)</u>	<u>\$ (251,357)</u>	<u>\$ 37,759</u>	<u>\$ (672,462)</u>

See independent auditors' report.

## **FIDUCIARY FUNDS**

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

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

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

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

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

**Industrial Authority** - to account for collection of property taxes designated for the Valdosta-Lowndes County Industrial Authority.

LOWNDES COUNTY, GEORGIA  
 AGENCY FUNDS  
 COMBINING STATEMENTS OF ASSETS AND LIABILITIES  
 June 30, 2013

	AGENCY FUNDS					<u>TOTAL</u>
	<u>OFFICE OF TAX COMMISSIONER</u>	<u>CLERK OF COURT</u>	<u>MAGIS- TRATE COURT</u>	<u>OFFICE OF SHERIFF</u>	<u>INDUSTRIAL AUTHORITY</u>	
<b>ASSETS</b>						
Cash	\$ 299,654	\$ 1,219,924	\$ 127,462	\$ 1,459,314	\$ 680,789	\$ 3,787,143
Due from others	<u>7,574</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,014</u>	<u>45,588</u>
<b>TOTAL ASSETS</b>	<u>\$ 307,228</u>	<u>\$ 1,219,924</u>	<u>\$ 127,462</u>	<u>\$ 1,459,314</u>	<u>\$ 718,803</u>	<u>\$ 3,832,731</u>
<b>LIABILITIES AND FUND BALANCE</b>						
<b>LIABILITIES</b>						
Due to others	\$ 307,228	\$ 294,631	\$ 37,445	\$ 625	\$ -	\$ 639,929
Collections held in escrow	<u>-</u>	<u>925,293</u>	<u>90,017</u>	<u>1,458,689</u>	<u>718,803</u>	<u>3,192,802</u>
<b>TOTAL LIABILITIES</b>	<u>307,228</u>	<u>1,219,924</u>	<u>127,462</u>	<u>1,459,314</u>	<u>718,803</u>	<u>3,832,731</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
 AGENCY FUNDS  
 COMBINING STATEMENTS OF CHANGES IN  
 ASSETS AND LIABILITIES  
 For The Year Ending June 30, 2013

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2013</u>
<u>OFFICE OF TAX COMMISSIONER</u>				
ASSETS				
Cash	\$ 221,192	\$ 87,650,812	\$ 87,572,350	\$ 299,654
Due from others	84,687	(77,113)	-	7,574
TOTAL ASSETS	<u>\$ 305,879</u>	<u>\$ 87,573,699</u>	<u>\$ 87,572,350</u>	<u>\$ 307,228</u>
LIABILITIES				
Due to others	\$ 305,879	\$ 87,573,699	\$ 87,572,350	\$ 307,228
TOTAL LIABILITIES	<u>\$ 305,879</u>	<u>\$ 87,573,699</u>	<u>\$ 87,572,350</u>	<u>\$ 307,228</u>
<u>CLERK OF COURT</u>				
ASSETS				
Cash	\$ 2,156,557	\$ 8,075,581	\$ 9,012,214	\$ 1,219,924
TOTAL ASSETS	<u>\$ 2,156,557</u>	<u>\$ 8,075,581</u>	<u>\$ 9,012,214</u>	<u>\$ 1,219,924</u>
LIABILITIES				
Due to others	\$ 767,818	\$ 5,504,019	\$ 5,977,206	\$ 294,631
Collections held in escrow	1,388,739	2,571,562	3,035,008	925,293
TOTAL LIABILITIES	<u>\$ 2,156,557</u>	<u>\$ 8,075,581</u>	<u>\$ 9,012,214</u>	<u>\$ 1,219,924</u>
<u>MAGISTRATE COURT</u>				
ASSETS				
Cash	\$ 110,993	\$ 1,410,715	\$ 1,394,246	\$ 127,462
TOTAL ASSETS	<u>\$ 110,993</u>	<u>\$ 1,410,715</u>	<u>\$ 1,394,246</u>	<u>\$ 127,462</u>
LIABILITIES				
Due to others	\$ 35,311	\$ 598,686	\$ 596,552	\$ 37,445
Collections held in escrow	75,682	812,029	797,694	90,017
TOTAL LIABILITIES	<u>\$ 110,993</u>	<u>\$ 1,410,715</u>	<u>\$ 1,394,246</u>	<u>\$ 127,462</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
 AGENCY FUNDS  
 COMBINING STATEMENTS OF CHANGES IN  
 ASSETS AND LIABILITIES - CONTINUED  
 For The Year Ending June 30, 2013

	<u>Balance</u> <u>July 1, 2012</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2013</u>
<u>OFFICE OF SHERIFF</u>				
ASSETS				
Cash	\$ 1,144,448	\$ 3,470,529	\$ 3,155,663	\$ 1,459,314
TOTAL ASSETS	<u>\$ 1,144,448</u>	<u>\$ 3,470,529</u>	<u>\$ 3,155,663</u>	<u>\$ 1,459,314</u>
LIABILITIES				
Due to others	\$ 917	\$ 7,973	\$ 8,265	\$ 625
Collections held in escrow	1,143,531	3,462,556	3,147,398	1,458,689
TOTAL LIABILITIES	<u>\$ 1,144,448</u>	<u>\$ 3,470,529</u>	<u>\$ 3,155,663</u>	<u>\$ 1,459,314</u>
<u>INDUSTRIAL AUTHORITY</u>				
ASSETS				
Cash	\$ 587,233	\$ 2,748,017	\$ 2,654,461	\$ 680,789
Due from others	33,902	-	(4,112)	38,014
TOTAL ASSETS	<u>\$ 621,135</u>	<u>\$ 2,748,017</u>	<u>\$ 2,650,349</u>	<u>\$ 718,803</u>
LIABILITIES				
Collections held in escrow	\$ 621,135	\$ 2,748,017	\$ 2,650,349	\$ 718,803
TOTAL LIABILITIES	<u>\$ 621,135</u>	<u>\$ 2,748,017</u>	<u>\$ 2,650,349</u>	<u>\$ 718,803</u>

See independent auditors' report.

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**STATISTICAL SECTION**

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**Lowndes County, Georgia**  
**Statistical Section**  
(Unaudited)

This part of Lowndes County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health. This section included data for the County only and does not include the County's discretely presented component units. This information has not been audited by the independent auditor.

**Financial Trends**

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

**Revenue Capacity**

These schedules contain information to help the reader assess the County's most significant local revenue source, the property taxes.

**Debt Capacity**

These schedules contain information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

**Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

**Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the government provides and the activities it performs.

**Source:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Lowndes County, Georgia  
Net Position by Component (Unaudited),  
Last Ten Fiscal Years  
*(accrual basis of accounting)*

	Fiscal Year Ending June 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Governmental Activities</b>										
Net investment in capital assets	\$ 91,132,521	\$ 95,694,310	\$ 104,718,159	\$ 119,875,420	\$ 123,166,325	\$ 89,328,068	\$ 136,074,764	\$ 139,608,284	\$ 20,178,997	\$ 25,070,360
Restricted	7,429,021	7,965,905	7,413,141	39,599,831	17,045,363	64,133,172	32,758,317	33,678,846	45,962,877	37,670,996
Unrestricted	<u>12,639,719</u>	<u>11,292,055</u>	<u>16,994,681</u>	<u>(15,869,262)</u>	<u>18,934,414</u>	<u>20,012,424</u>	<u>19,476,897</u>	<u>19,258,403</u>	<u>19,117,048</u>	<u>18,503,584</u>
Total governmental activities net assets	<u>\$ 111,201,261</u>	<u>\$ 114,952,270</u>	<u>\$ 129,125,981</u>	<u>\$ 143,605,989</u>	<u>\$ 159,146,102</u>	<u>\$ 173,473,664</u>	<u>\$ 188,309,978</u>	<u>\$ 192,545,533</u>	<u>\$ 85,258,922</u>	<u>\$ 81,244,940</u>
<b>Business Activities</b>										
Net investment in capital assets	\$ 30,583,047	\$ 31,716,380	\$ 32,213,264	\$ 32,073,785	\$ 27,278,056	\$ 29,097,651	\$ 20,508,113	\$ 19,645,353	\$ 18,778,753	\$ 15,842,646
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	<u>1,578,791</u>	<u>810,273</u>	<u>264,522</u>	<u>(1,049,626)</u>	<u>58,067</u>	<u>(4,248,227)</u>	<u>1,462,030</u>	<u>1,192,739</u>	<u>1,492,612</u>	<u>1,257,146</u>
Total business activities net assets	<u>\$ 32,161,838</u>	<u>\$ 32,526,653</u>	<u>\$ 32,477,786</u>	<u>\$ 31,024,159</u>	<u>\$ 27,336,123</u>	<u>\$ 24,849,424</u>	<u>\$ 21,970,143</u>	<u>\$ 20,838,092</u>	<u>\$ 20,271,365</u>	<u>\$ 17,099,792</u>
<b>Primary Government</b>										
Net investment in capital assets	\$ 121,715,568	\$ 127,410,690	\$ 136,931,423	\$ 151,949,205	\$ 150,444,381	\$ 118,425,719	\$ 156,582,877	\$ 159,253,637	\$ 38,957,750	\$ 40,913,006
Restricted	7,429,021	7,965,905	7,413,141	39,599,831	17,045,363	64,133,172	32,758,317	33,678,846	45,962,877	37,670,996
Unrestricted	<u>14,218,510</u>	<u>12,102,328</u>	<u>17,259,203</u>	<u>(16,918,888)</u>	<u>18,992,481</u>	<u>15,764,197</u>	<u>20,938,927</u>	<u>20,451,142</u>	<u>20,609,660</u>	<u>19,760,730</u>
Total primary government net assets	<u>\$ 143,363,099</u>	<u>\$ 147,478,923</u>	<u>\$ 161,603,767</u>	<u>\$ 174,630,148</u>	<u>\$ 186,482,225</u>	<u>\$ 198,323,088</u>	<u>\$ 210,280,121</u>	<u>\$ 213,383,625</u>	<u>\$ 105,530,287</u>	<u>\$ 98,344,732</u>

Lowndes County, Georgia  
Changes in Net Position (Unaudited),  
Last Ten Years  
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Expenses</b>										
Governmental activities:										
General government										
Legislative and executive	\$ 12,678,632	\$ 13,453,075	\$ 11,563,172	\$ 10,653,696	\$ 11,956,577	\$ 12,463,625	\$ 10,465,920	\$ 11,177,261	\$ 9,221,090	\$ 10,263,401
Judicial	5,201,728	5,857,655	6,816,400	5,760,263	5,753,187	5,181,461	7,225,812	5,118,673	4,562,225	5,032,780
Public safety	27,846,930	28,137,430	26,158,677	25,992,484	27,119,295	27,998,314	24,481,770	21,206,388	20,728,816	20,592,852
Public works	26,622,355	35,052,487	36,895,481	27,110,901	26,912,286	32,747,448	29,982,222	51,607,159	17,538,326	12,656,838
Health and welfare	1,357,428	898,284	1,041,394	1,256,269	1,368,270	1,270,348	2,201,324	1,276,484	1,634,299	2,309,643
Culture and recreation	4,577,105	4,519,407	1,010,085	1,023,310	1,804,227	4,578,273	4,324,334	4,152,212	4,191,985	3,409,402
Housing and development	4,390,318	4,221,064	2,087,190	1,327,969	1,880,504	1,395,805	665,736	498,200	471,505	311,097
Interest on long-term debt	874,565	1,523,932	1,754,844	2,061,176	2,192,384	523,860	564,813	689,391	709,991	77,391
Total governmental activities expenses	83,549,061	93,663,334	87,327,243	75,186,068	78,986,730	86,159,134	79,911,931	95,725,768	59,058,237	54,653,404
Business-type activities:										
Water and sewer	4,781,971	4,396,261	4,415,893	4,137,154	4,158,625	4,144,229	3,843,855	4,918,872	4,020,234	3,940,670
Landfill	46,210	43,772	53,471	83,421	115,352	26,461	46,285	465,867	414,384	(147,102)
Special Tax Lighting District	290,639	283,848	270,396	278,128	228,778	266,749	197,085	208,478	176,898	151,678
Sanitation Fund	660,737	951,209	941,658	1,031,496	1,068,988	1,176,208	1,109,644	-	-	-
Total business-type activities expenses	5,779,557	5,675,090	5,681,418	5,530,199	5,571,743	5,613,647	5,196,869	5,593,217	4,611,516	3,945,246
Total primary government expenses	89,328,618	99,338,424	93,008,661	80,716,267	84,558,473	91,772,781	85,108,800	101,318,985	63,669,753	58,598,650
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
Legislative and executive	\$ 1,054,379	\$ 1,039,256	\$ 979,628	\$ 1,206,632	\$ 683,049	\$ 2,531,685	\$ 2,442,466	\$ 4,199,068	\$ 2,231,681	\$ 2,441,980
Judicial	4,529,884	4,714,612	3,155,568	2,939,970	3,501,129	3,096,093	3,082,091	3,246,901	3,854,671	3,699,438
Public safety	3,396,496	3,988,679	5,240,752	5,432,211	5,133,580	5,267,853	4,127,647	5,104,745	4,579,833	3,777,062
Public works	61,623	73,918	31,661	56,506	268,345	183,010	222,941	302,800	824,432	87,798
Health and welfare	12,839	36,917	215,826	211,695	199,417	275,563	297,643	253,018	372,372	503,458
Housing and development	-	-	-	-	-	62,165	42,120	-	-	-
Operating grants and contributions	1,952,415	1,754,554	1,140,547	1,881,033	2,735,602	2,210,516	3,986,582	484,472	631,537	1,667,125
Capital grants and contributions	1,859,509	1,779,080	2,829,238	765,160	1,296,117	1,592,054	1,696,917	8,042	405,496	120,642
Total governmental activities program revenue:	12,867,145	13,387,016	13,593,220	12,493,207	13,817,239	15,218,939	15,898,407	13,599,046	12,900,022	12,297,503
Business-type activities:										
Charges for services:										
Water and sewer	4,938,717	5,282,108	5,281,592	5,065,995	3,639,943	3,789,692	3,666,766	3,166,748	2,789,348	2,673,677
Landfill	435,720	411,070	811,150	624,153	462,824	496,554	520,215	642,351	607,462	490,922
Special tax lighting district	243,043	211,058	191,349	189,240	170,691	157,377	160,359	156,244	128,275	125,466
Sanitation fund	299,467	594,198	585,115	578,802	86,732	95,217	34,405	-	-	-
Total business-type activities program revenues:	5,916,947	6,498,434	6,869,206	6,458,190	4,360,190	4,538,840	4,381,745	3,965,343	3,525,085	3,290,065
Total primary government program revenues	\$ 18,784,092	\$ 19,885,450	\$ 20,462,426	\$ 18,951,397	\$ 18,177,429	\$ 19,757,779	\$ 20,280,152	\$ 17,564,389	\$ 16,425,107	\$ 15,587,568

Lowndes County, Georgia  
Changes in Net Position (Unaudited),  
Last Ten Years  
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Net (Expense) Revenue</b>										
Governmental activities	\$ (70,681,916)	\$ (80,276,318)	\$ (73,734,023)	\$ (62,692,861)	\$ (65,169,491)	\$ (70,940,195)	\$ (64,013,524)	\$ (82,126,722)	\$ (46,158,215)	\$ (42,355,901)
Business-type activities	137,390	823,344	1,187,788	927,991	(1,211,553)	(1,074,807)	(815,124)	(1,627,874)	(1,086,431)	(655,181)
Total primary government net expense	<u>\$ (70,544,526)</u>	<u>\$ (79,452,974)</u>	<u>\$ (72,546,235)</u>	<u>\$ (61,764,870)</u>	<u>\$ (66,381,044)</u>	<u>\$ (72,015,002)</u>	<u>\$ (64,828,648)</u>	<u>\$ (83,754,596)</u>	<u>\$ (47,244,646)</u>	<u>\$ (43,011,082)</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes										
Property taxes	\$ 28,017,047	\$ 27,896,942	\$ 21,175,180	\$ 20,793,727	\$ 19,843,708	\$ 22,622,116	\$ 21,432,904	\$ 19,871,336	\$ 19,271,632	\$ 18,242,254
Alcoholic beverage taxes	486,800	484,361	511,846	508,709	534,897	527,476	524,243	504,712	495,211	476,183
Occupational taxes	544,984	606,505	357,384	317,884	387,701	393,817	368,856	416,345	364,992	307,300
Hotel/Motel taxes	272,613	273,668	-	-	-	-	-	-	-	-
Franchise taxes	116,773	139,430	173,918	174,130	187,256	212,203	203,964	172,439	240,607	178,563
Insurance premium taxes	2,198,903	2,058,288	2,310,403	2,343,344	2,187,633	2,135,580	2,030,960	1,937,994	1,814,810	1,677,244
Sales taxes	33,747,828	34,808,458	34,301,734	24,605,202	25,702,360	32,383,724	35,155,911	34,853,383	31,156,926	28,343,346
Public utility taxes	659,404	558,293	529,902	515,504	550,292	581,150	-	-	-	-
Miscellaneous	855,646	988,631	497,551	443,937	617,351	86,121	31,118	2,000	82,013	3,000
Rent	-	-	-	-	-	-	483,764	433,387	415,510	20,012
Interest	-	-	44,599	170,000	316,432	1,044,563	1,430,205	1,035,124	582,360	414,220
Transfer in (out)	334,000	877,217	(255,457)	(2,753,975)	(3,667,361)	(3,882,869)	(1,883,956)	(2,057,236)	(4,251,862)	(1,515,690)
Total governmental activities	<u>67,233,998</u>	<u>68,691,793</u>	<u>59,647,060</u>	<u>47,118,462</u>	<u>46,660,269</u>	<u>56,103,881</u>	<u>59,777,969</u>	<u>57,169,484</u>	<u>50,172,199</u>	<u>48,146,432</u>
Business-type activities										
Interest	9,793	102,740	10,382	6,070	30,891	71,219	63,219	137,365	6,142	1,186
Transfer in (out)	(334,000)	(877,217)	255,457	2,753,975	3,667,361	3,882,869	1,883,956	2,057,236	4,251,862	1,515,690
Total business-type activities	<u>(324,207)</u>	<u>(774,477)</u>	<u>265,839</u>	<u>2,760,045</u>	<u>3,698,252</u>	<u>3,954,088</u>	<u>1,947,175</u>	<u>2,194,601</u>	<u>4,258,004</u>	<u>1,516,876</u>
Total primary government	<u>\$ 66,909,791</u>	<u>\$ 67,917,316</u>	<u>\$ 59,912,899</u>	<u>\$ 49,878,507</u>	<u>\$ 50,358,521</u>	<u>\$ 60,057,969</u>	<u>\$ 61,725,144</u>	<u>\$ 59,364,085</u>	<u>\$ 54,430,203</u>	<u>\$ 49,663,308</u>
<b>Change in Net Position</b>										
Governmental activities	\$ (3,447,918)	\$ (11,584,525)	\$ (14,086,963)	\$ (15,574,399)	\$ (18,509,222)	\$ (14,836,314)	\$ (4,235,555)	\$ (24,957,238)	\$ 4,013,984	\$ 5,790,531
Business-type activities	(186,817)	48,867	1,453,627	3,688,036	2,486,699	2,879,281	1,132,051	566,727	3,171,573	861,695
Total primary government	<u>\$ (3,634,735)</u>	<u>\$ (11,535,658)</u>	<u>\$ (12,633,336)</u>	<u>\$ (11,886,363)</u>	<u>\$ (16,022,523)</u>	<u>\$ (11,957,033)</u>	<u>\$ (3,103,504)</u>	<u>\$ (24,390,511)</u>	<u>\$ 7,185,557</u>	<u>\$ 6,652,226</u>

Lowndes County, Georgia  
Fund Balances, Governmental Funds (Unaudited),  
Last Ten Fiscal Years  
( *modified accrual basis of accounting* )

	Fiscal Year Ending June 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
General Fund										
Assigned	\$13,724,513	\$14,224,513	\$ 14,513,083	\$16,693,577	\$18,007,111	\$19,518,367	\$18,510,947	\$17,346,847	\$16,627,124	\$13,533,156
Unassigned	<u>3,036,971</u>	<u>3,205,095</u>	<u>3,958,498</u>	<u>2,344,771</u>	<u>2,244,498</u>	<u>2,296,406</u>	<u>2,344,590</u>	<u>2,874,942</u>	<u>1,108,607</u>	<u>3,722,584</u>
Total general fund	<u>\$16,761,484</u>	<u>\$17,429,608</u>	<u>\$ 18,471,581</u>	<u>\$19,038,348</u>	<u>\$20,251,609</u>	<u>\$21,814,773</u>	<u>\$20,855,537</u>	<u>\$20,221,789</u>	<u>\$17,735,731</u>	<u>\$17,255,740</u>
All Other Governmental Funds										
Restricted	\$11,784,570	\$ 8,429,195	\$ 8,536,116	\$35,931,956	\$36,008,792	\$65,192,245	\$32,861,697	\$33,596,984	\$46,352,109	\$51,630,907
Assigned	259,177	215,235	185,557	76,836	-	-	-	-	-	-
Unassigned, reported in:										
Special revenue funds	-	-	(552,826)	(528,769)	(528,769)	(327,773)	(219,625)	(505,340)	(292,970)	(25,771)
Capital projects funds	-	-	860,326	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$12,043,747</u>	<u>\$ 8,644,430</u>	<u>\$ 8,168,847</u>	<u>\$35,480,023</u>	<u>\$35,480,023</u>	<u>\$64,864,472</u>	<u>\$32,642,072</u>	<u>\$33,091,644</u>	<u>\$46,059,139</u>	<u>\$51,605,136</u>

Years prior to 2012 have been restated for GASB Statement 54 *Fund Balance Reporting and Governmental Fund Type Definitions*.

Lowndes County, Georgia  
Changes in Fund Balances, Governmental Funds (Unaudited),  
Last Ten Fiscal Years  
*(accrual basis of accounting)*

	Fiscal Year Ending June 30,									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Revenues</b>										
Taxes	\$ 66,035,682	\$ 66,456,938	\$ 59,548,885	\$ 49,454,608	\$ 49,726,786	\$ 60,159,934	\$ 61,522,356	\$ 59,915,213	\$ 54,754,309	\$ 49,117,020
Licenses and permits	99,341	132,168	117,935	124,060	151,434	341,087	174,323	136,051	576,132	2,067,774
Intergovernmental revenues	3,781,219	3,519,504	4,051,774	2,737,701	4,126,620	5,442,941	5,683,150	3,831,163	3,356,236	2,716,455
Charges for services	5,687,127	6,320,517	6,178,392	6,038,778	5,873,816	4,457,475	4,067,289	3,838,814	2,872,513	2,148,272
Fines and forfeitures	3,268,751	3,400,696	2,883,883	2,788,804	2,996,915	3,358,093	3,656,434	3,214,167	4,988,715	5,167,479
Investment income	30,705	14,131	61,937	159,879	316,432	1,044,564	1,430,202	1,035,122	582,342	414,220
Miscellaneous	480,501	632,848	485,665	629,184	462,651	736,913	827,410	741,079	566,986	527,833
<b>Total revenues</b>	<b>79,383,326</b>	<b>80,476,802</b>	<b>73,328,471</b>	<b>61,933,014</b>	<b>63,654,654</b>	<b>75,541,007</b>	<b>77,361,164</b>	<b>72,711,609</b>	<b>67,697,233</b>	<b>62,159,053</b>
<b>Expenditures</b>										
General government										
Legislative and executive	\$ 9,908,048	\$ 9,590,306	\$ 9,274,035	\$ 10,299,933	\$ 9,805,457	\$ 11,995,479	\$ 11,606,747	\$ 10,785,140	\$ 9,194,441	\$ 9,324,209
Judicial	5,942,037	6,221,941	6,751,027	5,351,169	5,612,188	7,129,220	4,740,954	4,960,668	4,563,537	5,141,572
Public safety	25,184,661	25,931,440	23,981,068	24,629,552	25,064,246	24,688,510	14,608,904	18,775,006	19,209,606	18,428,548
Public works	4,593,106	4,253,281	8,305,664	8,899,049	8,328,196	13,401,084	19,229,053	32,884,096	16,860,396	12,379,353
Health and welfare	859,923	893,716	1,049,234	1,266,900	1,372,408	1,397,225	1,961,798	1,220,881	1,674,861	2,036,026
Culture and recreation	4,577,105	4,518,596	1,000,000	1,022,500	1,723,102	4,290,100	4,216,207	4,149,615	4,080,312	3,295,478
Housing and development	4,557,326	4,216,382	1,403,566	1,330,610	1,840,804	1,459,402	534,061	498,200	471,505	311,097
Intergovernmental	9,904,148	10,486,448	9,416,508	-	-	-	-	-	-	-
Capital Outlay	2,406,981	3,283,091	2,660,740	28,199,430	27,894,881	15,649,774	17,240,495	7,260,054	10,801,728	4,503,307
Debt service										
Principle	8,290,000	7,965,000	5,505,000	7,370,000	7,100,000	605,000	590,000	790,000	945,000	190,000
Interest	891,828	1,525,881	1,757,000	2,062,694	2,193,625	523,860	564,813	689,391	709,991	130,633
<b>Total Expenditures</b>	<b>77,115,163</b>	<b>78,886,082</b>	<b>71,103,842</b>	<b>90,431,837</b>	<b>90,934,907</b>	<b>81,139,654</b>	<b>75,293,032</b>	<b>82,013,051</b>	<b>68,511,377</b>	<b>55,740,223</b>
Excess of revenues over (under) expenditure	2,268,163	1,590,720	2,224,629	(28,498,823)	(27,280,253)	(5,598,647)	2,068,132	(9,301,442)	(814,144)	6,418,830
<b>Other Financing Sources (Uses)</b>										
Capital financing	125,000	-	-	-	-	42,663,153	-	-	-	15,500,000
Transfer in	1,718,027	2,894,089	1,430,641	50,000	77,527	160,240	200,549	933,981	472,489	3,880,186
Transfer out	(1,384,027)	(2,016,872)	(1,686,097)	(2,803,975)	(3,744,887)	(4,043,109)	(2,084,505)	(2,991,217)	(4,724,351)	(5,395,876)
<b>Total other financing sources (uses)</b>	<b>459,000</b>	<b>877,217</b>	<b>(255,456)</b>	<b>(2,753,975)</b>	<b>(3,667,360)</b>	<b>38,780,284</b>	<b>(1,883,956)</b>	<b>(2,057,236)</b>	<b>(4,251,862)</b>	<b>13,984,310</b>
<b>Net change in fund balances</b>	<b>\$ 2,727,163</b>	<b>\$ 2,467,937</b>	<b>\$ 1,969,173</b>	<b>\$ (31,252,798)</b>	<b>\$ (30,947,613)</b>	<b>\$ 33,181,637</b>	<b>\$ 184,176</b>	<b>\$ (11,358,678)</b>	<b>\$ (5,066,006)</b>	<b>\$ 20,403,140</b>
Debt service as a percentage of noncapital expenditures	12.29%	12.55%	10.61%	15.16%	14.74%	1.72%	1.99%	1.98%	2.87%	0.63%

Lowndes County, Georgia  
Tax Revenues by Source, Governmental Funds (Unaudited),  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

Fiscal Year	Property Tax	Title Advalorem			Local Option		Hotel/Motel Tax	Insurance Premium Tax	Intangible Tax	Total
		Vehicle Tax	Beverage Tax	Franchise Tax	Sales Tax	Special Purpose Local Option Sales Tax				
2004	17,743,561	-	476,183	178,563	10,390,144	17,953,202	1,559,341	1,677,244	698,123	50,676,361
2005	17,815,093	-	495,211	240,607	11,442,253	19,714,674	1,779,004	1,843,259	604,891	53,934,992
2006	18,326,457	-	504,712	172,439	12,785,834	22,067,549	1,828,252	1,937,994	705,082	58,328,319
2007	19,672,605	-	524,243	203,964	12,908,364	22,247,547	1,811,933	2,030,960	765,538	60,165,154
2008	21,284,204	-	527,476	212,203	13,777,615	23,415,805	1,032,148	2,135,580	722,709	63,107,740
2009	18,437,599	-	534,897	187,256	13,081,231	20,745,158	268,939	2,187,633	482,671	55,925,384
2010	19,483,831	-	508,709	174,130	12,510,599	21,522,945	270,541	2,156,266	416,250	57,043,271
2011	19,768,176	-	511,846	173,918	12,592,637	21,709,097	274,860	2,097,125	409,048	57,536,707
2012	26,125,012	-	484,361	139,430	12,778,041	22,030,417	273,668	2,058,288	405,139	64,294,356
2013	26,157,401	431,831	486,800	116,773	12,387,903	21,359,925	272,613	2,198,903	503,831	63,915,980
Change										
2004 -2013	47.42%	0.00%	2.23%	-34.60%	19.23%	18.98%	-82.52%	31.10%	-27.83%	26.13%

Note: Includes General and Special Revenue Funds.

Property taxes beginning in 2012 include the county tax levies for the Valdosta-Lowndes County Industrial Authority and the Valdosta-Lowndes County Parks and Recreation Authority.

Effective in January 2008, the County accommodation tax includes tax collected outside of city limits that have their own hotel/motel tax.

Effective in January 2013, sales tax is no longer collected on manufacturing energy usage. Effective April 1, 2013, sales tax is no longer collected on vehicle sales. The sales tax was replaced by a Title Advalorem Tax (TAVT) at the time of sale which replaces annual advalorem taxes on vehicles purchased from April 1, 2013 forward.

Lowndes County, Georgia  
 Assessed Value and Actual Value of Taxable Property (Unaudited),  
 Last Ten Fiscal Years  
 (in thousands of dollars)

Fiscal Year Ended June 30,	Assessed Value Residential Property	Assessed Value Commercial Property	Assessed Value Industrial Property	Assessed Value Personal Property	Less: Assessed Value Tax-Exempt Property	Total Taxable Assessed Value
2004	968,302	646,841	352,885	201,924	209,777	1,960,175
2005	1,009,018	672,013	365,575	201,997	232,741	2,015,862
2006	1,101,396	757,719	383,711	198,963	179,126	2,262,663
2007	1,244,990	793,455	391,187	195,823	234,685	2,390,770
2008	1,400,845	865,837	395,966	214,775	254,078	2,623,345
2009	1,490,238	885,093	448,464	223,814	290,859	2,756,750
2010	1,528,119	907,500	467,299	233,738	305,921	2,830,735
2011	1,533,881	919,014	421,432	211,749	288,437	2,797,639
2012	1,545,873	905,710	452,877	213,668	315,997	2,802,131
2013	1,523,611	943,903	493,895	227,573	321,475	2,867,507

Lowndes County, Georgia  
 Assessed Value and Actual Value of Taxable Property (Unaudited),  
 Last Ten Fiscal Years  
 (in thousands of dollars)

Fiscal Year Ended <u>June 30,</u>	Total Taxable Assessed <u>Value</u>	Estimated Actual Taxable <u>Value</u>	Ratio of Total Accessed to Total Actual <u>Value</u>	Total Direct Unincorporated <u>Tax Rate (1)</u>	Total Direct Incorporated <u>Tax Rate</u>
2004	1,960,175	4,900,438	40%	8.45	9.01
2005	2,015,862	5,039,655	40%	8.86	8.86
2006	2,262,663	5,656,658	40%	8.86	8.86
2007	2,390,770	5,976,925	40%	8.86	8.86
2008	2,623,345	6,558,363	40%	8.76	8.76
2009	2,756,750	6,891,875	40%	7.31	7.31
2010	2,830,735	7,076,838	40%	7.31	7.31
2011	2,797,639	6,994,098	40%	7.31	7.31
2012	2,802,131	7,005,328	40%	7.31	7.31
2013	2,867,507	7,168,768	40%	7.31	7.31

Note: (1) Includes insurance premium roll back that was phased out as of FY2005

Lowndes County, Georgia  
 Direct and Overlapping Property Tax Rates (Unaudited),  
 Last Ten Fiscal Years  
 (rate per \$1,000 of accessed value)

<b>Jurisdiction:</b>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>County</b>										
Maintenance and Operations:										
Direct Rates:										
Unincorporated (1)	8.45	8.86	8.86	8.86	8.76	7.31	7.31	7.31	7.31	7.31
Incorporated	8.86	8.86	8.86	8.86	8.76	7.31	7.31	7.31	7.31	7.31
Overlapping Rates:										
Valdosta-Lowndes County Industrial Authority	0.00	0.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Valdosta-Lowndes County Parks & Recreation Authority	0.00	0.00	0.00	0.00	0.00	1.25	1.25	1.25	1.25	1.25
Total County - Unincorporated	<u>8.45</u>	<u>8.86</u>	<u>8.86</u>	<u>9.86</u>	<u>9.76</u>	<u>9.56</u>	<u>9.56</u>	<u>9.56</u>	<u>9.56</u>	<u>9.56</u>
Total County - Incorporated	<u>8.86</u>	<u>8.86</u>	<u>8.86</u>	<u>9.86</u>	<u>9.76</u>	<u>9.56</u>	<u>9.56</u>	<u>9.56</u>	<u>9.56</u>	<u>9.56</u>
<b>Schools</b>										
Maintenance and Operations:										
Lowndes County Board of Education	14.20	14.15	15.15	15.15	14.95	14.70	14.70	14.70	14.70	14.70
Valdosta Board of Education	12.29	13.98	14.98	14.98	15.98	15.98	15.98	16.98	16.98	16.98
Total Schools - County	<u>14.20</u>	<u>14.15</u>	<u>15.15</u>	<u>15.15</u>	<u>14.95</u>	<u>14.70</u>	<u>14.70</u>	<u>14.70</u>	<u>14.70</u>	<u>14.70</u>
Total Schools - City of Valdosta	<u>12.29</u>	<u>13.98</u>	<u>14.98</u>	<u>14.98</u>	<u>15.98</u>	<u>15.98</u>	<u>15.98</u>	<u>16.98</u>	<u>16.98</u>	<u>16.98</u>
<b>Municipalities</b>										
Maintenance and Operations:										
City of Hahira	5.38	5.38	5.38	5.38	5.38	5.38	5.38	5.38	5.38	4.75
City of Lake Park	5.84	5.83	5.80	5.70	4.73	4.72	4.70	4.70	5.05	5.05
City of Remerton	3.42	4.42	5.42	6.42	6.42	6.39	6.39	6.39	6.39	6.38
City of Valdosta	4.47	4.48	4.41	4.40	4.18	4.11	4.11	4.11	4.11	4.11
<b>State</b>	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Total Direct and Overlapping Rates:										
Total Unincorporated	<u>22.90</u>	<u>23.26</u>	<u>24.26</u>	<u>25.26</u>	<u>24.96</u>	<u>24.51</u>	<u>24.51</u>	<u>24.51</u>	<u>24.51</u>	<u>24.51</u>
Total City of Hahira	<u>28.69</u>	<u>28.64</u>	<u>29.64</u>	<u>30.64</u>	<u>30.34</u>	<u>29.89</u>	<u>29.89</u>	<u>29.89</u>	<u>29.89</u>	<u>29.26</u>
Total City of Lake Park	<u>29.15</u>	<u>29.09</u>	<u>30.06</u>	<u>30.96</u>	<u>29.69</u>	<u>29.23</u>	<u>29.21</u>	<u>29.21</u>	<u>29.56</u>	<u>29.56</u>
Total City of Remerton	<u>26.73</u>	<u>27.68</u>	<u>29.68</u>	<u>31.68</u>	<u>31.38</u>	<u>30.90</u>	<u>30.90</u>	<u>30.90</u>	<u>30.90</u>	<u>30.89</u>
Total City of Valdosta	<u>25.87</u>	<u>27.57</u>	<u>28.50</u>	<u>29.49</u>	<u>30.17</u>	<u>29.90</u>	<u>29.90</u>	<u>30.90</u>	<u>30.90</u>	<u>30.90</u>

Note: (1) Includes insurance premium roll back reduction that was phased out as of FY2005.

County, Industrial Authority, Parks and Recreation Authority and State property taxes are accessed county wide. Lowndes County Board of Education property taxes are accessed county wide except on property in the City of Valdosta where the Valdosta Board of Education accesses property taxes.

Cities access property taxes on property within their geographic boundaries.

Source: Lowndes County Tax Commissioner

Lowndes County, Georgia  
Principle Property Tax Payers (Unaudited),  
Current Year and Ten Years Ago

<u>Taxpayer</u>	2013			<u>Taxpayer</u>	2004		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total County Taxable Assessed Value</u>		<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total County Taxable Assessed Value</u>
Packaging Corporation of America	\$ 61,589,035	1	2.15%	Archers Daniels Midland	\$ 40,325,102	1	1.41%
Archer Daniels Midland	46,112,508	2	1.61%	Packaging Corporation of America	35,870,301	2	1.25%
Georgia Power Company	33,885,007	3	1.18%	The Langdale Company	22,148,899	3	0.77%
Lowe's Distribution Center	32,308,947	4	1.13%	Georgia Power Company	20,706,687	4	0.72%
Home Depot Store Support Center	32,271,845	5	1.13%	Wild Adventures	18,077,783	5	0.63%
J M Smith Corporation	22,347,297	6	0.78%	Lowe's Distribution Center	16,481,667	6	0.57%
Colquitt EMC	15,758,062	7	0.55%	Bellsouth Telecommunications	13,188,497	7	0.46%
Marelda Valdosta Mall LLC	13,029,920	8	0.45%	Colquitt EMC	8,220,502	8	0.29%
Lowe's Home Center, Inc.	9,305,225	9	0.32%	Colonial Realty LP	7,200,260	9	0.25%
Norfolk Southern Corporation	9,688,209	10	0.34%	Saft America Inc.	7,179,670	10	0.25%
All others	<u>2,591,211,227</u>		<u>90.36%</u>	All others	<u>1,770,774,973</u>		<u>61.75%</u>
Total	<u>\$2,867,507,282</u>		<u>100.00%</u>		<u>\$1,960,174,341</u>		<u>68.36%</u>

Source: Lowndes County Tax Commissioner

Lowndes County, Georgia  
Property Tax Levies and Collections (Unaudited),  
Last Ten Fiscal Years

Fiscal Year Ending June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2004	17,001,737	16,527,834	97.21%	472,545	17,000,379	99.99%
2005	17,860,543	17,585,316	98.46%	252,940	17,838,256	99.88%
2006	20,047,190	19,559,113	97.57%	488,077	20,047,190	100.00%
2007	21,182,223	20,560,611	97.07%	617,233	21,177,844	99.98%
2008	22,967,377	22,463,268	97.81%	490,249	22,953,517	99.94%
2009	20,151,846	19,506,396	96.80%	544,989	20,051,385	99.50%
2010	20,692,666	19,942,062	96.37%	370,720	20,312,782	98.16%
2011	20,450,742	19,655,203	96.11%	749,514	20,404,717	99.77%
2012	20,483,589	19,694,801	96.15%	606,934	20,301,735	99.11%
2013	20,961,479	20,204,435	96.39%	-	20,204,435	96.39%

Source: Lowndes County Tax Commissioner

Lowndes County, Georgia  
Ratios of Outstanding Debt by Type (Unaudited),  
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>
	<u>Capital Leases</u>	<u>Revenue Bonds</u>	<u>Notes Payable</u>	<u>Revenue Bonds</u>			
2004	21,854,991	-	7,148,639	630,000	29,633,630	1.29%	314
2005	22,461,008	-	5,159,265	585,000	28,205,273	1.18%	298
2006	20,132,417	-	4,583,037	12,125,000	36,840,454	1.18%	381
2007	17,688,318	-	3,718,226	11,675,000	33,081,544	1.23%	338
2008	15,659,630	40,845,000	-	11,215,000	67,719,630	2.30%	665
2009	13,802,615	34,365,000	-	10,740,000	58,907,615	1.85%	563
2010	12,396,621	27,630,000	-	10,250,000	50,276,621	1.59%	471
2011	11,480,000	22,780,000	-	9,740,000	44,000,000	1.33%	403
2012	10,682,600	15,490,000	-	9,215,000	35,387,600	1.02%	316
2013	10,064,700	7,900,000	-	9,280,000	27,244,700	0.76%	238

Notes: Details regarding the county's outstanding debt can be found in the notes to the financial statements.

Lowndes County, Georgia  
Direct and Overlapping Governmental Activities Debt (Unaudited)  
As of June 30, 2013

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
City of Hahira	37,653	100%	\$ 37,653
City of Remerton	87,943	100%	87,943
City of Valdosta	296,567	100%	296,567
Lowndes County School System	34,775,000	100%	34,775,000
Central Valdosta Development Authority	2,546,000	100%	<u>2,546,000</u>
Subtotal, overlapping debt			37,743,163
County direct debt			
Capital Leases			10,064,700
Intergovernmental Agreements			
Valdosta-Lowndes County Industrial Authority			14,010,000
Direct Guaranteed Revenue Debt			
Special Purpose Local Option Revenue Bonds			7,900,000
Water and Sewer Revenue Bonds			<u>9,280,000</u>
Total County direct debt			<u>41,254,700</u>
Total direct and overlapping debt			<u>\$ 78,997,863</u>

Sources:

Each city government provided information for their respective city.

Notes:

Overlapping governments are those that coincide with the geographic boundaries of the County. This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the residents and businesses of Lowndes County. The County government represents all taxpayers including those living in the cities and therefore 100% of the debt is estimated to be overlapping. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

Lowndes County, Georgia  
 Legal Debt Margin Information (Unaudited)  
 Last Ten Fiscal Years  
 (dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2013											
										Assessed value	\$ 2,867,507
										Debt limitation (10% of assessed value)	286,751
										Debt applicable to limitation:	
										Total bonded debt	<u>7,900</u>
										Legal debt margin	<u>\$ 278,851</u>
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	
Debt limit	\$275,675	\$283,074	\$279,764	\$226,266	262,334	275,675	283,073	279,764	280,213	286,751	
Total net debt applicable to limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>40,845</u>	<u>34,365</u>	<u>27,630</u>	<u>22,780</u>	<u>15,490</u>	<u>7,900</u>	
Legal debt margin	<u>\$275,675</u>	<u>\$283,074</u>	<u>\$279,764</u>	<u>\$226,266</u>	<u>\$221,489</u>	<u>\$ 241,310</u>	<u>\$255,443</u>	<u>\$256,984</u>	<u>\$264,723</u>	<u>\$ 278,851</u>	
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	

Lowndes County, Georgia  
Pledged-Revenue Coverage (Unaudited),  
Last Eight Fiscal Years

Fiscal Year	Water and Sewer Revenue Bonds 2005 (Refunded 2013)						
	Operating Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service		Total	Coverage
				Principle	Interest		
2006	\$3,154,058	\$2,134,045	\$1,020,013	\$375,000	\$444,203	\$ 819,203	1.25
2007	\$3,649,845	\$2,281,525	\$1,368,320	\$450,000	\$521,794	\$ 971,794	1.41
2008	\$3,772,771	\$2,619,531	\$1,153,240	\$460,000	\$508,294	\$ 968,294	1.19
2009	\$3,639,943	\$2,736,823	\$ 903,120	\$475,000	\$494,494	\$ 969,494	0.93
2010	\$5,065,995	\$2,545,210	\$2,520,785	\$490,000	\$479,056	\$ 969,056	2.60
2011	\$5,281,592	\$2,703,922	\$2,577,670	\$510,000	\$460,488	\$ 970,488	2.66
2012	\$5,282,108	\$2,624,767	\$2,657,341	\$525,000	\$444,056	\$ 969,056	2.74
2013	\$4,938,717	\$2,969,218	\$1,969,499	\$570,000	\$495,158	\$1,065,158	1.85

Notes:

Pledged revenues represent fees charged for water and sewer services.

Operating expenses do not include depreciation and interest expenses.

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

Lowndes County, Georgia  
Demographic and Economic Statistics (Unaudited),  
Last Ten Calendar Years

Fiscal Year	Population (1)	Personal Income	Per Capita Income (2)		Unemployment Rate (2)	
			County	State	County	State
2004	94,460	2,293,772,180	24,283	30,051	3.1%	4.7%
2005	94,579	2,389,916,751	25,269	31,191	2.9%	4.1%
2006	96,705	3,109,742,685	32,157	32,775	3.8%	4.7%
2007	97,844	2,681,708,352	27,408	34,061	4.1%	5.3%
2008	101,790	2,938,473,720	28,868	35,369	3.9%	4.6%
2009	104,583	3,185,702,763	30,461	35,863	5.5%	6.3%
2010	106,814	3,161,480,772	29,598	34,081	8.4%	9.8%
2011	109,233	3,306,264,444	30,268	34,800	9.2%	10.2%
2012	111,885	3,461,498,130	30,938	36,104	9.3%	9.8%
2013	114,552	3,561,765,336	31,093	36,869	8.3%	8.5%

Source:

(1) U. S. Census Bureau

(2) State of Georgia Department of Labor

Lowndes County, Georgia  
Principle Employers (Unaudited),  
Current Year and Nine Years Ago

<u>Employer</u>	<u>2013</u>			<u>2004</u>			
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	
Moody Air Force Base	6,100	1	12.44%	Moody Air Force Base	4,200	1	8.97%
South Georgia Medical Center	3,200	2	6.52%	South Georgia Medical Center	2,300	2	4.91%
Valdosta State University	2,280	3	4.65%	Valdosta State University	2,280	3	4.87%
Lowndes County School System	1,279	4	2.61%	Lowndes County School System	1,279	4	2.73%
Valdosta City School System	950	5	1.94%	Valdosta City School System	950	5	2.03%
Lowe's Distribution Center	900	6	1.83%	Convergys Corp	733	6	1.57%
Convergys Corp	850	7	1.73%	City of Valdosta	659	7	1.41%
Lowndes County	598	9	1.22%	Crackin Good Bakeries	555	8	1.19%
City of Valdosta	565	8	1.15%	Lowndes County	551	9	1.18%
Fresh Beginnings	<u>500</u>	10	<u>1.02%</u>	Lowe's Distribution Center	<u>450</u>	10	<u>0.96%</u>
Total Principle Employers	17,222		35.11%		13,957		29.81%
Other Employees	<u>31,831</u>		<u>64.89%</u>		<u>32,864</u>		<u>70.19%</u>
Total Employees	<u>49,053</u>		<u>100.00%</u>		<u>46,821</u>		<u>100.00%</u>

Sources: Georgia Department of Labor  
Valdosta-Lowndes County Industrial Authority

Lowndes County, Georgia  
 Full-time Equivalent County Government Employees by Function/Program (Unaudited),  
 Last Ten Fiscal Years

Function/Program	Full-time Equivalent Employees as of June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>General Government</b>										
Legislative										
Board of Commissioners	4	4	4	4	4	4	4	4	4	6
Commissioners' Assistant	-	-	-	-	1	1	1	-	-	-
Community Development Coordinator	-	-	-	-	1	1	1	-	-	-
County Clerk	-	-	-	-	3	3	3	3	3	3
County Manager	5	5	6	7	4	4	4	3	3	3
Risk Manager	1	1	1	1	1	1	1	-	-	-
Board of Elections	12	12	12	12	12	12	12	15	14	14
Tax Assessors	20	24	22	20	24	24	25	24	24	23
Building Maintenance	21	20	20	20	21	21	22	20	20	21
Tax Commissioner	19	19	20	19	20	20	21	21	21	21
Administrative Services	16	17	17	15	18	18	20	17	17	17
Engineering	9	9	10	11	11	11	11	7	7	7
Judicial										
Clerk of Court	18	18	19	18	19	18	18	18	18	19
Probate Court	5	5	6	5	6	6	6	5	5	6
Juvenile Court	2	1	1	1	2	2	2	2	2	2
Magistrate Court	11	11	11	11	11	11	11	11	11	11
Superior Court	14	14	14	14	15	15	15	15	15	15
State Court	8	8	6	8	10	10	10	10	10	10
Community Corrections Director	-	-	-	-	-	-	-	-	-	1
Indigent Defense	2	2	-	-	-	-	-	-	-	-
<b>Public Safety</b>										
Sheriff	202	206	212	201	225	226	240	240	240	240
Coroner	2	2	2	2	2	2	2	2	2	2
Probation	2	2	2	2	2	2	2	-	-	-
Fire Protection Services	5	8	10	13	16	-	-	-	-	-
Animal Control	10	11	11	11	12	12	12	12	12	11
Emergency Management	-	-	-	-	1	1	1	1	1	1

Lowndes County, Georgia  
 Full-time Equivalent County Government Employees by Function/Program (Unaudited),  
 Last Ten Fiscal Years

Function/Program	Full-time Equivalent Employees as of June 30,									
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>Public Works</b>										
Administration	6	6	5	7	7	7	6	6	6	6
Road Maintenance	38	32	31	29	40	39	39	36	36	36
Road Construction	14	14	13	13	10	10	10	8	9	10
Mosquito Control	-	-	-	-	1	-	-	-	-	-
Sanitation	18	20	21	16	-	-	-	-	-	-
<b>Housing and Development</b>										
County Planner	-	-	-	-	1	-	-	-	-	-
Zoning	-	-	-	3	3	-	-	-	-	-
<b>Keep Lowndes/ Valdosta Beautiful</b>	1	1	1	1	1	1	1	-	-	-
<b>Auxiliary Accounts - Jail Commissary</b>	2	2	2	2	2	2	2	2	2	2
<b>Intergovernmental</b>										
Regional Airport	6	6	6	6	7	7	7	-	-	-
Alternative Dispute Resolution	2	2	2	2	2	2	2	2	2	2
Zoning Administration	4	4	4	3	3	-	-	-	-	-
VAWA Grant	2	-	2	-	-	-	-	-	-	-
LODAC HUD Grant	5	3	6	4	4	3	3	-	-	-
<b>County Jail Fund</b>	1	1	1	1	1	1	1	1	1	1
<b>Drug Abuse Treatment</b>	7	7	7	7	6	8	4	-	-	-
<b>Emergency Telephone System</b>	32	32	33	28	38	38	37	38	38	38
<b>Special Services Fund</b>										
Fire	-	-	-	-	-	16	20	19	19	19
Mosquito Control	-	-	-	-	-	1	1	1	1	1
County Planner	-	-	-	-	-	1	1	2	2	2
Zoning Administration	-	-	-	-	-	3	3	3	3	3
<b>Victim/Witness</b>	2	2	2	2	2	2	2	2	2	2
<b>Water and Sewer</b>	13	13	13	13	14	14	19	18	18	19
<b>Sanitation Fund</b>	-	-	-	-	21	19	19	17	17	15
<b>Equipment Maintenance</b>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>11</u>	<u>8</u>	<u>8</u>	<u>9</u>
<b>Total</b>	<u>551</u>	<u>554</u>	<u>565</u>	<u>542</u>	<u>614</u>	<u>609</u>	<u>632</u>	<u>593</u>	<u>593</u>	<u>598</u>

Lowndes County, Georgia  
 Operating Indicators by Function/Program (Unaudited),  
 Last Ten Fiscal Years

Function/Program	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Courts</b>										
Cases filed:										
Superior Court - Civil	2,730	2,987	2,776	3,079	2,624	3,384	3,549	3,238	3,425	3,012
Superior Court - Criminal	3,261	3,856	4,199	4,199	4,221	3,579	3,771	3,907	3,929	3,361
State Court - Civil	1,514	1,038	1,021	1,020	1,274	1,282	1,628	1,019	832	547
State Court - Criminal	24,746	23,188	19,436	20,132	16,930	17,262	16,069	18,589	19,135	18,080
Juvenile Court	1,766	2,027	1,656	1,656	1,379	1,133	1,184	1,444	1,026	1,015
<b>Sheriff</b>										
Inmate bookings	NA	7,501	9,598	10,554	9,050	9,002	8,743	9,340	10,185	9,503
Average daily jail population	NA	555	639	667	694	698	682	670	734	653
Subpoenas served	NA	17,335	15,688	17,084	19,644	15,822	13,640	14,040	15,677	12,154
Civil papers served	NA	4,109	3,680	3,443	3,691	3,868	4,568	3,719	3,634	2,908
Traffic citations issued	NA	NA	NA	2,508	4,424	2,666	2,768	6,234	8,097	8,393
<b>Fire Protection Services</b>										
Emergency responses	1,362	989	1,508	1,777	1,801	1,774	1,648	2,653	2,829	3,548
Fires extinguished	350	387	457	560	462	490	497	999	335	468
<b>Emergency Telephone System</b>										
911 calls	62,578	64,412	77,291	75,426	84,218	88,298	96,000	96,420	98,587	97,599
<b>Public Works</b>										
New paving (miles)	7	28	8	8	7	13	6	-	-	3
<b>Sanitation</b>										
Refuse collected (tons per day)	38	46	44	44	35	23	27	27	34	32
<b>Water</b>										
Average daily consumption (thousands of gallons)	4,440	5,112	6,443	6,738	6,642	5,764	3,028	1,943	2,000	1,943
<b>Sewer</b>										
Average daily sewage treatment (thousands of gallons)	882	1,074	992	1,076	1,129	1,410	1,850	1,530	970	1,057

NA - Data Not Available

Source: County Department Heads

**Note:**

Data is routinely kept for outside and internal reporting purposes by department heads. Such data collection was not available in all departments for a ten year period.

Lowndes County, Georgia  
 Capital Assets Statistics by Function/Program (Unaudited),  
 Last Ten Fiscal Years

Function/Program	Fiscal Year Ending June 30,									
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Sheriff										
Vehicles	162	165	169	194	210	220	252	235	240	263
Fire Protection Services										
Fire stations	15	16	17	18	18	18	18	18	18	18
Vehicles	56	56	56	55	53	55	56	56	56	56
Pumpers	19	19	19	13	18	18	18	18	18	19
Public Works										
Streets (miles) paved	442	463	560	469	457	471	477	447	487	490
Streets (miles) dirt	403	385	345	347	334	372	336	336	321	320
Traffic signals	2	2	2	2	2	2	2	2	3	3
Sanitation										
Collection sites	8	8	7	6	6	6	6	6	6	-
Parks and recreation										
Acreage	339	404	404	404	404	-	-	-	-	-
Recreation facilities	5	6	6	6	6	-	-	-	-	-
Water										
Water mains (miles)	124	133	140	155	166	182	185	190	191	192
Fire hydrants	NA	1,152	944	1,236	1,179	1,336	1,373	1,408	1,420	1,420
Storage capacity (thousands of gallons)	2,150	3,150	3,150	3,160	3,170	3,650	3,680	3,680	3,680	3,680
Sewer										
Sanitary sewers (miles)	124	129	134	154	167	185	188	200	201	202
Treatment capacity (thousands of gallons)	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Transit minibuses	4	5	5	5	5	5	5	5	5	5

N/A - Data Not Available

Source: County Department Heads

Data is routinely kept for outside and internal reporting purposes by department heads. Such data collection was not available in all departments for a ten year period.

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**SPECIAL REPORTS SECTION**

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LOWNDES COUNTY, GEORGIA  
SPECIAL SALES TAX IV  
SCHEDULE OF PROJECTS CONSTRUCTED  
WITH SPECIAL SALES TAX PROCEEDS  
Year Ended June 30, 2013

	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
Industrial Authority	\$ 1,500,000	\$ 1,419,690	\$ 1,419,690	\$ -	\$ 1,419,690	100.00%
Norman Drive	2,200,000	2,339,491	2,339,491	-	2,339,491	100.00%
Oak Street Extension	2,500,000	1,140,082	1,140,082	-	1,140,082	100.00%
Senior Citizen Center	2,000,000	1,234,108	1,234,108	-	1,234,108	100.00%
Public Radio System	6,000,000	6,533,467	6,533,467	-	6,533,467	100.00%
City of Dasher	300,000	299,733	292,547	7,186	299,733	100.00%
City of Hahira	1,175,000	1,171,981	1,171,981	-	1,171,981	100.00%
City of Remerton	400,000	401,244	401,244	-	401,244	100.00%
City of Lake Park	360,000	365,579	365,579	-	365,579	100.00%
City of Valdosta	32,900,000	36,212,199	36,212,199	-	36,212,199	100.00%
Roads, Streets, and Bridges	16,239,000	15,052,064	15,052,064	-	15,052,064	100.00%
Water and Sewer Projects	11,825,000	12,726,061	12,726,061	-	12,726,061	100.00%
Parks and Recreation Projects	1,851,000	4,848,596	4,848,596	-	4,848,596	100.00%
Public Transportation Facilities and Vehicles	350,000	149,160	149,160	-	149,160	100.00%
Environmental Compliance	400,000	524,845	524,845	-	524,845	100.00%
Totals	<u>\$80,000,000</u>	<u>\$ 84,418,300</u>	<u>\$ 84,411,114</u>	<u>\$ 7,186</u>	<u>\$84,418,300</u>	

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
SPECIAL SALES TAX V  
SCHEDULE OF PROJECTS CONSTRUCTED  
WITH SPECIAL SALES TAX PROCEEDS  
Year Ended June 30, 2013

	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
Industrial Authority	\$ 4,070,000	\$ 3,838,398	\$ 3,277,231	\$ 491,270	\$ 3,768,501	98.18%
Airport Authority	1,100,000	1,040,427	1,040,397	30	1,040,427	100.00%
City of Dasher	440,000	421,794	180,678	(7,186)	173,492	41.13%
City of Hahira	990,000	936,320	875,160	19,592	894,752	95.56%
City of Remerton	770,000	728,206	623,077	6,336	629,413	86.43%
City of Lake Park	440,000	412,612	409,847	2,765	412,612	100.00%
City of Valdosta	51,095,000	47,796,292	45,787,667	-	45,787,667	95.80%
Roads, Streets, and Bridges	20,000,000	22,270,681	22,270,681	-	22,270,681	100.00%
Debt Retirement	16,785,000	14,518,754	14,518,754	-	14,518,754	100.00%
Jail Facilities and Equipment	6,300,000	6,026,217	6,026,217	-	6,026,217	100.00%
Court Facilities and Equipment	1,000,000	56,652	-	56,652	56,652	100.00%
Water and Sewer Facilities and Equipment	2,427,000	4,582,240	4,582,240	-	4,582,240	100.00%
Parks and Recreation Facilities	1,000,000	953,607	670,501	32,965	703,466	73.77%
Administrative Facilities and Equipment	1,908,000	466,115	466,115	-	466,115	100.00%
Human Resource Building Improvements	200,000	137,810	137,810	-	137,810	100.00%
Library Books and Equipment	125,000	125,712	125,712	-	125,712	100.00%
Public Safety Facilities and Equipment	500,000	449,322	142,158	307,165	449,323	100.00%
Animal Shelter Facilities and Equipment	50,000	47,680	36,150	3,185	39,335	82.50%
Fire Fighting Facilities and Equipment	750,000	748,523	748,523	-	748,523	100.00%
Public Transportation Vehicles	50,000	44,839	21,590	(1,779)	19,811	44.18%
Totals	<u>\$ 110,000,000</u>	<u>\$ 105,602,201</u>	<u>\$ 101,940,508</u>	<u>\$ 910,995</u>	<u>\$ 102,851,503</u>	

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
SPECIAL SALES TAX VI  
SCHEDULE OF PROJECTS CONSTRUCTED  
WITH SPECIAL SALES TAX PROCEEDS  
Year Ended June 30, 2013

	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
Airport Improvements and Equipment	\$ 1,000,000	\$ 783,566	\$ 783,565	\$ -	\$ 783,565	100.00%
Parking Facility	1,500,000	722,692	-	-	-	0.00%
Emergency Operations Center	4,000,000	2,953,982	2,953,982	-	2,953,982	100.00%
Courthouse Renovations & Equipment	500,000	250	-	250	250	100.00%
Judicial /Admin Facilities Construction & Equipment	1,000,000	38	38	-	38	100.00%
Public Safety Training Facility Construction & Equipment	500,000	171,739	171,739	-	171,739	100.00%
Fire Fighting Facility Improvements & Equipment	1,000,000	541,083	541,083	-	541,083	100.00%
Parks and Recreation Facility Construction & Equipment	6,000,000	2,899,007	29,133	-	29,133	1.00%
Water and Sewer Fund Construction & Improvements	15,000,000	4,887,937	4,887,937	-	4,887,937	100.00%
Road, Street & Bridges Construction & Improvements	22,388,450	13,473,059	13,473,059	-	13,473,059	100.00%
Bond Debt Retirement For Jail and Judicial/Admin Facilities	50,000,000	47,175,457	30,851,904	8,296,379	39,148,283	82.98%
City of Dasher	1,101,000	825,750	596,979	128,169	725,148	87.82%
City of Hahira	4,000,300	3,000,225	2,169,021	465,683	2,634,704	87.82%
City of Remerton	2,000,150	1,500,113	1,063,737	232,842	1,296,579	86.43%
City of Lake Park	752,350	564,263	407,935	87,583	495,518	87.82%
City of Valdosta	72,757,750	54,568,313	39,471,093	8,469,878	47,940,971	87.85%
Totals	\$ 183,500,000	\$ 134,067,473	\$ 97,401,205	\$ 17,680,784	\$ 115,081,989	

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
 SCHEDULE OF STATE CONTRACTUAL ASSISTANCE  
 Year Ended June 30, 2013

	<u>Contract Number</u>	<u>Revenue</u>	<u>Expenditures</u>	<u>Due (To) From State</u>
Passed through the Georgia				
Department of Community Affairs				
CDBG Grant	10p-y-092-1-5284	\$ 495,000	\$ 495,000	-
Passed through the Georgia				
Department of Transportation				
Davidson Road	CSMSL-008-00(437)	1,052,866	1,052,866	-
ARRA Public Transportation Assistance	GA-86-X001	35,120	35,120	-
ARRA Public Transportation Assistance	GA-18-4033	135,949	135,949	-
ARRA Public Transportation Assistance	GA-86-X001 (T004574)	8,116	8,116	-
ARRA Public Transportation Assistance	GA-18-0032 (T003924)	2,665	2,665	-
Passed through the Georgia				
Bureau of Investigation				
Live Scan Software Update		2,140	2,140	-
Passed through the Governor's Office				
of Highway Safety				
SPEED	GA-2013-000-0435	48,227	48,227	-
SRTEN	GA-2013-000-0357	14,919	14,919	-
Passed through the Georgia				
Emergency Management Agency				
2012 EMPG Planning Grant	P10-10-094	2,338	2,338	-
2012 EMPG Response & Recovery	OEM10-094	25,000	25,000	-
FY10 Citizens Corps Grant	2010-SS-T0-0034	9,912	9,912	-
Domestic Preparedness Equipment Program	2011-SS-00081-S01	329	329	-
Passed through the Criminal Justice				
Coordinating Council				
2011 Victims of Crime Act	C11-8-079	14,400	14,400	-
2012 Victims of Crime Act	C12-8-083	48,441	48,441	-
<b>Total</b>		<u>\$ 1,895,422</u>	<u>\$ 1,895,422</u>	<u>\$ -</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
 Year Ended June 30, 2013

	<u>Federal CFDA Number</u>	<u>Pass Through Grantor Number</u>	<u>Federal Expenditures</u>
Department of Housing and Urban Development Passed through the Georgia Department of Community Affairs CDBG Grant	14.228	10p-y-092-1-5284	\$ <u>495,000</u>
Total Department of Housing and Urban Development			<u>495,000</u>
Department of Justice State Criminal Alien Assistance	16.606	210-F7639-GA-AP	<u>24,663</u>
Edward Byrne Memorial JAG	16.738	2012-H1072-GA-DJ	<u>11,533</u>
Passed through the Criminal Justice Coordinating Council 2011 Victims of Crime Act	16.575	C11-8-079	14,400
2012 Victims of Crime Act	16.575	C12-8-083	<u>48,441</u>
			<u>62,841</u>
Total Department of Justice			<u>99,037</u>
Department of Transportation Passed through the Georgia Department of Transportation ARRA Public Transportation Assistance	20.205	CSMSL-008-00(437)	<u>1,052,866</u>
ARRA Public Transportation Assistance	20.507	GA-86-X001	<u>35,120</u>
ARRA Public Transportation Assistance	20.509	GA-18-4033	135,949
ARRA Public Transportation Assistance	20.509	GA-86-X001 (T004574)	8,116
ARRA Public Transportation Assistance	20.509	GA-18-0032 (T003924)	<u>2,665</u>
			<u>146,730</u>
Passed through the Governor's Office of Highway Safety SPEED	20.600	GA-2013-000-0435	48,227
SRTEN	20.600	GA-2013-000-0357	<u>14,919</u>
			<u>63,146</u>
Total Department of Transportation			<u>1,297,862</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED  
 Year Ended June 30, 2013

	<u>Federal CFDA Number</u>	<u>Pass Through Grantor Number</u>	<u>Federal Expenditures</u>
Department of Homeland Security			
Passed through the Georgia			
Emergency Management Agency			
2012 EMPG Planning Grant	97.042	P10-10-094	2,338
2012 EMPG Response & Recovery	97.042	OEM10-94	<u>25,000</u>
			<u>27,338</u>
FY10 Citizens Corps Grant	97.053	2010-SS-T0-0034	<u>9,912</u>
Domestic Preparedness Equipment Program	97.067	2011-SS-00081-S01	329
Passed through the Georgia			
Bureau of Investigation			
Live Scan Software Update	97.067	2009-SS-T9-0047	<u>2,140</u>
			<u>2,469</u>
Total Department of Homeland Security			<u>39,719</u>
Total			<u>\$ 1,931,618</u>

See independent auditors' report.

LOWNDES COUNTY, GEORGIA  
NOTES TO THE SCHEDULE OF EXPENDITURES  
OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1. GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of Lowndes County, Georgia (the "County"). The County receives pass-through financial assistance from several state agencies.

NOTE 2. REPORTING ENTITY

The authoritative criteria for determining the programs, organizations and functions of government included in the financial statements of the County are as follows: oversight responsibility, including selection of governing authority, designation of management, and ability to significantly influence operations; accountability for fiscal matters, including budget, surplus/deficits, debt, fiscal management and revenue characteristics; scope of public service; and special financial relationships.

NOTE 3. BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities.

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

To the Board of Commissioners  
Lowndes County, Georgia

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

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Lowndes 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 Lowndes County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Lowndes County, Georgia's internal control.

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

To the Board of Commissioners  
Page Two

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Lowndes 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **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.

  
Henderson & Godbee, LLP

Valdosta, Georgia  
January 13, 2014



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## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Board of Commissioners  
Lowndes County, Georgia

### Report on Compliance for Each Major Federal Program

We have audited the compliance of Lowndes County, Georgia, with the types of compliance requirements described in *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Lowndes County's major federal programs for the year ended June 30, 2013. Lowndes 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.

The County's basic financial statements include the operations of the Lowndes County Board of Health, which received \$5,634,390 in federal awards that is not included in the schedule during the year ended June 30, 2013. Our audit, described below, did not include the operations of Lowndes County Board of Health because the component unit engaged other auditors to perform an audit in accordance with OMB Circular A-133.

#### *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 the Lowndes County, Georgia's major 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 Lowndes County, Georgia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

To the Board of Commissioners  
Page Two

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 Lowndes County, Georgia's compliance.

***Opinion on Each Major Federal Program***

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


**Report on Internal Control Over Compliance**

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

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

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

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

  
Henderson & Godbee, LLP

Valdosta, Georgia  
January 13, 2014

LOWNDES COUNTY, GEORGIA  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 Year Ended June 30, 2013

**Section I – Summary of Auditor’s Results**

Financial Statements

Type of auditor’s report issued		Unmodified
Internal control over financial reporting		
Material weakness identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Significant deficiencies identified not considered to be material weakness?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> None reported
Noncompliance material to financial statements noted?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Federal Awards

Internal control over major programs		
Material weaknesses identified?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Significant deficiencies identified not considered to be material weaknesses?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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 Circular A-133, Section .510(a)?  Yes  No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
14.228	Community Development Block Grant
20.205	Federal Aid Highway Program

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

Auditee considered a low risk auditee  Yes  No

Lowndes County, Georgia  
Certificate of 9-1-1 Expenditures  
For the Year Ended June 30, 2013

Line No.		O.C.G.A. Reference:	
1	Indicate UCOA Fund Type Used to Account for 9-1-1 Activity (choose one):  <u>  X  </u> Special Revenue Fund <u>      </u> Enterprise Fund		
2	Expenditures (UCOA Activity 3800) Wireless service supplier cost recovery charges (identify each supplier individually on lines below - attach list, if necessary)	46-5-134(e)	
			\$ <u>                    </u>
			\$ <u>                    </u>
			\$ <u>                    </u>
3	Emergency telephone equipment, including necessary computer hardware, software, and data base provisioning, addressing, and nonrecurring costs of establishing a 9-1-1 system:		
3a	Lease costs	46-5-134(f)(1)(A)	\$ <u>                    </u>
3b	Purchase costs	46-5-134(f)(1)(A)	\$ <u>                    </u>
3c	Maintenance costs	46-5-134(f)(1)(A)	\$ <u>                    </u>
4	Rates associated with the service suppliers 9-1-1 service and other service suppliers recurring charges	46-5-134(f)(1)(B)	\$ <u>                    </u>
5	Employees hired by the local government solely for the operation and maintenance of the emergency 9-1-1 system and employees who work as directors as defined in O.C.G.A. §46-5-138.2		
5a	Salaries and wages	46-5-134(f)(1)(C)	\$ <u>      1,367,086</u>
5b	Employee benefits	46-5-134(f)(1)(C)	\$ <u>      542,669</u>
6	Cost of training of employees who work as dispatchers or directors	46-5-134(f)(1)(D)	\$ <u>      2,955</u>
7	Office supplies of the public safety answering points used directly in providing emergency 9-1-1 system services	46-5-134(f)(1)(E)	\$ <u>      7,112</u>
8	Building used as a public safety answering point:		
8a	Lease costs	46-5-134(f)(1)(F)	\$ <u>                    </u>
8b	Purchase costs	46-5-134(f)(1)(F)	\$ <u>                    </u>
9	Computer hardware and software used at a public safety answering point, including computer assisted dispatch systems and automatic vehicle location systems:		
9a	Lease costs	46-5-134(f)(1)(G)	\$ <u>                    </u>
9b	Purchase costs	46-5-134(f)(1)(G)	\$ <u>                    </u>
9c	Maintenance costs	46-5-134(f)(1)(G)	\$ <u>                    </u>

Lowndes County, Georgia  
Certificate of 9-1-1 Expenditures  
For the Year Ended June 30, 2013

10	Supplies directly related to providing emergency 9-1-1 system services, including the cost of printing emergency 9-1-1 public education materials	46-5-134(f)(1)(H)	\$ _____
11	Logging recorders used at a public safety answering point to record telephone and radio traffic:		
11a	Lease costs	46-5-134(f)(1)(I)	\$ _____
11b	Purchase costs	46-5-134(f)(1)(I)	\$ _____
11c	Maintenance costs	46-5-134(f)(1)(I)	\$ _____
12	Insurance purchased to insure against risks and liability in the operation and maintenance of the 9-1-1 system on behalf of the local government or on behalf of employees hired by the local government solely for the operation and maintenance of the 9-1-1 system and employees who work as directors	46-5-134(f)(2)(B)(i)	\$ _____
13	Mobile communications vehicle and equipment, if the primary purpose and designation of such vehicle is to function as a backup 9-1-1 system center		
13a	Lease costs	46-5-134(f)(2)(B)(ii)	\$ _____
13b	Purchase costs	46-5-134(f)(2)(B)(ii)	\$ _____
13c	Maintenance costs	46-5-134(f)(2)(B)(ii)	\$ _____
14	Allocation of indirect costs associated with supporting the 9-1-1 system center and operations as identified and outlined in an indirect cost allocation plan approved by the local governing authority that is consistent with the costs allocated within the local government to both governmental and business-type activities	46-5-134(f)(2)(B)(iii)	\$ <u>160,000</u>
15	Mobile public safety voice and data equipment, geo-targeted test messaging alert systems, or towers necessary to carry out the function of 9-1-1 system operations		
15a	Lease costs	46-5-134(f)(2)(B)(iv)	\$ _____
15b	Purchase costs	46-5-134(f)(2)(B)(iv)	\$ _____
15c	Maintenance costs	46-5-134(f)(2)(B)(iv)	\$ _____
16	Public safety voice and data communications systems located in the 9-1-1 system facility that further the legislative intent of providing the highest level of emergency response service on a local, regional, and state-wide basis, including equipment and associated hardware and software that supports the use of public safety wireless voice and data communication systems		
16a	Lease costs	46-5-134(f)(2)(B)(v)	\$ <u>217,776</u>
16b	Purchase costs	46-5-134(f)(2)(B)(v)	\$ <u>18,910</u>
16c	Maintenance costs	46-5-134(f)(2)(B)(v)	\$ <u>3,676</u>

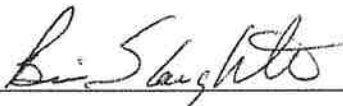
Lowndes County, Georgia  
 Certificate of 9-1-1 Expenditures  
 For the Year Ended June 30, 2013

17 Other expenditures not included in Lines 2 through 16 above.  
 Identify by object and purpose.

<u>Dues and subscriptions</u>	\$ <u>748</u>
<u>Contract Services</u>	\$ <u>589,605</u>
<u>Utilities</u>	\$ <u>69,373</u>
<u>Facilities maintenance</u>	\$ <u>16,254</u>
<u> </u>	\$ <u> </u>
<u> </u>	\$ <u> </u>
<u> </u>	\$ <u> </u>
<u> </u>	\$ <u> </u>
<u> </u>	\$ <u> </u>
<u> </u>	\$ <u> </u>
18 Total Expenditures (total of all amounts reported on Lines 2 through 17 above)	\$ <u><u>2,996,164</u></u>

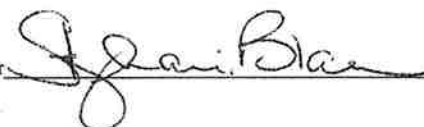
**Certification of Local Government Officials**

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

Signature of Chief Elected Official  Date 12/17/13

Print Name of Chief Elected Official Bill Slaughter

Title of Chief Elected Official Chairman Board of Commissioners

Signature of Chief Financial Officer  Date 12/17/13

Print Name of Chief Financial Officer Stephanie Black