

LAURENS COUNTY, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2015

LAURENS COUNTY, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2015

Issued by: Donna Lumley, Finance Officer
under Authority of the Board of Commissioners

LAURENS COUNTY, GEORGIA
 ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED JUNE 30, 2015

	<u>Exhibit</u>	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT		1
MANAGEMENT'S DISCUSSION AND ANALYSIS		4
BASIC FINANCIAL STATEMENTS:		
Government-wide Financial Statements:		
Statement of Net Position	1	11
Statement of Activities	2	12
Fund Financial Statements:		
Governmental Fund Financial Statements:		
Balance Sheet – Governmental Funds	3	13
Reconciliation of Net Position - Governmental Funds in the Statement of Net Position to Total Fund Balance - Governmental Funds on the Balance Sheet	4	14
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	5	15
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	6	16
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – General Fund	7	17
Proprietary Fund Financial Statements:		
Statement of Net Position – Proprietary Funds	8	18
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	9	19
Statement of Cash Flows – Proprietary Funds	10	20
Fiduciary Fund Financial Statement -		
Statement of Fiduciary Assets and Liabilities	11	21
Notes to Financial Statements		22
REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS:		
Budgetary Comparison Schedule – General Fund	12	55
Schedule of Funding Progress – Defined Benefit Pension Plan	13	59
OTHER SUPPLEMENTARY INFORMATION:		
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – FY 13 - 18 SPLOST Fund	14	60
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Permanent Fund	15	61
Schedule of Net Position – Sanitation Fund	16	62
Schedule of Revenues, Expenses and Changes in Net Position – Sanitation Fund	17	63
Schedule of Cash Flows – Sanitation Fund	18	64

LAURENS COUNTY, GEORGIA
 ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED JUNE 30, 2015

	<u>Exhibit</u>	<u>Page</u>
Combining Balance Sheet – Non-major Governmental Funds	19	66
Combining Balance Sheet – Non-major Special Revenue Governmental Funds	20	67
Combining Balance Sheet – Non-major Capital Projects Governmental Funds	21	68
Combining Schedule of Revenues, Expenditures and Fund Balances – Non-major Governmental Funds	22	69
Combining Schedule of Revenues, Expenditures and Fund Balances – Non-major Special Revenue Governmental Funds	23	70
Combining Schedule of Revenues, Expenditures and Fund Balances – Non-major Capital Project Governmental Funds	24	71
Budgetary Comparison:		
Grants Fund	25	72
Confiscated Assets Fund	26	73
Enhanced 911	27	74
Crime Victims Assistance Fund	28	75
Judicial Services Fund	29	76
Law Library Fund	30	77
Alternative Dispute Resolution	31	78
Sheriff Commissary	32	79
Drug Fund	33	80
Juvenile Fund	34	81
TIA Operating Fund	35	82
TIA Capital Fund	36	83
LMIG Fund	37	84
SPLOST Fund	38	85
Schedule of Net Position – Internal Service Fund	39	86
Schedule of Revenues, Expenses and Changes in Net Position - Internal Service Fund	40	87
Schedule of Cash Flows – Internal Service Fund	41	88
Combining Schedule of Fiduciary Assets and Liabilities	42	89
 SINGLE AUDIT SECTION:		
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <u>Government Auditing Standards</u>		90
Report on Compliance Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133		92
Schedule of Expenditures of Federal Awards		94
Notes to Schedule of Expenditures of Federal Awards		95
Schedule of Findings and Questioned Costs		96
 OTHER INFORMATION:		
Schedule of Expenditures of Special Purpose Local Option Sales Tax	43	101
Schedule of Revenues and Expenditures – Budget and Actual – Family Connection ...	44	102
Schedule of State Contractual Assistance – Family Connection	45	103

Financial Section

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Laurens County, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activity, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Laurens County, Georgia as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Laurens 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 Laurens County Public Health Center, a major component unit, whose statements reflect assets constituting 5 percent of total assets at June 30, 2015, and revenues constituting 16 percent of total revenues for the year then ended. Those financial statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Laurens County Public Health Center, is based on the report of the other auditor. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of the other auditor, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activity, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Laurens County, Georgia, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 to 10 and 55 to 59 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Laurens County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements, Schedule of Expenditures of Special Purpose Local Option Sales Tax, Schedule of Revenues and Expenditures – Budget and Actual – Family Connection, Schedule of State Contractual Assistance – Family Connection and the Schedule of Expenditures of Federal Awards, as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

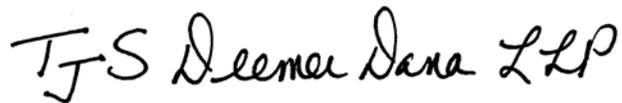
The combining and individual nonmajor fund financial statements, Schedule of Expenditures of Special Purpose Local Option Sales Tax, Schedule of Revenues and Expenditures – Budget and Actual – Family Connection, Schedule of State Contractual Assistance – Family Connection and the Schedule of Expenditures 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 statements, Schedule of Expenditures of Special Purpose Local Option Sales Tax, Schedule of Revenues and Expenditures – Budget and Actual – Family Connection, Schedule of State Contractual Assistance – Family Connection 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2016, on our consideration of Laurens County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Laurens County, Georgia's internal control over financial reporting and compliance.

Very truly yours,

A handwritten signature in black ink that reads "TJS Deemer Dana LLP". The letters are cursive and fluidly connected.

Dublin, Georgia

March 21, 2016

Management's Discussion and Analysis

LAURENS COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Laurens County, Georgia, we offer readers of our financial statements this narrative overview and analysis of the financial activities of Laurens County for the fiscal year ended June 30, 2015. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

Financial Highlights

Key financial highlights for FY15 are as follows:

The County's combined net position totaled \$40.8 million. Of this amount, unrestricted net position of \$.9 million may be used to meet the government's ongoing obligations to citizens and creditors.

Combined revenue totaled \$36.9 million of which governmental activities totaled \$35.9 million.

Overall expenses totaled \$41.6 million of which governmental activities totaled \$40.6 million.

Overall the net change in fund balance was a decrease of \$2,872,412. The net change in the general fund balance was a decrease of \$801,204.

As of June 30, 2015, the County's General Fund reported an unassigned fund balance of \$2.8 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

Fund Financial Statements

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

Notes to the Financial Statements

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

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

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Condensed Statement of Net Position

Table 2 below presents the County's condensed statement of net position as of June 30, 2015 and 2014.

Table 2: Condensed Statement of Net Position

	<u>Governmental Activities</u>		<u>Business - Type Activities</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Assets				
Current and other assets	\$ 19,500,147	\$ 23,089,788	\$ 189,960	\$ 173,210
Capital assets	33,436,491	36,332,953	246,241	309,440
Total Assets	<u>52,936,638</u>	<u>59,422,741</u>	<u>436,201</u>	<u>482,650</u>
Liabilities				
Other liabilities	4,218,041	4,650,641	2,389	2,087
Proportionate share of collective net pension liability	2,143,678	-	-	-
Long-term liabilities	6,156,123	8,054,566	-	-
Total liabilities	<u>12,517,842</u>	<u>12,705,207</u>	<u>2,389</u>	<u>2,087</u>
Net Position				
Invested in capital assets, net of related debt	25,381,925	26,417,460	246,241	309,440
Restricted	14,298,166	16,332,120	-	-
Unrestricted	738,705	3,967,954	187,571	171,123
Total net position	<u>\$ 40,418,796</u>	<u>\$ 46,717,534</u>	<u>\$ 433,812</u>	<u>\$ 480,563</u>

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

Condensed Statement of Activities

Table 3 below presents the County's condensed statement of activities for the fiscal years ended June 30, 2015 and 2014. Over time, increases and decreases in net position measure whether the County's financial position is improving or deteriorating.

Table 3: Condensed Statement of Activities

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Revenues				
Program revenues:				
Charges for services	\$ 10,319,706	\$ 10,392,916	\$ 601,618	\$ 616,184
Operating grants & contributions	656,774	650,387	-	-
Capital grants & contributions	1,158,473	2,429,898	293,142	-
General revenues:				
Property taxes	8,545,629	8,678,839	-	-
Other taxes	14,786,869	14,302,443	70,860	384,050
Other revenues	341,027	318,136	276	229
Total Revenues	<u>35,808,478</u>	<u>36,772,619</u>	<u>965,896</u>	<u>1,000,463</u>
Expenses				
General government	11,600,331	10,670,718	-	-
Judicial	3,317,382	3,281,744	-	-
Public safety	13,535,612	13,088,843	-	-
Public works	5,426,625	5,075,575	-	-
Health and welfare	295,882	278,732	-	-
Conservation and natural resources	1,088,257	1,083,168	-	-
Housing & development	5,184,905	243,991	-	-
Interest on long-term debt	188,339	220,419	-	-
Sanitation	-	-	1,012,647	1,064,107
Total Expenses	<u>40,637,333</u>	<u>33,943,190</u>	<u>1,012,647</u>	<u>1,064,107</u>
Increase (decrease) in net position before gain (loss) and transfers	(4,828,855)	2,829,429	(46,751)	(63,644)
Gain (loss) on sale of capital assets	128,987	34,339	-	-
Transfers	-	-	-	-
Change in net position	(4,699,868)	2,863,768	(46,751)	(63,644)
Beginning net position	46,717,534	43,853,766	480,563	544,207
Restatement of Prior Year Net Position	(1,598,869)	-	-	-
Ending net position	<u>\$ 40,418,797</u>	<u>\$ 46,717,534</u>	<u>\$ 433,812</u>	<u>\$ 480,563</u>

During the fiscal year ending June 30, 2015, the net position of the government activities decreased \$6,298,738 or 13.5%. Total revenues for 2015 decreased by \$964,141 or 2.6%. The decrease was mainly due to capital grants and contributions which had a net decrease of \$1,271,425, the majority of which was from road projects. Total expenses for 2015 increased by \$6,694,144 or 19.7%. The main reason for the increase in expenses in 2015 was due to increases in general government expenses of \$930,198 as well as increases in housing and development in the amount of \$4,940,914. The increase in the housing and

development category was due to the County transferring title to land and a building to the Dublin-Laurens County Development Authority in 2015.

Approximately 23.8% of the County's revenues came from property taxes and approximately 41.3% came from other taxes. Approximately 28.8% of the County's revenues came from charges for services and approximately 6.1% came from grants and other revenues. Although a majority of the County's expenses are financed by property taxes and other taxes, the County continues to rely heavily on revenues from charges for services to fund its budget. The County's expenses cover a range of services with 33.3% related to public safety, 13.3% related to public works, 28.5% related to general government activities which includes the tax commissioner and tax assessor, and 8.2% related to judicial activities.

Program Expenses and Revenues for Governmental Activities

Table 4 below presents program expenses and revenues for governmental activities for the fiscal year ended June 30, 2015 and 2014.

**Table 4: Program Expenses and Revenues
for Governmental Activities**

Programs	2015		Net Program Expenses (Revenues)(b)
	Program Expenses	Program Revenues	
General government	\$ 11,600,916	\$ 7,043,406	\$ 4,557,510
Judicial	3,317,382	2,340,228	977,154
Public safety	13,535,612	1,742,200	11,793,412
Public works	5,426,625	779,890	4,646,735
Health and welfare	295,882	229,229	66,653
Conservation and natural resources	1,088,257	-	1,088,257
Intergovernmental payments	5,184,905	-	5,184,905
Interest on long-term debt	188,339	-	188,339
Totals	<u>\$ 40,637,918</u>	<u>\$ 12,134,953</u>	<u>\$ 28,502,965</u>

Programs	2014		Net Program Expenses (Revenues)(b)
	Program Expenses	Program Revenues	
General government	\$ 10,670,718	\$ 4,333,664	\$ 6,337,054
Judicial	3,281,744	2,437,144	844,600
Public safety	13,088,843	4,118,626	8,970,217
Public works	5,075,575	2,422,064	2,653,511
Health and welfare	278,732	161,703	117,029
Conservation and natural resources	1,083,168	-	1,083,168
Intergovernmental payments	243,991	-	243,991
Interest on long-term debt	220,419	-	220,419
Totals	<u>\$ 33,943,190</u>	<u>\$ 13,473,201</u>	<u>\$ 20,469,989</u>

(b) Net program expenses are mainly supported by taxes

Program revenues are allocated based on which program collects the revenue. Therefore, judicial program expenses are more adequately covered by charges for services due to the allocation of traffic

fines issued by public safety, but collected by Probate Court. Overall, program revenues were not sufficient to cover program expenses for governmental activities. The net program expenses of these governmental activities were therefore supported by general revenues, mainly taxes.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

As of the close of the fiscal year, the County's governmental funds reported a combined ending fund balance of \$17,224,930 with \$7,363,060 reported as non-spendable, \$7,098,166 reported as restricted, and a \$2,763,704 unassigned fund balance.

The General Fund is the operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$2,763,704 and total fund balance was \$2,916,326. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance to total fund expenditures. Unassigned fund balance represents 13.00% of total General Fund expenditures, while total fund balance represents 13.7%. The net change in the General Fund's fund balance for the fiscal year ended June 30, 2015 was a decrease of \$801,204 or 21.5%. The reason for the decrease in the fund balance was mainly due to charges for services and fines and forfeiture collections being less than anticipated. In addition, the County incurred additional operating transfers out of \$444,134 over what was anticipated.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the fiscal year, the County may revise the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; 3) increases in appropriations that become necessary to maintain services. There were no budget amendments during the fiscal year ended June 30, 2015.

The actual operating revenues of the General Fund did not meet the final budgeted amounts by \$686,753. The major factor contributing to the unfavorable variance was due to a decrease in charges for services and fines and forfeitures by \$422,300 and \$294,419, respectively.

The actual operating expenditures of the General Fund did not exceed the final budgeted amounts by \$290,395. The main reason for the favorable variance was due to cost savings in Public Works which created a favorable variance of \$222,432. Unfortunately, the County did have to transfer out \$444,134 more than budgeted due to higher health insurance costs than anticipated.

CAPITAL ASSET AND LONG-TERM DEBT ACTIVITY

At June 30, 2015, the County reported \$33,436,491 in capital assets for governmental activities. Major capital asset transactions during the year were the construction of a new health department building as well as several paving and resurfacing projects. Also, equipment was purchased for emergency management, sheriff department as well as public works. In addition, the County transferred title to land and a building to the Dublin - Laurens County Development Authority during the year. Refer to Note III-D to the financial statements for additional information on capital assets.

At June 30, 2015, the County reported no capital lease debt. Refer to Note III-G to the financial statements for additional information on capital leases. During the Fiscal Year Ending June 30, 2013, the County issued \$10,890,000 in General Obligation Sales Tax Bonds for various economic development projects of the County. As of June 30, 2015, the principal balance on the bonds was \$7,345,000. The County has also entered into an intergovernmental agreement with the Laurens County Public Facilities Authority, a component unit, to finance the installation of an air conditioning system in the courthouse, construction of EMA/EMS building, construction of t-hangers, road construction, and construction of mental health buildings. Refer to Note III-G to the financial statements for additional information on the long-term debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

As with the rest of the State of Georgia, Laurens County's economic climate for FY 2015 has been a very slow recovery. Revenues such as sales tax appear to have leveled off somewhat but are slowly creeping up. Even with the lower levels of taxes, the Special Local Option Sales Tax continues to assist the County in funding much needed capital outlay projects such as resurfacing infrastructure and purchasing needed equipment for public safety and public works. Laurens County industry has declined due to lay offs at major industries. However none of the industries has closed and they continue to operate. Fortunately, Laurens County has obtained new industries that are beginning to provide jobs. The economic outlook for FY 2016 appears to be stagnant. It is expected that the tax digest will slightly increase due to a revaluation and that sales tax is anticipated to remain stagnant during FY 2016. However, Laurens County is actively working on bringing industry to this area.

The development of the FY 2016 budget was challenging. Although the County has added new industry, their economic impact will not be felt for a couple of more years. Also, the County is still in a slow economic recovery. Also with the new healthcare legislation that took effect in 2014, businesses will continue to be looking to reduce costs which could mean a sluggish economy. The property tax digest increasing slightly has impacted the County's ability to maintain existing service levels without a significant tax increase. The FY 2016 general fund budget represents an increase over the FY 2015 general fund budget. The millage rate and other charges for services were slightly increased for FY 2016.

Difficult choices have been made as the FY 2016 budget was developed, and it represents a balance between available resources and needs. This balance was achieved using the objectives and priorities established by the Board of Commissioners.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

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

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

Basic Financial Statements

LAURENS COUNTY, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2015

Exhibit 1

	Primary Government			Component Units				Total
	Governmental Activities	Business - type Activity	Total	Solid Waste Management Authority	Public Facilities Authority	Development Authority	Public Health Center	
Assets								
Cash and cash equivalents	\$ 12,640,052	\$ 53,238	\$ 12,693,290	\$ 938,138	134,913	\$ 455,462	\$ 2,956,954	\$ 17,178,757
Receivables, net of allowances for uncollectible:								
Taxes	261,755	-	261,755	-	-	-	-	261,755
Accounts	1,144,935	46,390	1,191,325	173,694	-	-	131,489	1,496,508
Due from other governments	1,395,584	-	1,395,584	-	-	-	927,086	2,322,670
Note	-	-	-	-	-	-	-	-
Accrued interest receivable	143	-	143	5,318	-	614	-	6,075
Prepaid expenditures	163,060	-	163,060	8,627	-	-	-	171,687
Internal balances	-	-	-	-	-	-	-	-
Advances to component units	17,618	-	17,618	-	-	-	-	17,618
Note receivable to component unit	3,877,000	-	3,877,000	-	-	-	-	3,877,000
Advances to primary government	-	90,332	90,332	-	709,566	-	-	799,898
Capital assets:								
Land and other non-depreciable assets	2,896,991	105,934	3,002,925	689,964	-	1,189,950	-	4,882,839
Other capital assets, net of depreciation	30,539,500	140,307	30,679,807	1,805,473	-	8,775,489	361,882	41,622,651
Utility deposits	-	-	-	-	-	150	-	150
Restricted cash and certificates of deposit	-	-	-	4,003,029	-	1,013,583	-	5,016,612
Restricted asset - real estate	-	-	-	-	-	6,976,262	-	6,976,262
Note receivable	-	-	-	-	-	1,087,000	-	1,087,000
Total assets	52,936,638	436,201	53,372,839	7,624,243	844,479	19,498,510	4,377,411	85,717,482
Deferred Outflows of Resources								
Total assets and deferred outflows of resources	52,936,638	436,201	53,372,839	7,624,243	844,479	19,498,510	5,080,460	86,420,531
Liabilities								
Accounts payable	1,031,132	2,389	1,033,521	46,752	-	1,300	71,762	1,153,335
Bank overdraft	-	-	-	-	-	-	-	-
Accrued expenses	210,896	-	210,896	23,293	10,355	1,884	-	246,428
Due to others	4,358	-	4,358	-	-	-	260,531	264,889
Accrued interest payable	-	-	-	-	-	-	-	-
Post employment benefits payable	52,682	-	52,682	-	-	-	-	52,682
Premium on bonds payable	443,250	-	443,250	-	-	-	-	443,250
Compensated absences payable - current	486,948	-	486,948	16,032	-	-	60,479	563,459
Advances from primary government	90,332	-	90,332	17,618	-	-	-	107,950
Note payable from primary government	-	-	-	-	-	3,877,000	-	3,877,000
Unearned revenue	-	-	-	-	-	-	-	-
Long-term obligations:								
Due within one year	1,898,443	-	1,898,443	190,520	167,000	98,285	-	2,354,248
Proportionate share of collective net pension liability	2,143,678	-	2,143,678	-	-	-	4,910,834	7,054,512
Due in more than one year	6,156,123	-	6,156,123	7,692,954	842,000	2,477,045	241,914	17,410,036
Total liabilities	12,517,842	2,389	12,520,231	7,987,169	1,019,355	6,455,514	5,545,520	33,527,789
Deferred Inflows of Resources								
Total	-	-	-	-	-	-	1,198,584	1,198,584
Net Position								
Net investment in capital assets	25,381,925	246,241	25,628,166	2,048,365	-	7,390,109	361,882	35,428,522
Restricted for:								
Special programs	7,098,166	-	7,098,166	-	-	-	-	7,098,166
Economic development	7,200,000	-	7,200,000	-	-	-	-	7,200,000
Industrial development	-	-	-	-	-	5,199,845	-	5,199,845
Contributions Conference Center	-	-	-	-	-	43,167	-	43,167
Post closure care costs	-	-	-	4,003,029	-	-	-	4,003,029
Prior year program income fund	-	-	-	-	-	-	856,872	856,872
Unrestricted	738,705	187,571	926,276	(6,414,320)	(174,876)	409,875	(2,882,398)	(8,135,443)
Total net position	\$ 40,418,796	\$ 433,812	\$ 40,852,608	\$ (362,926)	\$ (174,876)	\$ 13,042,996	\$ (1,663,644)	\$ 51,694,158

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

LAURENS COUNTY, GEORGIA

EXHIBIT 2

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position									
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units						
					Governmental Activities	Business - type Activity	Total	Solid Waste Management Authority	Public Facilities Authority	Development Authority	Public Health Center			
Primary Government														
Governmental Activities:														
General government	\$ 11,600,331	\$ 6,520,483	\$ 96,649	\$ 426,274	\$ (4,556,925)	\$ -	\$ (4,556,925)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Judicial	3,317,382	2,321,629	14,228	4,371	(977,154)	-	(977,154)	-	-	-	-	-	-	-
Public safety	13,535,612	1,424,432	316,668	1,100	(11,793,412)	-	(11,793,412)	-	-	-	-	-	-	-
Public works	5,426,625	53,162	-	726,728	(4,646,735)	-	(4,646,735)	-	-	-	-	-	-	-
Health and welfare	295,882	-	229,229	-	(66,653)	-	(66,653)	-	-	-	-	-	-	-
Conservation of natural resources	1,088,257	-	-	-	(1,088,257)	-	(1,088,257)	-	-	-	-	-	-	-
Economic Development	4,940,000	-	-	-	(4,940,000)	-	(4,940,000)	-	-	-	-	-	-	-
Housing and development	244,905	-	-	-	(244,905)	-	(244,905)	-	-	-	-	-	-	-
Interest on long-term debt	188,339	-	-	-	(188,339)	-	(188,339)	-	-	-	-	-	-	-
Total governmental activities	40,637,333	10,319,706	656,774	1,158,473	(28,502,380)	-	(28,502,380)	-	-	-	-	-	-	-
Business - type Activity -														
Sanitation Fund	1,012,647	601,618	-	293,142	-	(117,887)	(117,887)	-	-	-	-	-	-	-
Total primary government	41,649,980	10,921,324	656,774	1,451,615	(28,502,380)	(117,887)	(28,620,267)	-	-	-	-	-	-	-
Component Units														
Laurens County Solid Waste Management Authority	1,403,435	1,543,623	-	-	-	-	-	140,188	-	-	-	-	-	-
Laurens County Public Facilities Authority	44,051	-	22,075	-	-	-	-	-	(21,976)	-	-	-	-	-
Dublin-Laurens County Development Authority	2,096,797	-	475,000	4,349,834	-	-	-	-	-	2,728,037	-	-	-	-
Laurens County Public Health Center	8,020,612	1,404,435	5,880,079	-	-	-	-	-	-	-	-	-	(736,098)	-
Total component units	\$ 11,564,895	\$ 2,948,058	\$ 6,377,154	\$ 4,349,834	-	-	-	140,188	(21,976)	2,728,037	-	-	(736,098)	-
General revenues:														
Property taxes					8,545,629	-	8,545,629	-	-	-	-	-	-	-
Sales and other taxes					14,786,868	70,860	14,857,728	-	-	-	-	-	-	-
Intra/inter agency					-	-	-	-	-	-	-	-	936,578	-
Unrestricted investment earnings					115,763	276	116,039	26,309	30,630	7,217	-	-	-	-
Rent income					122,820	-	122,820	-	-	374,831	-	-	-	-
Other local funds					-	-	-	-	-	-	-	-	328,230	-
Transfers in					-	-	-	-	-	-	-	-	-	-
Transfers out					-	-	-	-	-	-	-	-	-	-
Miscellaneous					102,444	-	102,444	482	-	183,870	-	-	10,664	-
Gain on disposal of capital assets					128,987	-	128,987	-	-	-	-	-	-	-
Total general revenues					23,802,511	71,136	23,873,647	26,791	30,630	565,918	-	-	1,275,472	-
Change in net position					(4,699,869)	(46,751)	(4,746,620)	166,979	8,654	3,293,955	-	-	539,374	-
Net position - beginning					46,717,534	480,563	47,198,097	(529,905)	(183,530)	9,749,041	-	-	3,545,162	-
Prior period adjustment - Implementation of GASB 68														
Net pension liability (measurement date)					(2,133,912)	-	(2,133,912)	-	-	-	-	-	(6,292,426)	-
Deferred outflows - contributions made during fiscal year 2014					535,043	-	535,043	-	-	-	-	-	544,246	-
Net assets - beginning					45,118,665	480,563	45,599,228	(529,905)	(183,530)	9,749,041	-	-	(2,203,018)	-
Net position - ending					\$ 40,418,796	\$ 433,812	\$ 40,852,608	\$ (362,926)	\$ (174,876)	\$ 13,042,996	\$ -	\$ -	\$ (1,663,644)	\$ -

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

LAURENS COUNTY, GEORGIA

EXHIBIT 3

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	General	FY 13 - 18 SPLOST	Permanent	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 2,051,529	\$ 5,810,867	\$ 3,323,309	\$ 1,412,284	\$ 12,597,989
Receivables, net of allowances for uncollectibles:					
Taxes	261,755	-	-	-	261,755
Accounts	966,300	-	-	122,732	1,089,032
Note	-	-	3,877,000	-	3,877,000
Due from other governments	512,177	671,353	-	212,054	1,395,584
Due from other funds	478,085	-	-	-	478,085
Accrued interest receivable	-	-	-	143	143
Prepaid expenditures	152,622	8,496	-	1,942	163,060
Advances to component units	17,618	-	-	-	17,618
Total Assets	\$ 4,440,086	\$ 6,490,716	\$ 7,200,309	\$ 1,749,155	\$ 19,880,266
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	234,598	557,820	\$ -	44,601	\$ 837,019
Accrued expenses	185,726	-	-	25,170	210,896
Due to others	-	-	-	4,358	4,358
Due to other funds	186,479	5,271	309	472,505	664,564
Total Liabilities	606,803	563,091	309	546,634	1,716,837
Deferred Inflows of Resources -					
Unavailable revenues	916,957	21,542	-	-	938,499
Fund Balances:					
Nonspendable for :					
Prepaid expenditures	152,622	8,496	-	1,942	163,060
Economic development	-	-	7,200,000	-	7,200,000
Restricted for:					
Special programs	-	5,897,587	-	1,200,579	7,098,166
Unassigned	2,763,704	-	-	-	2,763,704
Total Fund Balances	2,916,326	5,906,083	7,200,000	1,202,521	17,224,930
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 4,440,086	\$ 6,490,716	\$ 7,200,309	\$ 1,749,155	\$ 19,880,266

LAURENS COUNTY, GEORGIA

EXHIBIT 4

RECONCILIATION OF NET POSITION –GOVERNMENTAL FUNDS IN THE STATEMENT OF NET POSITION
TO TOTAL FUND BALANCE – GOVERNMENTAL FUNDS ON THE BALANCE SHEET
FOR THE YEAR ENDED JUNE 30, 2015

Fund balance - total governmental funds	\$ 17,224,930
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	33,436,491
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	938,499
Post employment benefits used in governmental activities are not financial resources and therefore are not reported in the funds.	(52,682)
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	
Advances from component units	(709,566)
Net pension liability	(2,143,678)
Net deferred inflows(outflows) - pension expense	-
Bonds payable	(7,345,000)
Premium on bonds payable	(443,250)
Compensated absences	<u>(486,948)</u>
Net position of governmental activities	<u>\$ 40,418,796</u>

LAURENS COUNTY, GEORGIA

EXHIBIT 5

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	General	Emergency Medical Services	FY 13 - 18 SPLOST	Permanent	Other Governmental Funds	Total Governmental Funds
Revenues:						
Taxes	\$ 14,565,245	\$ -	\$ 7,869,820	\$ -	\$ 1,014,682	\$ 23,449,747
Licenses and permits	55,219	-	-	-	-	55,219
Charges for services	3,120,255	-	-	-	1,014,893	4,135,148
Fines and forfeitures	2,113,581	-	-	-	207,613	2,321,194
Grant revenues	325,456	-	-	-	1,744,631	2,070,087
Contribution revenues	-	-	-	-	8,717	8,717
Interest income	5,200	-	5,036	7,053	103,439	120,728
Other revenues	136,934	-	71,802	-	27,528	236,264
Total Revenues	<u>20,321,890</u>	<u>-</u>	<u>7,946,658</u>	<u>7,053</u>	<u>4,121,503</u>	<u>32,397,104</u>
Expenditures:						
Current:						
General government	3,565,819	-	-	-	380,700	3,946,519
Judicial	2,632,602	-	-	-	80,232	2,712,834
Public safety	9,661,729	-	-	-	1,412,279	11,074,008
Public works	1,870,468	-	1,104,140	-	758,744	3,733,352
Health and welfare	178,734	-	-	-	-	178,734
Conservation and natural resources	1,088,257	-	-	-	-	1,088,257
Housing and development	181,990	-	62,915	-	-	244,905
Debt Service:						
Principal payments	83,002	-	1,800,000	-	-	1,883,002
Interest payments	30,224	-	294,500	-	-	324,724
Intergovernmental payments	-	-	2,583,662	-	-	2,583,662
Capital outlay	-	-	2,913,295	-	3,149,363	6,062,658
Total Expenditures	<u>19,292,825</u>	<u>-</u>	<u>8,758,512</u>	<u>-</u>	<u>5,781,318</u>	<u>33,832,655</u>
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	<u>1,029,065</u>	<u>-</u>	<u>(811,854)</u>	<u>7,053</u>	<u>(1,659,815)</u>	<u>(1,435,551)</u>
Other Financing Sources (Uses):						
Transfers in	7,603	-	-	-	401,010	408,613
Transfers out	(1,966,859)	(550)	-	(7,053)	-	(1,974,462)
Proceeds from sale of capital assets	128,987	-	-	-	-	128,987
Total other financing sources (uses)	<u>(1,830,269)</u>	<u>(550)</u>	<u>-</u>	<u>(7,053)</u>	<u>401,010</u>	<u>(1,436,862)</u>
Net Change in Fund Balances	<u>(801,204)</u>	<u>(550)</u>	<u>(811,854)</u>	<u>-</u>	<u>(1,258,805)</u>	<u>(2,872,413)</u>
Fund balances - beginning	<u>3,717,530</u>	<u>550</u>	<u>6,717,937</u>	<u>7,200,000</u>	<u>2,461,326</u>	<u>20,097,343</u>
Fund balances - ending	<u>\$ 2,916,326</u>	<u>\$ -</u>	<u>\$ 5,906,083</u>	<u>\$ 7,200,000</u>	<u>\$ 1,202,521</u>	<u>\$ 17,224,930</u>

LAURENS COUNTY, GEORGIA

EXHIBIT 6

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balance - Govt Funds to Statement of Activities

Net change in fund balances - Total Governmental Funds \$ (2,872,413)

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

Capital outlays, reported as expenditures in governmental funds, are shown as capital assets in the Statement of Net Position as follows:

Capital outlay and infrastructure, net of non-capitalized items 6,070,374

Depreciation expenses on governmental capital assets are included in the governmental activities column in the Statement of Net Position but are not shown in the governmental funds. (4,042,044)

In the Statement of Activities, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the assets disposed of. (4,924,792)

Repayment of long-term debt is reported as an expenditure in the governmental funds, but as a reduction of long-term liabilities in the Statement of Net Position:
Bonds payable 1,800,000
Advance from component units 60,927

Revenues in the statement of activities that do not provide financial resources are not reported as revenues in the funds. The amount of unavailable revenues recognized as revenue in the statement of activities changed as follows:
Property taxes (117,250)
Emergency Medical Services Ambulance Fees (19,340)
Grant revenues (267,133)

Net pension liability is not available during the current period and therefore is not reported in the funds
End of Year (2,143,678)
Beginning of Year 2,133,912

Contributions made after pension measurement date are reported in deferred outflows.
End of Year -
Beginning of Year (535,043)

Amortization on premium on bonds payable are reported in the government-wide statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. 136,970

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds -
Compensated absences 19,641

Change in Net Position of Governmental Activities \$ (4,699,869)

LAURENS COUNTY, GEORGIA

EXHIBIT 7

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:				
Taxes	\$ 14,414,000	\$ 14,414,000	\$ 14,565,245	\$ 151,245
Licenses and permits	47,000	47,000	55,219	8,219
Grant revenues	427,140	427,140	325,456	(101,684)
Charges for services	3,542,555	3,542,555	3,120,255	(422,300)
Fines and forfeitures	2,408,000	2,408,000	2,113,581	(294,419)
Interest income	6,200	6,200	5,200	(1,000)
Miscellaneous revenues	<u>163,550</u>	<u>163,550</u>	<u>136,934</u>	<u>(26,616)</u>
Total Revenues	<u>21,008,445</u>	<u>21,008,445</u>	<u>20,321,890</u>	<u>(686,555)</u>
Expenditures:				
General government	3,595,630	3,595,630	3,565,819	29,811
Judicial	2,694,310	2,694,310	2,632,602	61,708
Public safety	9,644,290	9,644,290	9,661,729	(17,439)
Public works	2,092,900	2,092,900	1,870,468	222,432
Health and welfare	171,795	171,795	178,734	(6,939)
Conservation of natural resources	1,085,925	1,085,925	1,088,257	(2,332)
Housing and development	185,145	185,145	181,990	3,155
Debt service	<u>113,225</u>	<u>113,225</u>	<u>113,226</u>	<u>(1)</u>
Total Expenditures	<u>19,583,220</u>	<u>19,583,220</u>	<u>19,292,825</u>	<u>290,395</u>
Excess of Revenues Over Expenditures	<u>1,425,225</u>	<u>1,425,225</u>	<u>1,029,065</u>	<u>(396,160)</u>
Other Financing Sources (Uses):				
Proceeds from sale of capital assets	80,000	80,000	128,987	48,987
Transfers in	17,500	17,500	7,603	(9,897)
Transfers out	<u>(1,522,725)</u>	<u>(1,522,725)</u>	<u>(1,966,859)</u>	<u>(444,134)</u>
Total Other Financing Sources (Uses)	<u>(1,425,225)</u>	<u>(1,425,225)</u>	<u>(1,830,269)</u>	<u>(405,044)</u>
Deficiency of Revenues and Other Financing Sources Under Expenditures and Other Financing Uses	-	-	(801,204)	(801,204)
Fund Balance, Beginning	<u>3,717,530</u>	<u>3,717,530</u>	<u>3,717,530</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 3,717,530</u>	<u>\$ 3,717,530</u>	<u>\$ 2,916,326</u>	<u>\$ (801,204)</u>

LAURENS COUNTY, GEORGIA

EXHIBIT 8

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 JUNE 30, 2015

	<u>Business - type Activity - Sanitation Fund</u>	<u>Governmental Activities - Internal Service Funds</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 53,238	\$ 42,063
Accounts receivable, net of allowance for uncollectibles	46,390	55,903
Due from other funds	90,332	96,147
Total current assets	<u>189,960</u>	<u>194,113</u>
Noncurrent Assets:		
Capital assets:		
Nondepreciable assets	105,934	-
Depreciable assets, net of depreciation	140,307	-
Total capital assets, net	<u>246,241</u>	<u>-</u>
Total Assets	<u>436,201</u>	<u>194,113</u>
LIABILITIES		
Current Liabilities:		
Accounts payable	2,389	194,113
Due to primary government	-	-
Due to other funds	-	-
Total Current Liabilities	<u>2,389</u>	<u>194,113</u>
NET POSITION		
Net investment in capital assets	246,241	-
Unrestricted	187,571	-
Total Net Position	<u>\$ 433,812</u>	<u>\$ -</u>

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

LAURENS COUNTY, GEORGIA

EXHIBIT 9

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2015

	<u>Business - type Activity - Sanitation Fund</u>	<u>Governmental Activity - Internal Service Fund</u>
Operating Revenues:		
Insurance premiums	\$ -	\$ 2,261,565
Refuse collection charges	594,258	-
Other income	7,360	-
Total operating revenues	<u>601,618</u>	<u>2,261,565</u>
Operating Expenses:		
Other professional services	915,925	-
Depreciation expense	46,749	-
Other Expenses	49,973	-
Reinsurance premiums	-	198,808
Employee insurance claims	-	3,628,677
Total operating expenses	<u>1,012,647</u>	<u>3,827,485</u>
Operating Loss	<u>(411,029)</u>	<u>(1,565,920)</u>
Non-operating Revenues:		
Interest income	276	71
Insurance premium tax	293,142	-
Gain on sale of capital assets	70,860	-
Total non-operating revenues	<u>364,278</u>	<u>71</u>
Loss Before Transfers	<u>(46,751)</u>	<u>(1,565,849)</u>
Transfers -		
Transfers in	-	1,565,849
Change in Net Position	(46,751)	-
Total Net Position, Beginning	<u>480,563</u>	<u>-</u>
Total Net Position, Ending	<u>\$ 433,812</u>	<u>\$ -</u>

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

LAURENS COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT 10

	Business - Type Activity - Sanitation Fund	Governmental Activities - Internal Service Funds
Cash Flows from Operating Activities:		
Receipts from employees	\$ -	\$ 791,548
Receipts from customers and others	650,478	-
Receipts from primary government	-	1,311,369
Payments to others	(915,927)	-
Payments to suppliers	(140,172)	-
Payments to insurance companies	-	(3,627,640)
Net cash used in operating activities	(405,621)	(1,524,723)
Cash Flows from Non-Capital and Related Financing Activities:		
Insurance premium tax	293,142	-
Transfers from the primary government	-	1,565,849
Net cash provided by non-capital and related financing activities	293,142	1,565,849
Cash Flows from Capital and Related Financing Activities -		
Proceeds from sales of capital assets	87,310	-
Net cash provided by capital and related financing activities	87,310	-
Cash Flows from Investing Activities -		
Interest income	276	71
Net decrease in cash and cash equivalents	(24,893)	41,197
Balances - beginning of year	78,131	866
Balances - end of year	\$ 53,238	\$ 42,063
Reconciliation of operating loss to net cash used in Operating Activities:		
Operating loss	\$ (411,029)	\$ (1,565,920)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	46,749	-
Net change in assets and liabilities attributable to operations:		
Accounts receivable	48,860	248,472
Prepaid expenses	(90,332)	-
Due to primary government	-	(62,501)
Accounts payable	302	(48,627)
Due to other funds	(171)	(96,147)
Net cash used in operating activities	\$ (405,621)	\$ (1,524,723)

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

LAURENS COUNTY, GEORGIA

EXHIBIT 11

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 FIDUCIARY FUNDS
 JUNE 30, 2015

	<u>Agency Funds</u>
Assets:	
Cash	\$ 1,323,258
Due from others	-
Total Assets	<u>\$ 1,323,258</u>
Liabilities:	
Due to other governments	\$ 1,061,782
Funds held in escrow	41,002
Other liabilities	<u>220,474</u>
Total Liabilities	<u>\$ 1,323,258</u>

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

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

Component Units and Related Entities

Blended Component Units:

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

Discretely Presented Component Units:

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

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

Laurens County Solid Waste Management Authority - The Solid Waste Management Authority (SWMA) is responsible for maintaining the County's landfill. It serves all citizens of the County and is governed by a board comprised of three of the Government's elected officials with the remaining portion of the board appointed by the Government's elected council. The rates for user charges and bond issuance authorizations are approved by the Government's council and the legal liability for the Authority's debt remains with the Government. A separate set of financial statements has been issued. The Laurens County Solid Waste Management Authority is presented as a proprietary fund. The component unit maintains a June 30 fiscal year, and the financial statements as of and for the year ended June 30, 2015 are included in the reporting entity's 2015 financial statements. During the year ended June 30, 2015, the primary source of income for the Authority was user fees in the amount of \$1,518,021. At June 30, 2015, the liability to the County from the Authority was \$17,618.

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

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

Laurens County Public Health Center - The Public Health Center is primarily responsible for providing basic medical care to the indigent citizens within Laurens County. The County Board of Commissioners appoints a majority of the governing body of the component unit. The Center's major assets consist of capital assets. The County Commissioners have the authority to remove appointed members of the governing board at will and the power to exercise a legal claim to the Center's assets upon termination of existence. The component unit maintains a June 30 fiscal year and the financial statements as of and for the year ended June 30, 2015 are included in the reporting entity's 2015 financial statements. During the year ended June 30, 2015, the primary source of income for the Center was grant income in the amount of \$4,607,736 received from the Georgia Department of Human Resources. At June 30, 2015, the liability to the County from the Center was \$-0-.

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

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

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

During the year ended June 30, 2015, the County awarded operating grants to the Authority in the amount of \$110,000. The County also donated the Old Rockwell building and land to the Authority during the year which had a contribution value of \$4,340,000. At June 30, 2015, the liability to the County from the Authority was \$-0-.

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

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

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

Related Organizations - The County Commissioners appoint a majority of the board members of the Department of Family and Children Services and the Laurens County Library. In 2015, the County appropriated operating grants to these agencies of \$7,000 and \$378,455, respectively.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government and its component units.

For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* are supported by taxes and intergovernmental revenues and are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

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

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

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

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

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

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

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

Cumulative effect of a change in accounting principle:

The County has recorded an increased pension liability according to GASB Statement 68 "Accounting and Financial Reporting for Pensions." As a result of this implementation, beginning net position was reduced by \$1,598,869 as a change in accounting principle.

The County reports the following major governmental funds:

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

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

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

The County reports the following major proprietary fund -

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

Additionally, the County reports the following fund types:

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

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

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

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

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

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

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

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

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

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

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

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

D. Assets, Liabilities and Net Position or Equity

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

Investments are recorded at cost or amortized cost plus accrued interest, which approximates market value. The reported value of the Local Government Investment Pool is the same as the fair value of the pool shares.

For purposes of the statement of cash flows, the proprietary funds consider all highly liquid investments with maturity of three months or less when purchased to be cash equivalents.

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

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

Property tax receivables are shown net of an allowance for uncollectibles. The property tax receivable allowance is equal to 18 percent of outstanding property taxes at June 30, 2015. Property taxes are levied as of January 1 on property values assessed as of the same date. The tax levy is usually billed on August 1.

3. **Prepaid Items** - For prepaid expenditures in the government-wide and fund financial statements, the County reports the expenditures during the benefiting period.
4. **Restricted Assets** - Certain assets, which include cash of the Laurens County Solid Waste Management Authority, are classified as restricted assets because their use is completely restricted to the payment of post-closure costs when the landfill is closed.

LAURENS COUNTY, GEORGIA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2015

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

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. GASB statement 37 prohibits the capitalization of interest on assets constructed for use in governmental activities. However, interest from debt not considered to be general long-term debt may be included as part of the cost of assets constructed for business-type activities. The total interest expense incurred by the County during the current fiscal year was \$188,339. Of this amount, \$-0- was included as part of the cost of capital assets under construction in connection with public building construction projects.

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

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

6. **Compensated Absences** - It is the Government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the Government does not have a policy to pay any amounts when employees separate from service with the Government. All vacation pay is accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.
7. **Long-term Obligations** - In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

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

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

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

Fund Balance

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

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

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

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

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

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

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

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

Net Position

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

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

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

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

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

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgets and Budgetary Accounting

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

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

The County Finance Director is delegated the authority to transfer sums within departments. No increase in the departmental budget for the County may be made without the approval of the Board of Commissioners and amendment to the budget. Mid-year budget amendments are presented, where necessary, for adoption by the Commissioners. The general fund is subject to budgetary control on a department basis. The County did not amend the budget during the year ended June 30, 2015.

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

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting--under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation--is utilized in the Governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the goods or services are yet to be received. There were no outstanding encumbrances as of June 30, 2015.

B. Budget/GAAP Reconciliation

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

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

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

Excess of Revenues and Other Financial Sources Over Expenditures and Other Financing Uses:	
Budget Basis	\$ (801,204)
Add - New encumbrances - current year	-
Deduct - Prior year encumbrances expended	-
Generally Accepted Accounting Principles (GAAP) Basis	\$ (801,204)

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

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

General Fund:	<u>Expenditures</u>	<u>Appropriations</u>	<u>Expenditures Over Appropriations</u>
Current Operating Expenditures:			
County Administrator	\$ 297,008	\$ 291,800	\$ 5,208
County Commissioners	117,316	114,825	2,491
Tax Assessor	712,888	665,825	47,063
County Attorney	138,004	134,570	3,434
Data Processing	83,892	82,015	1,877
Board of Equalization	6,865	4,115	2,750
Airport	98,891	95,965	2,926
Courthouse	314,832	262,300	52,532
Other public buildings	75,636	60,555	15,081
EMS	2,442,983	2,382,540	60,443
Magistrate Court	220,030	207,525	12,505
Juvenile Court	112,558	111,420	1,138
Jail Facility	2,484,638	2,465,075	19,563
Rural Fire Department	551,729	543,785	7,944
Interstate Crime Enforcement Unit	287,349	280,660	6,689
School security	90,892	89,420	1,472
Probation	2,044	550	1,494
Courthouse Security	271,615	268,885	2,730
SRT Unit	5,071	4,500	571
County Agent	61,028	60,370	658
Dublin Historical Society	1,500	-	1,500
Health department	170,484	164,795	5,689
Laurens DFCS	8,250	7,000	1,250
Forestry commission	48,774	47,100	1,674
Total Current Operating Expenditures	\$ 8,604,277	\$ 8,345,595	\$ 258,682

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Expenditures</u>	<u>Appropriations</u>	Expenditures Over <u>Appropriations</u>
FY 13 - 18 SPLOST Fund:			
Economic Development	\$ 62,915	\$ -	\$ 62,915
Capital Outlay	<u>2,913,295</u>	<u>1,576,000</u>	<u>1,337,295</u>
Total	<u>\$ 2,976,210</u>	<u>\$ 1,576,000</u>	<u>\$ 1,400,210</u>

	<u>Expenditures</u>	<u>Appropriations</u>	Expenditures Over <u>Appropriations</u>
Grants Fund:			
Salaries and payroll taxes	\$ 178,229	\$ 173,970	\$ 4,259
Workers Comp	2,017	1,445	572
Utilities	13,408	13,100	308
Supplies	6,746	4,600	2,146
Other expenses	36,576	8,185	28,391
Other professional services	<u>120,318</u>	<u>97,215</u>	<u>23,103</u>
Total	<u>\$ 357,294</u>	<u>\$ 298,515</u>	<u>\$ 58,779</u>

	<u>Expenditures</u>	<u>Appropriations</u>	Expenditures Over <u>Appropriations</u>
Enhanced 911 Fund:			
Salaries and payroll taxes	\$ 740,667	\$ 702,775	\$ 37,892
Dues and fees	499	200	299
Miscellaneous expenses	404	250	154
Utilities	<u>239,564</u>	<u>236,175</u>	<u>3,389</u>
Total	<u>\$ 981,134</u>	<u>\$ 939,400</u>	<u>\$ 41,734</u>

	<u>Expenditures</u>	<u>Appropriations</u>	Expenditures Over <u>Appropriations</u>
Crime Victims Assistance Fund:			
Salaries and payroll taxes	\$ 66,123	\$ 54,990	\$ 11,133
Contract labor	<u>102,855</u>	<u>65,000</u>	<u>37,855</u>
Total	<u>\$ 168,978</u>	<u>\$ 119,990</u>	<u>\$ 48,988</u>

	<u>Expenditures</u>	<u>Appropriations</u>	Expenditures Over <u>Appropriations</u>
Law Library Fund:			
Other Expenses	<u>1,757</u>	<u>1,000</u>	<u>757</u>
Total	<u>\$ 1,757</u>	<u>\$ 1,000</u>	<u>\$ 757</u>

LAURENS COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

Alternative Dispute Resolution Fund -	<u>Expenditures</u>	<u>Appropriations</u>	Expenditures Over
			<u>Appropriations</u>
Mediation Fees	\$ 29,681	\$ 12,600	\$ 17,081
Other Expenses	3,165	1,000	2,165
Total	<u>\$ 32,846</u>	<u>\$ 13,600</u>	<u>\$ 19,246</u>

TIA Operating Fund -	<u>Expenditures</u>	<u>Appropriations</u>	Expenditures Over
			<u>Appropriations</u>
Road expenditures	\$ 758,744	\$ -	\$ 758,744

Sheriff commissary	<u>Expenditures</u>	<u>Appropriations</u>	Expenditures Over
			<u>Appropriations</u>
Commissary items purchased	\$ 89,300	\$ -	\$ 89,300
Inmate salaries	12,133	-	12,133
Office expense	6,240	-	6,240
Utilities	2,792	-	2,792
Education and training	1,400	-	1,400
Repairs and maintenance	881	-	881
Miscellaneous expenditures	5,938	-	5,938
Capital outlay	73,442	-	73,442
	<u>\$ 192,126</u>	<u>\$ -</u>	<u>\$ 192,126</u>

No budgets were adopted for the Sheriff Commissary, Law Library, Alternative Dispute Resolution, Judicial Services, or the TIA Operating Funds during the fiscal year ended June 30, 2015.

D. Deficit Fund Balance

The TSPLOST Capital Fund had a deficit fund balance in the amount of \$162,938 as of June 30, 2015. The deficit fund balance will be liquidated from the proceeds from TSPLOST proceeds.

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Investments – The Government owns no investments as of June 30, 2015.

Custodial Credit Risk – Deposits – In the case of deposits, this is the risk that in the event of a bank failure, the Government's deposits may not be returned to it. Neither the Government nor its components units, have a deposit policy for custodial credit risk. As of June 30, 2015, none of the Government's bank balance was exposed to custodial credit risk.

As of June 30, 2015, the County had invested \$383,501 into the local Government investment pool or "Georgia Fund 1". The pool was created by OCGA 36-83-8, is a stable net asset value investment pool and is currently rated AA+ by Standard and Poor's. It is managed by the Office of the State Treasurer. "Georgia Fund 1" operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. Net asset value is calculated daily and reported to the rating agency weekly to ensure stability. "Georgia Fund 1" is the combined state general fund and local government investment pool. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1.00 per share value).

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

As of June 30, 2015, the County did not have a formal investment policy. Additional disclosures with regards to deposits and investments can be located in the *Summary of Significant Accounting Policies* under the *Assets, Liabilities and Equity* section.

B. Property Taxes

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

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

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

In the accompanying financial statements, the portion of the property tax levy for the tax year 2015 collected during the current year has been recognized as revenue.

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

Property taxes receivable at June 30, 2015, is composed of the following:

Year of Levy:		\$
2015		5,457
2014		163,394
2013		72,906
2012		33,264
2011		5,333
2010		44,542
2009		4,645
Prior to 2009		<u>7,820</u>
Total		337,361
Less - allowance for uncollectible		<u>75,606</u>
Net receivable		<u>\$ 261,755</u>

C. Accounts Receivable

Primary Government

Receivables at June 30, 2015 for the County's individual major funds and non-major, and fiduciary funds in the aggregate, including applicable allowances for uncollectible accounts, are as follows:

	General	Permanent	FY 13 - 18 SPLOST	Sanitation Fund	Internal Service	Nonmajor Funds	Total
Receivables:							
Taxes	\$ 337,361	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 337,361
Accounts	966,300	-	-	54,847	55,903	122,732	1,199,782
Intergovernmental	512,177	-	671,353	-	-	212,054	1,395,584
Note	-	3,877,000	-	-	-	-	-
Accrued interest	-	-	-	-	-	143	143
Gross receivables	1,815,838	3,877,000	671,353	54,847	55,903	334,929	6,809,870
Less: allowance for Uncollectibles	<u>(75,606)</u>	<u>-</u>	<u>-</u>	<u>(8,457)</u>	<u>-</u>	<u>-</u>	<u>(84,063)</u>
Net total receivables	<u>\$ 1,740,232</u>	<u>\$ 3,877,000</u>	<u>\$ 671,353</u>	<u>\$ 46,390</u>	<u>\$ 55,903</u>	<u>\$ 334,929</u>	<u>\$ 6,725,807</u>

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

Discretely Presented Component Units

Trade receivables from the Laurens County Solid Waste Management Authority, Public Facilities Authority, Development Authority and Public Health Center as of June 30, 2015 are as follows:

Component Units

	Solid Waste Management Authority	Public Facilities Authority	Development Authority	Public Health Center	Total
Receivables:					
Accounts	\$ 191,440	\$ -	\$ -	\$ 131,489	\$ 322,929
Interest	-	-	614	-	614
Rent	-	-	-	-	-
Other	-	-	-	927,086	927,086
Gross receivables	191,440	-	614	1,058,575	1,250,629
Less: allowance for Uncollectibles	(17,746)	-	-	-	(17,746)
Net total receivables	<u>\$ 173,694</u>	<u>\$ -</u>	<u>\$ 614</u>	<u>\$ 1,058,575</u>	<u>\$ 1,232,883</u>

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

	<u>Unavailable</u>	<u>Unearned</u>
Grant drawdowns prior to meeting all eligibility requirements	\$ -	\$ -

Changes in Long-term Note Receivable to Component Unit

As of June 30, 2015, the County had several long – term notes receivable with the Development Authority. The note receivable, bearing an interest rate of 0%, is to be paid in one lump sum at maturity, June 13, 2019. Long-term note receivable activity for the year ended June 30, 2015 was as follows:

<u>Note receivable from Development Authority:</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>	<u>Amounts Due Within More Than One Year</u>
Development Authority - Erdrich Umformtechnik, Inc. Interest at 0% with principal due at maturity of June 13, 2019.	\$ 712,000	\$ -	\$ -	\$ 712,000	\$ -	\$ 712,000
Development Authority - Valmiera Glass USA, Inc. Interest at 1% with annual principal and interest payments. Unpaid balance due at maturity of March 1, 2022.	-	375,000	-	375,000	62,500	312,500
Development Authority - Hwy 441 bypass and 257 Hwy. Interest at 0% with principal due at maturity of June 13, 2019.	-	2,790,000	-	2,790,000	-	2,790,000
Total Dublin Laurens county development Authority	<u>\$ 712,000</u>	<u>\$ 3,165,000</u>	<u>\$ -</u>	<u>\$ 3,877,000</u>	<u>\$ 62,500</u>	<u>\$ 3,814,500</u>

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

D. Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2015 was as follows:

	Primary Government			Ending Balance
	Beginning Balance	Increases	Decreases	
<u>Governmental activities</u>				
Capital assets not being depreciated-				
Land	\$ 3,882,381	\$ 24,610	\$ 1,010,000	\$ 2,896,991
Other capital assets:				
Buildings and other improvements	22,008,174	2,082,381	4,300,000	19,790,555
Infrastructure	36,757,804	521,537	-	37,279,341
Machinery and equipment	17,254,065	649,189	484,575	17,418,679
Depreciable site improvements	530,578	2,104,886	-	2,635,464
Vehicles	9,829,650	687,771	-	10,517,421
Total other capital assets at historical cost	86,380,271	6,045,764	4,784,575	87,641,460
Less accumulated depreciation for:				
Buildings and other improvements	(6,587,758)	(450,063)	(385,208)	(6,652,613)
Infrastructure	(24,734,546)	(1,615,685)	-	(26,350,231)
Machinery and equipment	(14,499,243)	(842,265)	(484,575)	(14,856,933)
Depreciable site improvements	(471,044)	(11,454)	-	(482,498)
Vehicles	(7,637,108)	(1,122,577)	-	(8,759,685)
Total accumulated depreciation	(53,929,699)	(4,042,044)	(869,783)	(57,101,960)
Other capital assets, net	32,450,572	2,003,720	3,914,792	30,539,500
Governmental activities capital assets, net	\$ 36,332,953	\$ 2,028,330	\$ 4,924,792	\$ 33,436,491

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

Governmental activities:	
General government	\$ 3,704,152
Public safety	337,892
Total governmental activities depreciation expense	\$ 4,042,044

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

D. Capital Assets (Continued)

<u>Business - type activity</u>	Sanitation Fund			Ending Balance
	Beginning Balance	Increases	Decreases	
Capital assets not being depreciated:				
Land	\$ 105,934	\$ -	\$ -	\$ 105,934
Other capital assets:				
Site improvements	221,369	-	-	221,369
Buildings	79,047	-	-	79,047
Machinery and equipment	681,971	-	116,113	565,858
Vehicles	328,366	-	84,125	244,241
Total other capital assets at historical cost	<u>1,310,753</u>	<u>-</u>	<u>200,238</u>	<u>1,110,515</u>
Less accumulated depreciation for:				
Site improvements	(153,144)	(9,849)	-	(162,993)
Buildings	(47,950)	(3,953)	-	(51,903)
Machinery and equipment	(582,033)	(30,101)	(99,663)	(512,471)
Vehicles	(324,120)	(2,846)	(84,125)	(242,841)
Total accumulated depreciation	<u>(1,107,247)</u>	<u>(46,749)</u>	<u>(183,788)</u>	<u>(970,208)</u>
Other capital assets, net	<u>203,506</u>	<u>(46,749)</u>	<u>16,450</u>	<u>140,307</u>
Business activities capital assets, net	<u>\$ 309,440</u>	<u>\$ (46,749)</u>	<u>\$ 16,450</u>	<u>\$ 246,241</u>

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

D. Capital Assets (Continued)

Discretely Presented Component Units

Capital asset activity for the Solid Waste Management Authority for the year ended June 30, 2015 was as follows:

	Solid Waste Management Authority			
	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 288,824	\$ -	\$ -	\$ 288,824
Construction in progress	<u>178,682</u>	<u>222,458</u>	<u>-</u>	<u>401,140</u>
Total capital assets not being depreciated	<u>467,506</u>	<u>222,458</u>	<u>-</u>	<u>689,964</u>
Other capital assets:				
Site improvements	6,745,887	6,770	106,003	6,646,654
Infrastructure	160,067	125,872	116,455	169,484
Buildings	252,205	-	-	252,205
Machinery and equipment	2,836,389	165,717	-	3,002,106
Vehicles	<u>158,938</u>	<u>8,000</u>	<u>-</u>	<u>166,938</u>
Total other capital assets at historical cost	<u>10,153,486</u>	<u>306,359</u>	<u>222,458</u>	<u>10,237,387</u>
Less accumulated depreciation for:				
Site improvements	(6,453,167)	(17,413)	-	(6,470,580)
Infrastructure	(68,885)	(16,705)	-	(85,590)
Buildings	(164,727)	(3,282)	-	(168,009)
Machinery and equipment	(1,344,596)	(220,431)	-	(1,565,027)
Vehicles	<u>(132,919)</u>	<u>(9,789)</u>	<u>-</u>	<u>(142,708)</u>
Total accumulated depreciation	<u>(8,164,294)</u>	<u>(267,620)</u>	<u>-</u>	<u>(8,431,914)</u>
Other capital assets, net	<u>1,989,192</u>	<u>38,739</u>	<u>222,458</u>	<u>1,805,473</u>
Solid Waste Management Authority capital assets, net	<u>\$ 2,456,698</u>	<u>\$ 261,197</u>	<u>\$ 222,458</u>	<u>\$ 2,495,437</u>

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

Capital asset activity for the Public Health Center for the year ended June 30, 2015 was as follows:

	Public Health Center			
	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ -	\$ -	\$ -	\$ -
Total capital assets not being depreciated	-	-	-	-
Other capital assets:				
Machinery, equipment and furniture	2,345,826	129,639	200,906	2,274,559
Less accumulated depreciation	(1,965,247)	(148,336)	(200,906)	(1,912,677)
Other capital assets, net	380,579	(18,697)	-	361,882
Public Health Center capital assets, net	<u>\$ 380,579</u>	<u>\$ (18,697)</u>	<u>\$ -</u>	<u>\$ 361,882</u>

Capital asset activity for the Development Authority for the year ended June 30, 2015 was as follows:

	Development Authority			
	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ -	\$ 1,189,950	\$ -	\$ 1,189,950
Total capital assets not being depreciated	-	1,189,950	-	1,189,950
Depreciable capital assets:				
Buildings	8,023,138	3,154,672	-	11,177,810
Equipment	8,275	928	-	9,203
Total depreciable capital assets at historical cost	8,031,413	3,155,600	-	11,187,013
Less accumulated depreciation for:				
Buildings	(2,106,776)	(299,607)	-	(2,406,383)
Equipment	(3,575)	(1,566)	-	(5,141)
Total accumulated depreciation	(2,110,351)	(301,173)	-	(2,411,524)
Total capital assets being depreciated	5,921,062	2,854,427	-	8,775,489
Development Authority capital assets, net	<u>\$ 5,921,062</u>	<u>\$ 4,044,377</u>	<u>\$ -</u>	<u>\$ 9,965,439</u>

LAURENS COUNTY, GEORGIA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2015

E. Interfund Receivables, Payables and Transfers

Generally, outstanding balances between funds reported as due to/from other funds include outstanding charges by one fund to another for services or goods, subsidy commitments outstanding and other miscellaneous receivables and payables between funds. Balances to which a fiduciary fund is a party are treated as external receivables and payables. The composition of interfund balances as of June 30, 2015 is as follows:

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Grants Fund	64,218
	Enhanced 911	120,746
	LMIG	800
	TIA Capital	162,938
	TIA Operating	123,705
	Permanent	309
	Crime Victims Assistance	98
	FY 13 - 18 SPLOST	<u>5,271</u>
		<u>\$ 478,085</u>
Employee Insurance Fund	General Fund	<u>\$ 96,147</u>
Sanitation Fund	General Fund	<u>\$ 90,332</u>

<u>Fund Transferred From:</u>	<u>Fund Transferred To:</u>	<u>Amount</u>
General Fund	Grants Fund	57,559
	Enhanced 911	343,451
	Employee Insurance Fund	1,565,849
Permanent Fund	General Fund	7,053
EMS	General Fund	<u>550</u>
		<u>\$ 1,974,462</u>

LAURENS COUNTY, GEORGIA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2015

F. Due from Other Governments

Amounts due from other Governmental entities at June 30, 2015 are as follows:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
Major Funds:				
General Fund	\$ 49,254	\$ 386,618	\$ 76,305	\$ 512,177
FY 13 - 18 SPLOST Fund	-	649,161	22,192	671,353
Nonmajor Funds:				
SPLOST	-	24,197	-	24,197
Grants	-	19,768	37,834	57,602
Victims Assistance	-	-	6,550	6,550
TIA Operating	-	123,705	-	123,705
Total	<u>\$ 49,254</u>	<u>\$ 1,203,449</u>	<u>\$ 142,881</u>	<u>\$ 1,395,584</u>

G. Long - Term Debt

Primary Government Long – Term Liabilities

Changes in Long-term Liabilities

Long-term liability activity for the primary government for the year ended June 30, 2015 was as follows:

	Beginning			Ending	Amounts Due	Amounts Due
	Balance	Additions	Reductions	Balance	Within One	Within More
					Year	Than One Year
<u>Long-term liabilities:</u>						
<u>Governmental Activities</u>						
Bonds payable - Series A	\$ 9,145,000	\$ -	\$ 1,800,000	\$ 7,345,000	\$ 1,835,000	\$ 5,510,000
Compensated absences payable	506,589	-	19,641	486,948	486,948	-
Total Governmental Activities	<u>\$ 9,651,589</u>	<u>\$ -</u>	<u>\$ 1,819,641</u>	<u>\$ 7,831,948</u>	<u>\$ 2,321,948</u>	<u>\$ 5,510,000</u>

The County incurred debt to provide funds for various economic development projects of the County. Bonds outstanding as of June 30, 2015 are as follows:

Payable from Governmental Fund - Series A:

Laurens County, Georgia General Obligation Sales Tax Bonds, 2012A Series, issued in the amount of \$9,145,000 for economic development. Interest ranging from 2.0% to 4.0%, with principle and interest payments due in semi-annual installments to October 1, 2020. The bonds are redeemable at par.

<u>Total</u>	<u>Current</u>	<u>Long-term</u>
<u>\$ 7,345,000</u>	<u>\$ 1,835,000</u>	<u>\$ 5,510,000</u>

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

Notes payable debt service requirements to maturity are as follows:

Series 2012A Bonds Payable		
Year Ending June 30	Principal	Interest
2016	\$ 1,835,000	\$ 247,925
2017	1,875,000	182,900
2018	1,965,000	106,100
2019	<u>1,670,000</u>	<u>33,400</u>
Total	<u>\$ 7,345,000</u>	<u>\$ 570,325</u>

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

Component Unit Long – Term Liabilities

The Laurens County Public Facilities Authority incurred debt to provide funds for the various building improvement projects of the County. Notes as of June 30, 2015 are as follows:

<u>Payable from Governmental Fund - PFA:</u>	<u>Total</u>	<u>Current</u>	<u>Long-term</u>
Laurens County Public Facilities Authority Revenue Bonds, 2005A Series, issued in the amount of \$2,225,000 for various projects. 4.06% interest rate with principle and interest payments due in quarterly installments to October 1, 2018. The bonds are redeemable at par.	\$ 1,009,000	\$ 167,000	\$ 842,000

Long-term liability activity for the Laurens County Public Facilities Authority for the year ended June 30, 2015 was as follows:

<u>Laurens County Public Facilities Authority</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>	<u>Amounts Due Within More Than One Year</u>
Bonds - Series A	\$ 1,170,000	\$ -	\$ 161,000	\$ 1,009,000	\$ 167,000	\$ 842,000

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

Notes payable debt service requirements to maturity are as follows:

PFA Bonds Payable		
Year Ending	Principal	Interest
June 30		
2016	\$ 167,000	\$ 39,079
2017	174,000	32,002
2018	182,000	24,716
2019	189,000	17,112
2020 - 2021	<u>297,000</u>	<u>10,822</u>
Total	<u>\$ 1,009,000</u>	<u>\$ 123,731</u>

Long-term liability activity for the Laurens County Solid Waste Management Authority for the year ended June 30, 2015 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year	Amounts Due Within More Than One Year
<u>Solid Waste Management Authority</u>						
Capital leases payable	\$ 588,412	\$ -	\$ 141,340	\$ 447,072	\$ 157,053	\$ 290,019
Compensated absences payable	15,645	387	-	16,032	16,032	-
Accrued closure and post closure costs	<u>7,220,458</u>	<u>249,411</u>	<u>33,467</u>	<u>7,436,402</u>	<u>33,467</u>	<u>7,402,935</u>
Total Solid Waste Management Authority	<u>\$ 7,824,515</u>	<u>\$ 249,798</u>	<u>\$ 174,807</u>	<u>\$ 7,899,506</u>	<u>\$ 206,552</u>	<u>\$ 7,692,954</u>

Long-term liability activity for the Dublin-Laurens County Development Authority for the year ended June 30, 2015 was as follows:

<u>Dublin - Laurens County Development Authority:</u>	Total	Current	Long-term
Note payable - Morris Bank, secured by real estate known as the Dinex tract. Fixed interest rate of 4.25%. Principal due at maturity April 5, 2018.	\$ 2,077,459	\$ -	\$ 2,077,459
Note payable - Farmers State Bank, secured by real estate known as the Hi-Tek tract. Fixed interest rate of 4.8%, payable in monthly installments of \$7,790 with final payment due April 10, 2024.	<u>497,871</u>	<u>98,285</u>	<u>399,586</u>
Total	<u>\$ 2,575,330</u>	<u>\$ 98,285</u>	<u>\$ 2,477,045</u>

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

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

Long-term liability activity for the Public Health Center for the year ended June 30, 2015 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year	Amounts Due Within More Than One Year
<u>Public Health Center</u>						
Compensated absences payable	\$ 319,799	\$ -	\$ 17,406	\$ 302,393	\$ 60,479	\$ 241,914

Changes in Long-term Advances to the Primary Government

Long-term advances to the primary government activity for the year ended June 30, 2015 for the Public Facilities Authority was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year	Amounts Due Within More Than One Year
<u>Advances to primary government:</u>						
General Fund	\$ 770,493	\$ -	\$ 60,927	\$ 709,566	\$ 63,443	\$ 646,123

H. Capital Leases

The Laurens County Solid Waste Management Authority has entered into a lease agreement as lessee for financing the acquisition of equipment. This lease agreement qualifies as a capital lease for accounting purposes (titles transfer at the end of the lease term) and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of its inception. The following is an analysis of the equipment leased under the capital lease as of June 30, 2015:

	Solid Waste Management Authority Activities
Asset -	
Machinery and Equipment	\$ 735,427
Less: Accumulated amortization*	(132,381)
Total	\$ 603,046

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2015 were as follows:

<u>Year Ending June 30,</u>	<u>Solid Waste Management Authority Activities</u>
2016	\$ 157,053
2017	157,053
2018	<u>157,053</u>
Total minimum lease payments	471,159
Less: amount representing interest	<u>(24,087)</u>
Present value of minimum lease payments	<u>\$ 447,072</u>

I. Segment Information

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

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

LAURENS COUNTY SOLID WASTE MANAGEMENT AUTHORITY

Assets

Cash and cash equivalents	\$	938,138
Accounts and interest receivable		179,012
Capital assets:		
Land and other non-depreciable assets		689,964
Other capital assets, net of depreciation		1,805,473
Prepaid expenses		8,627
Restricted cash - post closure care costs		<u>4,003,029</u>
Total assets		<u>7,624,243</u>

Liabilities

Accounts payable		46,752
Accrued expenses		23,293
Current portion of accrued closure and post closure costs		33,467
Advances from primary government		17,618
Current portion of compensated absences payable		16,032
Accrued closure and post closure costs, net of current portion		7,402,935
Long-term obligations:		
Due within one year		157,053
Due in more than one year		<u>290,019</u>
Total liabilities		<u>7,987,169</u>

Net Position:

Net investment in capital assets		2,048,365
Restricted for post closure costs		4,003,029
Unrestricted		<u>(6,414,320)</u>
Total net position		<u>\$ (362,926)</u>

CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

Landfill charges (pledged against bonds)	\$	1,543,623
Depreciation expense		(267,620)
Other operating expenses		<u>(1,112,203)</u>
Operating loss		<u>163,800</u>
Non-operating revenues (expenses):		
Interest income		26,309
Miscellaneous income		482
Interest expense		<u>(23,612)</u>
Non-operating revenue		<u>3,179</u>
Change in net position		166,979
Beginning net position		<u>(529,905)</u>
Ending net position		<u>\$ (362,926)</u>

LAURENS COUNTY, GEORGIA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2015

CONDENSED STATEMENT OF CASH FLOWS

Net cash provided (used) by:	
Operating activities	\$ 589,211
Capital and related financing activities	(471,311)
Investing activities	<u>1,176</u>
Net increase	119,076
Beginning cash and cash equivalents	<u>819,062</u>
Ending cash and cash equivalents	<u><u>\$ 938,138</u></u>

IV. OTHER INFORMATION

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Government carries commercial insurance. The County established a limited risk management program for employee health and dental insurance in 1992. Premiums are paid into the internal service fund on an allocated basis where the County pays 65% of the premiums and the employee pays 35% of the premiums. Premiums are available to pay claims, claims reserve, excess insurance coverage and administrative costs of the program. During the fiscal year 2015, a total of \$3,627,640 was paid in benefits and administrative costs. An excess coverage insurance policy covers individual claims in excess of \$50,000. Based upon past claims history, claims incurred but not reported is considered to be immaterial and have not been accrued.

The County has joined together with other governments in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Association of County Commissioners of Georgia (ACCG) Workers' Compensation Self Insurance Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments. As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The County is also to allow the pool's agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

LAURENS COUNTY, GEORGIA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2015

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

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

Claims and Judgments - Description

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

Claims Liabilities

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

Unpaid Claim Liabilities

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

The following represents the changes in approximate aggregate liabilities for the County from July 1, 2012 to June 30, 2015:

	<u>Health Care</u>	<u>Torts</u>
Liability balance June 30, 2013	\$ 454,737	\$ -
Claims and changes in estimates	2,980,163	-
Claims payments	<u>(3,029,374)</u>	-
Liability balance June 30, 2014	405,526	-
Claims and changes in estimates	3,036,318	-
Claims payments	<u>(3,070,816)</u>	-
Liability balance June 30, 2015	\$ 371,028	\$ -
Assets available to pay claims at June 30, 2015	<u>\$ 42,063</u>	<u>\$ -</u>

B. Defined Benefit Pension Plan

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

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

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

LAURENS COUNTY, GEORGIA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2015

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

County employees are not required to contribute to the Plan. The annual County contribution to the Plan is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and must satisfy the minimum contribution requirement contained in the State of Georgia Statute 47-20. The required contribution for the 2015 plan year was \$564,778. This amount represents 7.3% of covered payroll.

Participant counts as of January 1, 2015 (the most recent actuarial valuation date) and covered compensation (based on covered earnings for the preceding year) are shown below:

Active participants	202
Retirees and beneficiaries	85
Deferred vested (former employees)	215
Disabled in pay status	8
Total	510
Covered compensation for active participants	\$ 7,683,484

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

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

Investments in securities are valued at current market prices. The trust fund is invested, approximately, in 70% equities and 30% fixed income securities on a cost basis.

LAURENS COUNTY, GEORGIA
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2015

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

4. **Net Pension Liability**

The County's net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2015.

The information presented in the required supplementary schedules was determined as part of the actuarial valuation as of January 1, 2015. The following summarizes the actuarial methods and assumptions used in that valuation.

Mortality rates were based on the RP-2000 Combined Mortality Table.

The Trustees shall rebalance the portfolio at least annually for asset allocation purposes. The guidelines for allocation are: equities shall not exceed 70% of total Plan assets, valued at cost. Fixed income shall be targeted at 30% of total Plan assets, valued at cost.

Valuation date	January 1, 2015
Actuarial cost method	Entry Age Normal
Asset valuation method	Market value
Actuarial assumptions*:	
Investment rate of return	7.5% per annum
Projected salary increases	3.5% - 5.0% per annum based on age
Cost of living adjustments	2.5% per annum
Post-retirement benefit increases	None

The Trustees' guidelines for asset allocation are as follows:

	Target Allocation	Range
Fixed Income:	30%	25% - 35%
Equities:	70%	65% - 75%
Large Cap	30%	25% - 35%
Mid Cap	5%	2.5% - 10%
Small Cap	5%	2.5% - 10%
REIT	5%	2.5% - 10%
International	15%	10% - 20%
Multi Cap	5%	2.5% - 10%
Global Allocation	5%	2.5% - 10%

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

Change in the Net Pension Liability:

	<u>Total Pension liability</u>	<u>Net position</u>	<u>Net Pension Liability</u>
Balance at June 30, 2014	\$11,165,365	\$9,031,453	\$2,133,912
Changes:			
Service cost	232,161	-	232,161
Interest	823,919	-	823,919
Employer Contributions	-	535,043	(535,043)
Employee Contributions	-	-	-
Net investment income	-	662,296	(662,296)
Benefit Payments	(359,548)	(359,548)	-
Administrative Expense	-	(38,576)	38,576
Other Changes	-	(112,449)	112,449
Net Changes:	<u>696,532</u>	<u>686,766</u>	<u>9,766</u>
Balance at June 30, 2015	<u>\$ 11,861,897</u>	<u>\$ 9,718,219</u>	<u>\$ 2,143,678</u>

The following presents the County's net pension liability calculated using the discount rate of 7.5%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

	<u>6.50%</u>	<u>8.50%</u>
Total Pension Liability	\$ 13,497,560	\$ 10,504,537
Net Pension Liability	\$ 3,779,341	\$ 786,318

Detailed information about the pension plan's fiduciary net position is available in a separately issued financial report. That report may be obtained by writing to Laurens County Board of Commissioners, P.O. Box 2011 Dublin, Georgia 31040.

5. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2015, the County recognized pension expense of \$544,809. At June 30, 2015, the County did not report any deferred outflows relating to the pension liability as there were no contributions made between the measurement and the County's fiscal year end.

6. Funded Status and Funding Progress

The funded status of the Plan as of the most recent measurement date, is as follows:

<u>Measurement Date</u>	<u>Total Pension Liability</u>	<u>Fiduciary Net Position</u>	<u>Net Pension Liability</u>	<u>Funded Ratio</u>	<u>Annual Covered Payroll (prior year)</u>	<u>Net Pension Liability as a Percentage of Covered Payroll</u>
December 31, 2014	\$ 11,861,898	9,718,219	2,143,679	81.9%	\$ 7,683,484	27.9%

This schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

C. Closure and Post-Closure Care Cost

1. Landfill Related Contingencies

During the year ended June 30, 1995, the County was notified that the old landfill site, closed on January 13, 1995, had been identified as a hazardous waste site. As such, the County will have to comply with prescribed procedures regarding clean-up and additional monitoring. As of June 30, 2015, it was impossible to determine the cost of the related liability as the required procedures to bring the Landfill into compliance with respective laws and regulations have not yet been determined. The County has contributed, under the Hazardous Site Response Act, 50 cents per ton of waste received by the landfill to the State of Georgia Department of Human Resources Superfund. These funds have been earmarked by the State to identify and clean-up hazardous waste sites. Accordingly, it is impractical to determine the extent that the County will fund this liability.

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

2. Sanitary Landfill Closure and Post-Closure Care Costs

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

The \$7,436,402 reported as landfill closure and post-closure care liability at June 30, 2015, represents the cumulative amount reported to date based on the use of 100% of the estimated capacity of the old landfill site and 64% percent of the estimated capacity of the new landfill site. The landfill closure and post-closure care liability for the old and new landfill sites are \$844,763 and \$6,591,639, respectively. The estimated remaining life of the new landfill is 34 years. The total estimated costs of closure and post-closure care costs as determined at June 30, 2015 amounted to \$11,144,334. Actual costs for closure and post-closure may differ from the estimate due to inflation, changes in technology, or changes in regulation.

Due to the competitive nature of the market which serves landfill monitoring and care and changes in inflation and technology, the estimated post-closure and closure care costs increased during the fiscal year ended June 30, 2015. The increase was reflected in the operating statement of the landfill.

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

D. Contingent Liabilities

Grant Funds

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

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

Litigation

During the course of normal operations of the County, various claims and lawsuits arise. The County's legal counsel reports no cases pending against the County. Based upon the information available, management does not expect potential liabilities as of June 30, 2015 to impair the County's financial position.

E. Joint Venture

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

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

F. Commitments

Reservations of fund balances of Governmental funds are established to either (1) satisfy legal covenants that require that a portion of the fund balance be segregated or (2) identify the portion of the fund balance that is not appropriable for future expenditures. Designations of fund balance represent tentative management plans that are subject to change.

G. Conduit Debt Obligations

During the year ended June 30, 2009, the Laurens County Public Facilities Authority entered into an intergovernmental contract with the City of Dublin School District to issue \$4,500,000 in revenue bonds to provide funds to acquire, construct and equip capital outlay projects of the School District. Under the intergovernmental contract, the School District has an unconditional obligation to provide sufficient funds for debt service payments and related paying agent or bond registrar fees. The School District is authorized to exercise its powers of taxation to the extent necessary to pay the amounts required by the contract. The County and the Authority have no liability for repayment of these bonds and, accordingly, these bonds have not been recorded as a liability on the financial statements of the County or the Authority. As of June 30, 2015, the outstanding balance of these revenue bonds was \$3,300,000.

Development Authority Conduit Debt

The County has entered into several intergovernmental contracts with the Dublin-Laurens County Development Authority. During the year ended June 30, 2012, the County issued one note in the amount of \$712,000. During the year ended June 30, 2015, two notes were issued in the amounts of \$375,000 and \$2,790,000. The funds from these notes were to be used for economic development purposes.

During the year ended June 30, 2012, the Dublin-Laurens County Development Authority entered into a contract with Erdrich Umformtechnik, Inc. to issue \$43,000,000 in industrial development revenue bonds to provide funds to acquire or construct a project. The project is leased to the company at a rent equal to debt service on the bonds. This legal arrangement is primarily a tax abatement incentive. As of June 30, 2015, the outstanding balance of these industrial development revenue bonds was \$43,000,000.

During the year ended June 30, 2013, the Dublin-Laurens County Development Authority entered into a contract with Dinex Emission, Inc. to issue \$20,000,000 in industrial development revenue bonds to provide funds to acquire or construct a project. The project is leased to the company at a rent equal to debt service on the bonds. This legal arrangement is primarily a tax abatement incentive. As of June 30, 2015, the outstanding balance of these industrial development revenue bonds was \$4,515,983.

LAURENS COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2015

During the year ended June 30, 2015, the Dublin-Laurens County Development Authority entered into a contract with Dublin Solar I, LLC to issue \$8,000,000 in industrial development revenue bonds to provide funds to acquire or construct a project. The project is leased to the company at a rent equal to debt service on the bonds. This legal arrangement is primarily a tax abatement incentive. As of June 30, 2015, the outstanding balance of these industrial development revenue bonds was \$8,000,000.

During the year ended June 30, 2015, the Dublin-Laurens County Development Authority entered into a contract with Valmiera Glass USA Corp. to issue \$129,000,000 in industrial development revenue bonds to provide funds to acquire or construct a project. The project is leased to the company at a rent equal to debt service on the bonds. This legal arrangement is primarily a tax abatement incentive. As of June 30, 2015, the outstanding balance of these industrial development revenue bonds was \$5,030,110.

During the year ended June 30, 2015, the Dublin-Laurens County Development Authority entered into a contract with YKK AP America, Inc. to issue \$20,000,000 in industrial development revenue bonds to provide funds to acquire or construct a project. The project is leased to the company at a rent equal to debt service on the bonds. This legal arrangement is primarily a tax abatement incentive. As of June 30, 2015, the outstanding balance of these industrial development revenue bonds was \$20,000,000.

During the year ended June 30, 2015, the Dublin-Laurens County Development Authority entered into a contract with Aweba Tool & Die Corp. to issue \$2,500,000 in industrial development revenue bonds to provide funds to acquire or construct a project. The project is leased to the company at a rent equal to debt service on the bonds. This legal arrangement is primarily a tax abatement incentive. As of June 30, 2015, the outstanding balance of these industrial development revenue bonds was \$5,000.

During the year ended June 30, 2015, the Dublin-Laurens County Development Authority entered into a contract with Green Power Solutions to issue \$60,000,000 in industrial development revenue bonds to provide funds to acquire or construct a project. The project is leased to the company at a rent equal to debt service on the bonds. This legal arrangement is primarily a tax abatement incentive. As of June 30, 2015, the outstanding balance of these industrial development revenue bonds was \$21,628,305.

The County and the Development Authority have no liability for repayment of these bonds and, accordingly these bonds have not been recorded as a liability on the financial statements of the County or the Authority.

H. Subsequent Events

The County performed an evaluation of subsequent events through March 21, 2016, the date upon which the County's financial statements were available for issue. The County has not evaluated subsequent events after this date. Other than the item noted above, no subsequent events were identified that would have required a change to the financial statements or disclosure in the notes to the financial statements.

Required Supplementary Information Other Than Management's Discussion and Analysis

LAURENS COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT 12
PAGE 1 OF 4

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:				
Taxes Revenues:				
General property taxes	\$ 8,352,000	\$ 8,352,000	\$ 8,545,629	\$ 193,629
Local option sales tax	4,700,000	4,700,000	4,537,333	(162,667)
Cable franchise fees	100,000	100,000	138,722	38,722
Financial institution tax	110,000	110,000	101,993	(8,007)
Real estate transfer tax	19,000	19,000	28,565	9,565
Other taxes:				
Railroad equipment tax	10,000	10,000	12,380	2,380
Life insurance premium tax	925,000	925,000	1,059,526	134,526
Intangible personal tax recording	100,000	100,000	54,811	(45,189)
Beer, wine and liquor tax	98,000	98,000	86,286	(11,714)
Total taxes revenues	<u>14,414,000</u>	<u>14,414,000</u>	<u>14,565,245</u>	<u>151,245</u>
Licenses and Permits:				
Alcoholic beverage licenses	16,000	16,000	15,483	(517)
Building permits	25,000	25,000	27,890	2,890
Tower permits	5,000	5,000	8,500	3,500
Land disturbance permits	1,000	1,000	3,346	2,346
Total licenses and permits	<u>47,000</u>	<u>47,000</u>	<u>55,219</u>	<u>8,219</u>
Grant Revenues:				
General -				
GEMA	16,940	16,940	27,114	10,174
Public safety:				
FEMA	329,330	329,330	213,623	(115,707)
School security	80,870	80,870	84,719	3,849
Total grant revenues	<u>427,140</u>	<u>427,140</u>	<u>325,456</u>	<u>(101,684)</u>
Charges for Services:				
Public safety:				
Sheriff - inmate housing and fees	560,000	560,000	343,303	(216,697)
Miscellaneous reimbursements	234,770	234,770	268,924	34,154
General government:				
Superior Court fees	40,770	40,770	41,587	817
Administration fees	12,000	12,000	12,000	-
Miscellaneous reimbursements	456,250	456,250	495,734	39,484
Public health -				
EMS fees	2,038,765	2,038,765	1,905,545	(133,220)
Public works -				
Miscellaneous reimbursements	200,000	200,000	53,162	(146,838)
Total charges for services	<u>3,542,555</u>	<u>3,542,555</u>	<u>3,120,255</u>	<u>(422,300)</u>

LAURENS COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT 12
 PAGE 2 OF 4

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Fines and Forfeitures:				
Magistrate Court	\$ 255,000	\$ 255,000	\$ 222,418	\$ (32,582)
Superior Court	420,000	420,000	388,138	(31,862)
Juvenile Court	8,000	8,000	10,817	2,817
Probate Court	1,700,000	1,700,000	1,474,489	(225,511)
Public Defender	<u>25,000</u>	<u>25,000</u>	<u>17,719</u>	<u>(7,281)</u>
Total fines and forfeitures	<u>2,408,000</u>	<u>2,408,000</u>	<u>2,113,581</u>	<u>(294,419)</u>
Interest Income:				
County treasurer	2,500	2,500	2,017	(483)
Sheriff	-	-	124	124
EMS	200	200	398	
Tax commissioner	<u>3,500</u>	<u>3,500</u>	<u>2,661</u>	<u>(839)</u>
Total interest income	<u>6,200</u>	<u>6,200</u>	<u>5,200</u>	<u>(1,198)</u>
Miscellaneous Revenues:				
Rents - county owned buildings	162,800	162,800	122,820	(39,980)
Miscellaneous	<u>750</u>	<u>750</u>	<u>14,114</u>	<u>13,364</u>
Total miscellaneous revenues	<u>163,550</u>	<u>163,550</u>	<u>136,934</u>	<u>(26,616)</u>
Total Revenues	<u>\$ 21,008,445</u>	<u>\$ 21,008,445</u>	<u>\$ 20,321,890</u>	<u>\$ (686,753)</u>

LAURENS COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT 12
PAGE 3 OF 4

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
General Government:				
County Administrator	\$ 291,800	\$ 291,800	\$ 297,008	\$ (5,208)
County Commissioners	114,825	114,825	117,316	(2,491)
County Administration	849,120	849,120	821,390	27,730
Finance Office	243,835	243,835	241,131	2,704
Board of Equalization	4,115	4,115	6,865	(2,750)
Elections	155,000	155,000	103,998	51,002
Board of Registrars	134,220	134,220	115,526	18,694
Tax Assessor	665,825	665,825	712,888	(47,063)
Tax Commissioner	501,485	501,485	438,442	63,043
County Attorney	134,570	134,570	138,004	(3,434)
Data processing	82,015	82,015	83,892	(1,877)
Airport	95,965	95,965	98,891	(2,926)
Courthouse	262,300	262,300	314,832	(52,532)
Other public buildings	60,555	60,555	75,636	(15,081)
Total general government	<u>3,595,630</u>	<u>3,595,630</u>	<u>3,565,819</u>	<u>29,811</u>
Judicial:				
Court Reporter	119,850	119,850	118,933	917
Superior Court Judge	159,945	159,945	157,669	2,276
Clerk of Superior Court	681,785	681,785	642,430	39,355
District Attorney	677,540	677,540	670,073	7,467
Magistrate Court	207,525	207,525	220,030	(12,505)
Public Defender	321,885	321,885	320,007	1,878
Probate Judge	326,340	326,340	324,096	2,244
Jury administration	88,020	88,020	66,806	21,214
Juvenile Court	111,420	111,420	112,558	(1,138)
Total judicial	<u>2,694,310</u>	<u>2,694,310</u>	<u>2,632,602</u>	<u>61,708</u>
Public Safety:				
Sheriff Department	2,785,900	2,785,900	2,768,847	17,053
Jail facility	2,465,075	2,465,075	2,484,638	(19,563)
Emergency Medical Services	2,382,540	2,382,540	2,442,983	(60,443)
Drug Task Force	241,185	241,185	223,961	17,224
Special Response Team	4,500	4,500	5,071	(571)
Probation	550	550	2,044	(1,494)
Interstate Crime Enforcement Unit	280,660	280,660	287,349	(6,689)
School Security	89,420	89,420	90,892	(1,472)
Rural Fire Department	543,785	543,785	551,729	(7,944)
First Responders Grant	316,335	316,335	291,494	24,841
Coroner	73,360	73,360	73,019	341
Animal Control	175,375	175,375	154,523	20,852
D.A.R.E.	3,000	3,000	-	3,000
Courthouse Security	268,885	268,885	271,615	(2,730)
Community Service	13,720	13,720	13,564	156
Total public safety	<u>9,644,290</u>	<u>9,644,290</u>	<u>9,661,729</u>	<u>(17,439)</u>

LAURENS COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT 12
PAGE 4 OF 4

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Public Works:				
Maintenance shop	450,020	450,020	431,482	\$ 18,538
Public Works department	1,580,400	1,580,400	1,379,102	201,298
Building inspection	62,480	62,480	59,884	2,596
Total public works	<u>2,092,900</u>	<u>2,092,900</u>	<u>1,870,468</u>	<u>222,432</u>
Health and Welfare:				
Health department	164,795	164,795	170,484	(5,689)
Laurens DFCS	7,000	7,000	8,250	(1,250)
Stepping Stone	-	-	-	-
Total health and welfare	<u>171,795</u>	<u>171,795</u>	<u>178,734</u>	<u>(6,939)</u>
Conservation of Natural Resources:				
County Agent	60,370	60,370	61,028	(658)
Recreation Authority	600,000	600,000	600,000	-
Laurens County Library	378,455	378,455	378,455	-
Forestry commission	47,100	47,100	48,774	(1,674)
Total conservation of natural resources	<u>1,085,925</u>	<u>1,085,925</u>	<u>1,088,257</u>	<u>(2,332)</u>
Housing and Development:				
Heart of Georgia RDC	28,000	28,000	27,608	392
Clean Community Association	2,500	2,500	2,500	-
Dublin Main Street Program	5,000	5,000	5,000	-
Dublin Historical Society	-	-	1,500	(1,500)
Laurens County Development Authority	123,625	123,625	119,362	4,263
City of Dublin - Fred's Project	26,020	26,020	26,020	-
Total housing and development	<u>185,145</u>	<u>185,145</u>	<u>181,990</u>	<u>3,155</u>
Debt Service:				
Principal	83,000	83,000	83,002	(2)
Interest and other charges	30,225	30,225	30,224	1
Total Debt Service	<u>113,225</u>	<u>113,225</u>	<u>113,226</u>	<u>(1)</u>
Total Expenditures	<u>19,583,220</u>	<u>19,583,220</u>	<u>19,292,825</u>	<u>290,395</u>
Excess of Revenues Over Expenditures	<u>1,425,225</u>	<u>1,425,225</u>	<u>1,029,065</u>	<u>(396,358)</u>
Other Financing Sources (Uses):				
Proceeds from sale of capital assets	80,000	80,000	128,987	48,987
Transfer in	17,500	17,500	7,603	(9,897)
Transfers out	(1,522,725)	(1,522,725)	(1,966,859)	(444,134)
Total other financing sources (uses)	<u>(1,425,225)</u>	<u>(1,425,225)</u>	<u>(1,830,269)</u>	<u>(405,044)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses				
	-	-	(801,204)	(801,204)
Fund Balance, Beginning	<u>3,717,530</u>	<u>3,717,530</u>	<u>3,717,530</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 3,717,530</u>	<u>\$ 3,717,530</u>	<u>\$ 2,916,326</u>	<u>\$ (801,204)</u>

LAURENS COUNTY, GEORGIA

EXHIBIT 13

REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2015

I. SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Funded Ratio (a/b)	Unfunded AAL (UAAL) b-a	Covered Payroll	Unfunded AAL as a Percentage of Covered Payroll ((b-a)/c)
2007	\$ 5,785,623	\$ 6,287,832	92.0%	\$ 502,209	\$ 5,787,263	8.7%
2008	5,737,865	6,773,600	84.7%	1,035,735	6,166,414	16.8%
2009	* 6,219,444	7,146,234	87.0%	926,790	6,128,977	15.1%
2010	* 6,671,167	7,934,183	84.1%	1,263,017	7,267,107	17.4%
2011	* 7,031,343	8,306,840	84.6%	1,275,497	7,475,226	17.1%
2012	* 7,445,251	8,842,447	84.2%	1,397,196	7,671,872	18.2%
2013	* 8,423,765	9,566,990	88.1%	1,143,225	7,880,036	14.5%
2014	* 9,344,654	9,283,191	100.7%	(61,463)	7,683,484	-0.8%

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

Other Supplementary Information

Major Governmental Funds:

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

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

LAURENS COUNTY, GEORGIA

EXHIBIT 14

FY 13 - 18 SPLOST FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND
 ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2015

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:			
Sales tax revenues	\$ 8,300,000	\$ 7,869,820	\$ (430,180)
Interest Income	3,500	5,036	1,536
Other income	<u>59,000</u>	<u>71,802</u>	<u>12,802</u>
Total revenues	<u>8,362,500</u>	<u>7,946,658</u>	<u>(415,842)</u>
Expenditures:			
Salaries and benefits	413,390	358,445	54,945
Insurance	32,415	33,418	(1,003)
Prison detail	80,000	76,306	3,694
Gas and diesel	200,000	56,671	143,329
Principal payments	1,800,000	1,800,000	-
Interest expenditures	293,450	294,500	(1,050)
Supplies	1,210,200	461,414	
Site preparation	32,045	117,886	
Economic development	-	62,915	(62,915)
City of Dublin	2,317,344	2,176,006	141,338
City of East Dublin	333,680	333,680	-
Dublin - Laurens County Recreation Authority	73,976	73,976	-
Capital outlay	<u>1,576,000</u>	<u>2,913,295</u>	<u>(1,337,295)</u>
Total expenditures	<u>8,362,500</u>	<u>8,758,512</u>	<u>(1,058,957)</u>
Excess of Revenues Over Expenditures	-	(811,854)	(1,474,799)
Fund Balance, Beginning	<u>5,575,825</u>	<u>6,717,937</u>	<u>(1,142,112)</u>
Fund Balance, Ending	<u>\$ 5,575,825</u>	<u>\$ 5,906,083</u>	<u>\$ (1,142,112)</u>

LAURENS COUNTY, GEORGIA

EXHIBIT 15

PERMANENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND
 ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2015

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues - Interest Income	\$ 17,500	\$ 7,053	\$ 10,447
Excess of Revenues Over Expenditures	17,500	7,053	10,447
Other Financing Use - Transfer out	(17,500)	(7,053)	(10,447)
Excess of Revenues Over Expenditures and Other Financing Use	-	-	-
Fund Balance, Beginning	7,200,000	7,200,000	-
Fund Balance, Ending	\$ 7,200,000	\$ 7,200,000	-

Major Enterprise Fund -

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

LAURENS COUNTY, GEORGIA
 SANITATION FUND
 STATEMENT OF NET POSITION
 JUNE 30, 2015

EXHIBIT 16

	Business - Type Activity - Enterprise Fund
	Sanitation Fund
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 53,238
Accounts receivable, net of allowance for uncollectibles	46,390
Due from other funds	90,332
Total current assets	189,960
Noncurrent Assets:	
Capital assets:	
Nondepreciable assets	105,934
Depreciable assets, net of depreciation	140,307
Total capital assets, net	246,241
Total Assets	436,201
LIABILITIES	
Current Liabilities:	
Accounts payable	2,389
NET POSITION	
Net investment in capital assets	246,241
Unrestricted	187,571
Total Net Position	\$ 433,812

LAURENS COUNTY, GEORGIA

EXHIBIT 17

SANITATION FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2015

	Business - Type Activity - Enterprise Fund
	Sanitation Fund
Operating Revenues:	
Refuse collection charges	\$ 594,258
Other income	7,360
Total operating revenues	<u>601,618</u>
Operating Expenses:	
Other professional services	915,925
Depreciation expense	46,749
Other expenses	49,973
Total operating expenses	<u>1,012,647</u>
Operating Loss	<u>(411,029)</u>
Non-operating Revenues:	
Interest income	276
Insurance premium tax	293,142
Gain on sale of capital assets	70,860
Total non-operating revenues	<u>364,278</u>
Change in net position	(46,751)
Net Position, Beginning	<u>480,563</u>
Net Position, Ending	<u>\$ 433,812</u>

LAURENS COUNTY, GEORGIA
 SANITATION FUND
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT 18

	Business - Type Activity - Enterprise Fund
	<u>Sanitation Fund</u>
Cash Flows from Operating Activities:	
Receipts from customers and others	\$ 650,478
Payments to suppliers	(140,172)
Payments to others	<u>(915,927)</u>
Net cash used in operating activities	<u>(405,621)</u>
Cash Flows from Non - Capital and Related Financing Activities -	
Insurance premium tax	<u>293,142</u>
Cash Flows from Capital and Related Financing Activities -	
Proceeds from sales of capital assets	<u>87,310</u>
Net cash provided by capital and related financing activities	<u>87,310</u>
Cash Flows from Investing Activities -	
Interest income	<u>276</u>
Net decrease in cash and cash equivalents	(24,893)
Balances - beginning of year	<u>78,131</u>
Balances - end of year	<u>\$ 53,238</u>
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (411,029)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	46,749
Net change in assets and liabilities attributable to operations:	
Accounts receivable	48,860
F Due from other funds	(90,332)
Accounts payable	302
Due to other funds	<u>(171)</u>
Net cash used in operating activities	<u>\$ (405,621)</u>

Nonmajor Governmental Funds

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

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

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

- **TIA Capital Fund** – To account for TSPLOST funds that are legally restricted to expenditure for capital road projects within the County.
- **SPLOST Fund** accounts for the special purpose local option sales tax proceeds collected for the acquisition or construction of major capital projects.
- **LMIG Fund** – To account for Local Maintenance and Improvement Grant (LMIG) funds that are legally restricted to expenditure for capital road projects within the County.

LAURENS COUNTY, GEORGIA

EXHIBIT 19

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash	\$ 1,163,186	\$ 249,098	\$ 1,412,284
Accounts receivable	122,732	-	122,732
Due from other governments	187,857	24,197	212,054
Due from other funds	-	-	-
Accrued interest	143	-	143
Prepaid expenses	1,942	-	1,942
Total Assets	\$ 1,475,860	\$ 273,295	\$ 1,749,155
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts payable	\$ 34,601	\$ 10,000	\$ 44,601
Accrued expenses payable	25,170	-	25,170
Due to others	4,358	-	4,358
Due to other funds	308,767	163,738	472,505
Total liabilities	372,896	173,738	546,634
Fund Balance:			
Nonspendable for prepaid expenditures	1,942	-	1,942
Restricted for special programs	1,101,022	99,557	1,200,579
Total fund balance	1,102,964	99,557	1,202,521
Total Liabilities and Fund Balance	\$ 1,475,860	\$ 273,295	\$ 1,749,155

LAURENS COUNTY, GEORGIA

EXHIBIT 20

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS
JUNE 30, 2015

	Grants	Confiscated Assets	Enhanced 911	Crime Victims Assistance	Judicial Services	Law Library	Alternative Dispute Resolution	Sheriff Commissary	Drug	Juvenile	TIA Operating	Total
ASSETS												
Cash	\$ 54,609	\$ 61,067	\$ 495,758	\$ 189,186	\$ 41,916	9,720	\$ 61,183	\$ 146,077	\$ 19,549	\$ 84,121	\$ -	\$ 1,163,186
Accounts receivable	-	-	122,732	-	-	-	-	-	-	-	-	122,732
Due from other governments	57,602	-	-	6,550	-	-	-	-	-	-	123,705	187,857
Due from other funds	-	-	-	-	-	-	-	-	-	-	-	-
Accrued interest	-	-	-	-	-	-	143	-	-	-	-	143
Prepaid expenses	258	-	1,510	174	-	-	-	-	-	-	-	1,942
Total Assets	\$ 112,469	\$ 61,067	\$ 620,000	\$ 195,910	\$ 41,916	\$ 9,720	\$ 61,326	\$ 146,077	\$ 19,549	\$ 84,121	\$ 123,705	\$ 1,475,860
LIABILITIES AND FUND BALANCE (DEFICIT)												
Liabilities:												
Accounts payable	\$ 22,646	\$ -	\$ -	\$ 10,700	\$ -	\$ -	\$ -	\$ 1,255	\$ -	\$ -	\$ -	\$ 34,601
Accrued expenses payable	-	-	24,689	481	-	-	-	-	-	-	-	25,170
Due to others	-	-	-	-	-	-	-	4,358	-	-	-	4,358
Due to other funds	64,218	-	120,746	98	-	-	-	-	-	-	123,705	308,767
Total liabilities	86,864	-	145,435	11,279	-	-	-	5,613	-	-	123,705	372,896
Fund Balance (Deficit):												
Nonspendable for prepaid expenditures	258	-	1,510	174	-	-	-	-	-	-	-	1,942
Restricted for special programs	25,347	61,067	473,055	184,457	41,916	9,720	61,326	140,464	19,549	84,121	-	1,101,022
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-
Total fund balance (deficit)	25,605	61,067	474,565	184,631	41,916	9,720	61,326	140,464	19,549	84,121	-	1,102,964
Total Liabilities and Fund Balance (Deficit)	\$ 112,469	\$ 61,067	\$ 620,000	\$ 195,910	\$ 41,916	\$ 9,720	\$ 61,326	\$ 146,077	\$ 19,549	\$ 84,121	\$ 123,705	\$ 1,475,860

LAURENS COUNTY, GEORGIA

EXHIBIT 21

COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECT GOVERNMENTAL FUNDS
JUNE 30, 2015

	<u>TIA Capital</u>	<u>LMIG</u>	<u>SPLOST</u>	<u>Total</u>
ASSETS				
Cash	\$ -	\$ 815	\$ 248,283	\$ 249,098
Due from other governments	-	-	24,197	24,197
Total Assets	<u>-</u>	<u>815</u>	<u>272,480</u>	<u>273,295</u>
LIABILITIES AND FUND BALANCE (DEFICIT)				
Liabilities:				
Accounts payable	-	-	10,000	10,000
Due to other funds	162,938	800	-	163,738
Total liabilities	<u>162,938</u>	<u>800</u>	<u>10,000</u>	<u>173,738</u>
Fund Balance (Deficit):				
Restricted for special programs	(162,938)	15	262,480	99,557
Total fund balance (deficit)	<u>(162,938)</u>	<u>15</u>	<u>262,480</u>	<u>99,557</u>
Total Liabilities and Fund Balance (Deficit)	<u>\$ -</u>	<u>\$ 815</u>	<u>\$ 272,480</u>	<u>\$ 273,295</u>

LAURENS COUNTY, GEORGIA

EXHIBIT 22

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
Revenues:			
Taxes	\$ 758,744	\$ 255,938	\$ 1,014,682
Charges for services	1,014,458	-	1,014,458
Fines and forfeitures	211,162	-	211,162
Grant revenue	332,382	1,409,135	1,741,517
Contribution revenue	8,717	-	8,717
Interest income	2,777	100,662	103,439
Other revenues	3,330	24,198	27,528
Total revenues	<u>2,331,570</u>	<u>1,789,933</u>	<u>4,121,503</u>
Expenditures:			
Salaries and personnel costs	947,599	-	947,599
Group insurance	76,962	-	76,962
Payroll taxes	65,450	-	65,450
Worker's compensation	5,814	-	5,814
Travel	3,578	-	3,578
Education and training	13,031	-	13,031
Professional fees	121,590	-	121,590
Contract labor	102,855	-	102,855
Program expenditures	143,362	-	143,362
Supplies	24,427	-	24,427
Repairs and maintenance	52,576	-	52,576
Road expenditures	758,744	-	758,744
Drug Court expenditures	4,140	-	4,140
Utilities	257,190	-	257,190
Gas, diesel and oil	5,863	-	5,863
Other expenditures	48,774	-	48,774
Capital outlay	73,442	3,075,921	3,149,363
Total expenditures	<u>2,705,397</u>	<u>3,075,921</u>	<u>5,781,318</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(373,827)</u>	<u>(1,285,988)</u>	<u>(1,659,815)</u>
Other Financing Source (Use):			
Transfers out	-	-	-
Transfers in	401,010	-	401,010
Total Other Financing Source (Use)	<u>401,010</u>	<u>-</u>	<u>401,010</u>
Excess (Deficiency) of Revenues and Other Financing Source Over (Under) Expenditures	27,183	(1,285,988)	(1,258,805)
Fund Balance, Beginning	<u>1,075,781</u>	<u>1,385,545</u>	<u>2,461,326</u>
Fund Balance, Ending	<u>\$ 1,102,964</u>	<u>\$ 99,557</u>	<u>\$ 1,202,521</u>

LAURENS COUNTY, GEORGIA

EXHIBIT 23

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Grants	Confiscated Assets	Enhanced 911	Crime Victims Assistance	Judicial Services	Law Library	Alternative Dispute Resolution	Sheriff Commissary	Drug	Juvenile	TSPLOST Operating	Total
Revenues:												
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 758,744	\$ 758,744
Charges for services	-	-	831,545	-	-	-	-	182,913	-	-	-	1,014,458
Fines and forfeitures	-	-	-	115,254	435	33,093	25,959	-	33,307	3,114	-	211,162
Grant revenue	318,154	-	-	14,228	-	-	-	-	-	-	-	332,382
Contribution revenue	8,717	-	-	-	-	-	-	-	-	-	-	8,717
Interest income	98	90	558	703	-	-	1,155	160	13	-	-	2,777
Other revenues	-	3,330	-	-	-	-	-	-	-	-	-	3,330
Total revenues	326,969	3,420	832,103	130,185	435	33,093	27,114	183,073	33,320	3,114	758,744	2,331,570
Expenditures:												
Salaries and personnel costs	166,013	-	692,130	61,426	-	3,897	12,000	12,133	-	-	-	947,599
Group insurance	11,718	-	65,244	-	-	-	-	-	-	-	-	76,962
Payroll taxes	12,216	-	48,537	4,697	-	-	-	-	-	-	-	65,450
Worker's compensation	2,017	-	3,549	248	-	-	-	-	-	-	-	5,814
Rental	-	-	-	-	-	-	-	-	-	-	-	-
Travel	990	-	516	2,072	-	-	-	-	-	-	-	3,578
Education and training	1,863	-	5,667	846	3,255	-	-	1,400	-	-	-	13,031
Professional services	120,318	-	672	-	-	-	-	-	-	600	-	121,590
Contract labor	-	-	-	102,855	-	-	-	-	-	-	-	102,855
Program expenditures	-	-	-	2,644	-	21,737	29,681	89,300	-	-	-	143,362
Supplies	6,746	-	8,493	2,948	-	-	-	6,240	-	-	-	24,427
Repairs and maintenance	3,320	-	48,375	-	-	-	-	881	-	-	-	52,576
Road expenditures	-	-	-	-	-	-	-	-	-	-	758,744	758,744
Drug Court expenditures	-	-	-	-	-	-	-	-	4,140	-	-	4,140
Utilities	13,408	-	239,564	1,426	-	-	-	2,792	-	-	-	257,190
Gas, diesel and oil	5,515	-	348	-	-	-	-	-	-	-	-	5,863
Other expenditures	36,576	-	1,338	-	-	1,757	3,165	5,938	-	-	-	48,774
Capital outlay	-	-	-	-	-	-	-	73,442	-	-	-	73,442
Total expenditures	380,700	-	1,114,433	179,162	3,255	27,391	44,846	192,126	4,140	600	758,744	2,705,397
Excess (Deficiency) of Revenues Over (Under) Expenditures	(53,731)	3,420	(282,330)	(48,977)	(2,820)	5,702	(17,732)	(9,053)	29,180	2,514	-	(373,827)
Other Financing Source (Use):												
Transfers out	-	-	-	-	-	-	-	-	-	-	-	-
Transfers in	57,559	-	343,451	-	-	-	-	-	-	-	-	401,010
Total Other Financing Source (Use)	57,559	-	343,451	-	-	-	-	-	-	-	-	401,010
Excess (Deficiency) of Revenues and Other Financing Source Over (Under) Expenditures	3,828	3,420	61,121	(48,977)	(2,820)	5,702	(17,732)	(9,053)	29,180	2,514	-	27,183
Fund Balance (Deficit), Beginning	21,777	57,647	413,444	233,608	44,736	4,018	79,058	149,517	(9,631)	81,607	-	1,075,781
Fund Balance (Deficit), Ending	\$ 25,605	\$ 61,067	\$ 474,565	\$ 184,631	\$ 41,916	\$ 9,720	\$ 61,326	\$ 140,464	\$ 19,549	\$ 84,121	\$ -	\$ 1,102,964

LAURENS COUNTY, GEORGIA

EXHIBIT 24

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	<u>TSPLOST Capital</u>	<u>LMIG</u>	<u>SPLOST</u>	<u>Total</u>
Revenues:				
Taxes	\$ 255,938	\$ -	\$ -	\$ 255,938
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Grant revenue	-	982,861	426,274	1,409,135
Contribution revenue	-	-	-	-
Interest income	-	98,812	1,850	100,662
Other revenues	-	-	24,198	24,198
Total revenues	<u>255,938</u>	<u>1,081,673</u>	<u>452,322</u>	<u>1,789,933</u>
Expenditure -				
Capital outlay	<u>125,671</u>	<u>867,869</u>	<u>2,082,381</u>	<u>3,075,921</u>
Deficiency of Revenues				
Under Expenditures	130,267	213,804	(1,630,059)	(1,285,988)
Fund Balance, Beginning	<u>(293,205)</u>	<u>(213,789)</u>	<u>1,892,539</u>	<u>1,385,545</u>
Fund Balance (Deficit), Ending	<u>\$ (162,938)</u>	<u>\$ 15</u>	<u>\$ 262,480</u>	<u>\$ 99,557</u>

LAURENS COUNTY, GEORGIA

EXHIBIT 25

BUDGETARY COMPARISON – GRANTS FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Grant revenues	\$ 249,950	\$ 318,154	\$ 68,204
Contribution revenues	10,000	8,717	(1,283)
Interest income	<u>35</u>	<u>98</u>	<u>63</u>
Miscellaneous income	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>259,985</u>	<u>326,969</u>	<u>66,984</u>
Expenditures:			
Salaries	162,055	166,013	(3,958)
Group insurance	13,715	11,718	1,997
Payroll taxes	11,915	12,216	(301)
Worker's compensation	1,445	2,017	(572)
Travel	1,400	990	410
Education and training	2,600	1,863	737
Supplies	4,600	6,746	(2,146)
Repairs and maintenance	5,000	3,320	1,680
Other professional services	97,215	120,318	(23,103)
Utilities	13,100	13,408	(308)
Gas and oil	13,000	5,515	7,485
Other expenditures	<u>8,185</u>	<u>36,576</u>	<u>(28,391)</u>
Total expenditures	<u>334,230</u>	<u>380,700</u>	<u>(46,470)</u>
Deficiency of Revenues Under Expenditures	<u>(74,245)</u>	<u>(53,731)</u>	<u>20,514</u>
Other Financing Source -			
Transfer in	<u>65,350</u>	<u>57,559</u>	<u>(7,791)</u>
Excess of (Deficiency of) Revenues and Other Financing			
Sources Over (Under) Expenditures	(8,895)	3,828	12,723
Fund Balance, Beginning	<u>21,777</u>	<u>21,777</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 12,882</u>	<u>\$ 25,605</u>	<u>\$ 12,723</u>

LAURENS COUNTY, GEORGIA

EXHIBIT 26

BUDGETARY COMPARISON – CONFISCATED ASSETS FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:			
Condemnation revenue	\$ 24,900	\$ 3,330	\$ (21,570)
Interest income	-	90	90
Total revenues	<u>24,900</u>	<u>3,420</u>	<u>(21,480)</u>
Expenditures:			
Capital outlay	<u>24,900</u>	-	<u>24,900</u>
Excess of Revenues Over Expenditures	-	3,420	3,420
Fund Balance, Beginning	<u>57,647</u>	<u>57,647</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 57,647</u>	<u>\$ 61,067</u>	<u>\$ 3,420</u>

LAURENS COUNTY, GEORGIA

EXHIBIT 27

BUDGETARY COMPARISON – ENHANCED 911 FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Operating revenue	\$ 906,000	\$ 831,545	\$ (74,455)
Interest income	450	558	108
Total revenues	<u>906,450</u>	<u>832,103</u>	<u>(74,347)</u>
Expenditures:			
Salaries	655,475	692,130	(36,655)
Group insurance	69,035	65,244	3,791
Payroll taxes	47,300	48,537	(1,237)
Worker's compensation	3,665	3,549	116
Other professional services	1,500	672	828
Pest control	450	435	15
Travel	2,000	516	1,484
Dues and fees	200	499	(299)
Education and training	6,500	5,667	833
Supplies	9,100	8,493	607
Repairs and maintenance	53,050	48,375	4,675
Miscellaneous expenditures	250	404	(154)
Utilities	236,175	239,564	(3,389)
Gas and oil	650	348	302
Capital outlay	-	-	-
Total expenditures	<u>1,085,350</u>	<u>1,114,433</u>	<u>(29,083)</u>
Deficiency of Revenues Under Expenditures	(178,900)	(282,330)	(103,430)
Other Financing Source -			
Transfer in	<u>243,900</u>	<u>343,451</u>	<u>99,551</u>
Excess of Revenues and Other Financing Source Over Expenditures	65,000	61,121	(3,879)
Fund Balance, Beginning	<u>-</u>	<u>413,444</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 65,000</u>	<u>\$ 474,565</u>	<u>\$ (3,879)</u>

LAURENS COUNTY, GEORGIA

EXHIBIT 28

BUDGETARY COMPARISON – CRIME VICTIMS ASSISTANCE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:			
Fines and forfeitures	\$ 155,000	\$ 115,254	\$ (39,746)
Grant revenues	-	14,228	14,228
Interest income	<u>1,000</u>	<u>703</u>	<u>(297)</u>
Total revenues	<u>156,000</u>	<u>130,185</u>	<u>(25,815)</u>
Expenditures:			
Salaries	51,080	61,426	(10,346)
Payroll taxes	3,910	4,697	(787)
Worker's compensation	310	248	62
Other professional services	1,000	-	1,000
Travel	4,000	2,072	1,928
Repairs and maintenance	500	-	500
Education and training	4,000	846	3,154
Contract labor	65,000	102,855	(37,855)
Supplies	5,750	2,948	2,802
Utilities	2,250	1,426	824
Crime victims assistance	7,500	144	7,356
Program expenditures	5,000	2,500	2,500
Advertising	2,000	-	2,000
Office expenditures	1,000	-	1,000
Capital outlay	<u>2,700</u>	<u>-</u>	<u>2,700</u>
Total expenditures	<u>156,000</u>	<u>179,162</u>	<u>(23,162)</u>
Excess of Revenues Over			
Expenditures	-	(48,977)	(48,977)
Fund Balance, Beginning	<u>233,608</u>	<u>233,608</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 233,608</u>	<u>\$ 184,631</u>	<u>\$ (48,977)</u>

LAURENS COUNTY, GEORGIA

EXHIBIT 29

BUDGETARY COMPARISON – JUDICIAL SERVICES FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:			
Fines and forfeitures	\$ -	\$ 435	\$ 435
Expenditures:			
Education and training	-	3,255	(3,255)
Excess of Revenues Over Expenditures	-	(2,820)	(2,820)
Fund Balance, Beginning	44,736	44,736	-
Fund Balance, Ending	<u>\$ 44,736</u>	<u>\$ 41,916</u>	<u>\$ (2,820)</u>

LAURENS COUNTY, GEORGIA

EXHIBIT 30

BUDGETARY COMPARISON – LAW LIBRARY FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:			
Fines and forfeitures	\$ 34,000	\$ 33,093	\$ (907)
Expenditures:			
Books	29,100	21,737	7,363
Salaries	3,900	3,897	3
Other expenditures	1,000	1,757	(757)
Total expenditures	<u>34,000</u>	<u>27,391</u>	<u>6,609</u>
Excess of Revenues Over Expenditures	-	5,702	5,702
Other Financing Use -			
Transfer out	-	-	-
Excess of Revenues and Other Financing Source Over Expenditures	-	5,702	5,702
Fund Balance, Beginning	<u>4,018</u>	<u>4,018</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 4,018</u>	<u>\$ 9,720</u>	<u>\$ 5,702</u>

LAURENS COUNTY, GEORGIA

EXHIBIT 31

BUDGETARY COMPARISON – ALTERNATIVE DISPUTE RESOLUTION FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:			
Fines and forfeitures	\$ 25,600	\$ 25,959	\$ 359
Interest income	-	1,155	1,155
Total revenues	<u>25,600</u>	<u>27,114</u>	<u>1,514</u>
Expenditures:			
Personnel fees	12,000	12,000	-
Mediation fees	12,600	29,681	(17,081)
Other expenditures	<u>1,000</u>	<u>3,165</u>	<u>(2,165)</u>
Total expenditures	<u>25,600</u>	<u>44,846</u>	<u>(19,246)</u>
Deficiency of Revenues Under Expenditures	-	(17,732)	(17,732)
Fund Balance, Beginning	<u>79,058</u>	<u>79,058</u>	-
Fund Balance, Ending	<u>\$ 79,058</u>	<u>\$ 61,326</u>	<u>\$ (17,732)</u>

LAURENS COUNTY, GEORGIA

EXHIBIT 32

BUDGETARY COMPARISON – SHERIFF COMMISSARY FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:			
Operating revenues	\$ -	\$ 182,913	\$ 182,913
Interest income	-	160	160
Total revenues	<u>-</u>	<u>183,073</u>	<u>183,073</u>
Expenditures:			
Commissary items purchased	-	89,300	(89,300)
Inmate salaries	-	12,133	(12,133)
Office expense	-	6,240	(6,240)
Utilities	-	2,792	(2,792)
Education and training	-	1,400	(1,400)
Repairs and maintenance	-	881	(881)
Miscellaneous expenditures	-	5,938	(5,938)
Capital outlay	-	73,442	(73,442)
Total expenditures	<u>-</u>	<u>192,126</u>	<u>(192,126)</u>
Excess of Revenues Over Expenditures	-	(9,053)	(9,053)
Fund Balance, Beginning	<u>149,517</u>	<u>149,517</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 149,517</u>	<u>\$ 140,464</u>	<u>\$ -</u>

LAURENS COUNTY, GEORGIA
 BUDGETARY COMPARISON – DRUG FUND
 FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT 33

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Fines and forfeitures	\$ 30,300	\$ 33,307	\$ 3,007
Interest income	-	13	13
Total revenues	30,300	33,320	3,020
Expenditures:			
Drug Court expenditures	30,300	4,140	26,160
Excess of Revenues Over Expenditures	-	29,180	29,180
Fund Deficit, Beginning	(9,631)	(9,631)	-
Fund Balance, Ending	\$ (9,631)	\$ 19,549	\$ 29,180

LAURENS COUNTY, GEORGIA

EXHIBIT 34

BUDGETARY COMPARISON – JUVENILE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:			
Court fees	\$ 2,530	\$ 3,114	\$ 584
Total revenues	<u>2,530</u>	<u>3,114</u>	<u>584</u>
Expenditure -			
Professional fees	<u>2,530</u>	<u>600</u>	<u>1,930</u>
Excess of Revenues Over Expenditures	-	2,514	2,514
Fund Balance, Beginning	<u>81,607</u>	<u>81,607</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 81,607</u>	<u>\$ 84,121</u>	<u>\$ -</u>

LAURENS COUNTY, GEORGIA

EXHIBIT 35

BUDGETARY COMPARISON – TIA OPERATING FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenue -			
TSPLOST Revenues	\$ -	\$ 758,744	\$ 758,744
Expenditure -			
Road expenditures	-	\$ 758,744	(758,744)
Excess of Revenue Over Expenditure	-	-	-
Fund Balance, Beginning	-	-	-
Fund Balance, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

LAURENS COUNTY, GEORGIA

EXHIBIT 36

BUDGETARY COMPARISON – TIA CAPITAL FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:			
Taxes	\$ 740,000	255,938	\$ (484,062)
Contributions	<u>98,200</u>	<u>-</u>	<u>(98,200)</u>
Total revenues	<u>838,200</u>	<u>255,938</u>	<u>(582,262)</u>
Expenditure -			
Capital outlay	<u>1,081,200</u>	<u>125,671</u>	<u>955,529</u>
Deficiency of Revenue Under Expenditure	(243,000)	130,267	373,267
Fund Deficit, Beginning	<u>(293,205)</u>	<u>(293,205)</u>	<u>-</u>
Fund Deficit, Ending	<u>\$ (536,205)</u>	<u>\$ (162,938)</u>	<u>\$ 373,267</u>

LAURENS COUNTY, GEORGIA

EXHIBIT 37

BUDGETARY COMPARISON – LMIG FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:			
Grant revenues	\$ 982,000	\$ 982,861	\$ 861
Other income	<u>400</u>	<u>98,812</u>	<u>98,412</u>
Total revenues	<u>982,400</u>	<u>1,081,673</u>	<u>99,273</u>
Expenditure -			
Capital outlay	<u>982,400</u>	<u>867,869</u>	<u>114,531</u>
Deficiency of Revenue Under Expenditure	-	213,804	213,804
Fund Balance, Beginning	<u>(213,789)</u>	<u>(213,789)</u>	<u>-</u>
Fund Deficit, Ending	<u>\$ (213,789)</u>	<u>\$ 15</u>	<u>\$ 213,804</u>

LAURENS COUNTY, GEORGIA

EXHIBIT 38

BUDGETARY COMPARISON – SPLOST FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues:			
Interest income	\$ 900	\$ 1,850	\$ 950
Grant Income	500,000	426,274	(73,726)
Miscellaneous income	-	24,198	24,198
Total revenues	<u>500,900</u>	<u>452,322</u>	<u>(48,578)</u>
Expenditure -			
Capital outlay	<u>2,440,000</u>	<u>2,082,381</u>	<u>357,619</u>
Deficiency of Revenues Under Expenditures	(1,939,100)	(1,630,059)	309,041
Fund Balance, Beginning	<u>1,892,539</u>	<u>1,892,539</u>	<u>-</u>
Fund Balance, Ending	<u>\$ (46,561)</u>	<u>\$ 262,480</u>	<u>\$ 309,041</u>

Internal Service Fund

LAURENS COUNTY, GEORGIA

EXHIBIT 39

INTERNAL SERVICE FUND
 SCHEDULE OF NET POSITION
 JUNE 30, 2015

	<u>Governmental Activity - Internal Service Fund</u>
	<u>Employee Insurance Fund</u>
Assets:	
Cash	\$ 42,063
Accounts receivable	55,903
Due from other funds	<u>96,147</u>
Total Assets	<u>194,113</u>
Liabilities:	
Accounts payable	<u>\$ 194,113</u>
Net Position - Unrestricted	<u>\$ -</u>

LAURENS COUNTY, GEORGIA

EXHIBIT 40

INTERNAL SERVICE FUND
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 FOR THE YEAR ENDED JUNE 30, 2015

	<u>Governmental Activity - Internal Service Fund</u>
	<u>Employee Insurance Fund</u>
Operating Revenue - insurance premiums	\$ 2,261,565
Operating Expenses:	
Reinsurance premiums	198,808
Employee insurance claims	<u>3,628,677</u>
Total operating expenses	<u>3,827,485</u>
Operating Loss	<u>(1,565,920)</u>
Non-operating Revenues:	
Interest income	71
Transfers in	<u>1,565,849</u>
Total non-operating revenues	<u>1,565,920</u>
Change in net position	-
Total Net Position, Beginning	<u>-</u>
Total Net Position, Ending	<u>\$ -</u>

LAURENS COUNTY, GEORGIA
INTERNAL SERVICE FUND
SCHEDULE OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015

EXHIBIT 41

	Employee Insurance Fund
Cash Flows from Operating Activities:	
Receipts from employees	\$ 791,548
Receipts from primary government	1,311,369
Payments to insurance companies	<u>(3,627,640)</u>
Net cash used in operating activities	<u>(1,524,723)</u>
Cash Flows from Non-Capital and Related Financing Activities -	
Transfers from the primary government	<u>1,565,849</u>
Cash Flows from Investing Activities -	
Interest income	<u>71</u>
Net increase in cash and cash equivalents	41,197
Balances - beginning of year	<u>866</u>
Balances - end of year	<u>\$ 42,063</u>
Reconciliation of operating loss to net cash provided by Operating Activities:	
Operating loss	\$ (1,565,920)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Net change in assets and liabilities attributable to operations:	
Accounts receivable	248,472
Due from primary government	(96,147)
Accounts payable	(48,627)
Due to primary government	<u>(62,501)</u>
Net cash used in operating activities	<u>\$ (1,524,723)</u>

Agency Funds

LAURENS COUNTY, GEORGIA

EXHIBIT 42

AGENCY FUNDS
 COMBINING SCHEDULE OF FIDUCIARY ASSETS AND LIABILITIES
 FOR THE YEAR ENDED JUNE 30, 2015

	<u>Juvenile Court</u>	<u>Probate Court</u>	<u>Clerk of Superior Court</u>	<u>Sheriff's Office</u>	<u>Tax Commissioner's Office</u>	<u>Clerk of Magistrate Court</u>	<u>Child Support Court</u>	<u>Total Agency Funds</u>
Assets:								
Cash	\$ 4,904	\$ 27,300	\$ 184,845	\$ 398,696	\$ 673,875	\$ 33,638	\$ -	\$ 1,323,258
Due from others	-	-	-	-	-	-	-	-
	<u>\$ 4,904</u>	<u>\$ 27,300</u>	<u>\$ 184,845</u>	<u>\$ 398,696</u>	<u>\$ 673,875</u>	<u>\$ 33,638</u>	<u>\$ -</u>	<u>\$ 1,323,258</u>
Liabilities:								
Due to other funds	\$ -	\$ -	\$ -	\$ 387,907	\$ 673,875	\$ -	\$ -	\$ 1,061,782
Funds held in escrow	4,904	-	25,309	10,789	-	-	-	41,002
Other liabilities	-	27,300	159,536	-	-	33,638	-	220,474
Total Liabilities	<u>\$ 4,904</u>	<u>\$ 27,300</u>	<u>\$ 184,845</u>	<u>\$ 398,696</u>	<u>\$ 673,875</u>	<u>\$ 33,638</u>	<u>\$ -</u>	<u>\$ 1,323,258</u>

Single Audit Section

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

To the Board of Commissioners
Laurens County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activity, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Laurens County, Georgia, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Laurens County, Georgia's basic financial statements and have issued our report thereon dated March 21, 2016. Our report includes a reference to another auditor who audited the financial statements of the Laurens County Public Health Center, as described in our report on Laurens County, Georgia's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by that auditor.

Internal Control Over Financial Reporting

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency 15-1, described in the accompanying schedule of findings and questioned costs to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control, that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies 15-2, 15-3 and 15-4, described in the accompany schedule of findings and questioned costs to be significant deficiencies.

Compliance and Other Matters

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

We noted certain matters that we have reported to management of Laurens County, Georgia in a separate letter dated March 21, 2016.

Laurens County, Georgia's Response to Findings

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

Purpose of this Report

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

Very truly yours,

Handwritten signature in black ink that reads "TJS Deemer Dana LLP". The signature is written in a cursive, flowing style.

Dublin, Georgia

March 21, 2016

**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Commissioners of
Laurens County, Georgia

Report on Compliance for Each Major Federal Program

We have audited Laurens County, Georgia's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Laurens County, Georgia's major federal programs for the year ended June 30, 2015. Laurens County Georgia's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Laurens 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, 2015.

Report on Internal Control Over Compliance

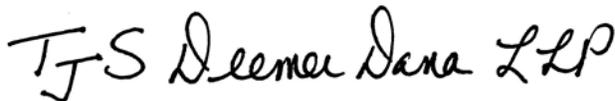
Management of Laurens County, Georgia is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Laurens County Georgia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program as a basis for designing 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 Laurens 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 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, and therefore, material weaknesses and significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2015-5, that is considered to be a material weakness.

Laurens County, Georgia's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Laurens County, Georgia's response was not subjected to the auditing procedures applied in the audit of compliance, and, accordingly, we express no opinion on the response.

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.



March 21, 2016
Dublin, Georgia

LAURENS COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

<u>Federal Grantor/Pass-through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Amount</u>	<u>Total Federal Expenditures</u>
U.S. Department of Agriculture -				
Pass-through program from Georgia Department of Human Resources, Division of Aging	10.570	HGAAAA-98-11	\$ 27,123	\$ 27,123
Department of Housing and Urban Development -				
Community Development Block Grant	14.228	12p-y-087-1-5493	426,274	426,274
U.S. Department of Justice -				
Technological/Officer and Public Safety Initiative	16.738	2013-DJ-BX-0470	2,850	
	16.738	2014-DJ-BX-0192	<u>10,488</u>	
				13,338
Criminal Justice Coordination Council	16.523	B82-8-050	6,051	
Federal Victims of Crime Act Assistance	16.807	C13-8-102/C14-0-872	<u>14,228</u>	
				<u>20,279</u>
Total U.S. Department of Justice				<u>33,617</u>
U. S. Department of Transportation -				
2015 Hazardous Materials Emergency Preparedness Award	20.703	SHM15-020E01	<u>5,000</u>	5,000
Department of Health and Human Services -				
Pass-through program from Georgia Department of Human Resources, Division of Aging	93.045	HGAAAA-98-11	<u>120,061</u>	120,061
Federal Emergency Management Agency -				
FY2014 Performance Partnership Agreement Award	97.067	OEM14-089501	15,730	
State Homeland Security Grant Program	97.083	EMW-2013-SS-0054-501	9,674	
FY2012 Staffing Adequate Fire and Emergency Response	97.083	EMW-2012-FF-0405	74,451	
FY2012 Staffing Adequate Fire and Emergency Response	97.083	EMW-2012-FF-0691	<u>139,172</u>	
Total Federal Emergency Management Agency				<u>239,027</u>
Total expenditures of federal awards				<u>\$ 851,102</u>

LAURENS COUNTY, GEORGIA

NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

A. BASIS OF PRESENTATION

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

B. MEASUREMENT FOCUS

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

C. AMOUNT PROVIDED TO SUBRECIPIENTS

Of the federal awards listed, the County had no major programs that provided amounts to subrecipients.

LAURENS COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2015

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unmodified
 Internal control over financial reporting:
 Material weakness (es) identified? Yes
 Significant deficiency(ies) identified not considered to be material
 weaknesses? Yes
 Noncompliance material to financial statements noted? No

Federal Awards

Internal Control over major programs:
 Material weakness (es) identified? Yes
 Significant deficiency(ies) identified not considered to be material
 weaknesses? None reported
 Type of auditors’ report issued on compliance for major programs: Unmodified
 Any audit findings disclosed that are required to be reported in
 accordance with OMB Circular A-133, Section .510(a)? No

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA #</u>
Community Development Block Grant	14.228

Dollar threshold used to distinguish between Type A and Type
 B programs: \$300,000
 Auditee qualified as low-risk auditee? No

LAURENS COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2015

Section II – Financial Statement Findings and Responses

FINDINGS – FINANCIAL STATEMENT AUDIT

MATERIAL WEAKNESS:

2015-1 Segregation of Duties(Reiteration of Prior Year)

Condition: There is not appropriate segregation of duties between recording, processing and reconciliation of cash accounts and other operational functions in the various funds processed by the Finance Officer. As a result of the lack of segregation of duties, we noted an authorized signer on the General Fund juror account signed a check written to themselves.

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

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

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

Response: Although we concur with the finding, the Laurens County Board of Commissioners has reviewed and studied alternatives to appropriately segregate duties, such as additional staff. With additional staff, the Finance Departments could properly segregate the recording, processing, and reconciliation of cash accounts. However, the cost of the alternative exceeded the benefits. The finance office has established several controls assisting in the reconciliation of the cash accounts. The Laurens County Commissioners believe that the additional controls, although they do not eliminate the segregation of duties finding, provide a better cost-benefit to the taxpayers of Laurens County. The Laurens County Commissioners will continue to look for new cost effective ways to eliminate the risk of fraud due to lack of segregation of duties.

SIGNIFICANT DEFICIENCIES:

2015-2 Account and Transaction Recording (Reiteration of Prior Year)

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

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

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

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

Response: The Laurens County Board of Commissioners will continue to review the accounts at the end of the year to reduce the number of adjustments to ensure that the balances are fairly stated.

LAURENS COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2015

2015-3 Internal Audit Function (Reiteration of Prior Year)

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

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

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

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

Response: Although the recommendation has merit, the cost of implementing an internal audit function is currently not feasible at this time. Due to the need for the Laurens County Board of Commissioners to apply their limited resources to higher priority projects that provide a greater benefit to the taxpayers of Laurens County, the implementation of internal audit function will be placed on hold until those projects are completed. The Laurens County Board of Commissioners will continue to review the feasibility of adding an internal audit function as it prepares the budget.

2015-4 Budgeting (Reiteration of Prior Year)

Condition: The County is not properly utilizing the budgeting process. We noted several instances whereby actual current operating expenditures of the General Fund, '13-'18 SPLOST Fund, Sanitation Fund, Grants Fund, Internal Service Fund, Enhanced 911 Fund, Crime Victims Assistance Fund, the Drug Fund and the Juvenile Fund exceeded budgeted expenditures. In addition, budgets were not adopted for the Sheriff Commissary Fund, Judicial Services Fund, or the TIA Operating Fund.

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

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

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

Response: The County will continue to review the budget as the budget year progresses to ensure that the budget is amended for changes that occur during the year.

LAURENS COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2015

STATUS OF PRIOR AUDIT FINDINGS:

2014-1 Cash – General Government Operations

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

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

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

2014-2 Account and Transaction Recording

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

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

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

2014-3 Internal Audit Function

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

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

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

2014-4 Budgeting

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

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

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

LAURENS COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2015

Section III – Federal Award Findings and Questioned Costs

FINDINGS – SINGLE AUDIT

MATERIAL WEAKNESS:

2015-5 Segregation of Duties (Reiteration of Prior Year)

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

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

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

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

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

Other Information

LAURENS COUNTY, GEORGIA

EXHIBIT 43

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX
YEAR ENDED JUNE 30, 2015

Project Description Per SPLOST Referendum	Estimated Cost			Expenditures	
	Original	Current	Prior Years	Current Year	Total
Law Enforcement Center Project	\$ 6,100,000	\$ 6,100,000	\$ 6,056,181	\$ -	\$ 6,056,181
Public Projects - October 2003 - June 2006 SPLOST:					
Georgia State Patrol Office	\$ 1,500,000	\$ 1,500,000	\$ 1,543,360	\$ -	\$ 1,543,360
Annex Building	2,000,000	2,000,000	2,660,388	-	2,660,388
Courthouse Renovations	2,000,000	2,750,000	1,585,811	-	1,585,811
Courthouse Debt Repayment *	2,000,000	2,051,184	2,051,194	-	2,051,194
Infrastructure/Economic Development	1,828,000	1,828,000	1,799,904	-	1,799,904
Total Public Projects	\$ 9,328,000	\$ 10,129,184	\$ 9,640,657	\$ -	\$ 9,640,657
* Budget increased by \$750,000 under new SPLOST					
Public Projects - SPLOST:					
Health Department Building	\$ 2,000,000	\$ 2,000,000	\$ 137,557	\$ 2,082,381	\$ 2,219,938
Recreational Facilities	450,000	450,000	1,169,754	-	1,169,754
EMS Equipment	700,000	700,000	1,135,996	-	1,135,996
Sheriff Equipment	1,200,000	1,200,000	1,367,803	-	1,367,803
E911 Equipment	-	175,966	1,201,145	-	1,201,145
Fire Equipment	1,100,000	1,100,000	994,161	-	994,161
Road Improvements	17,712,270	17,712,270	15,760,668	-	15,760,668
Public Works Equipment	3,000,000	3,000,000	3,862,506	-	3,862,506
Airport Improvements	300,000	300,000	2,008,631	-	2,008,631
City of Dublin	16,540,740	16,540,740	17,090,056	-	17,090,056
City of East Dublin	2,591,790	2,591,790	2,670,023	-	2,670,023
City of Rentz	97,650	97,650	107,201	-	107,201
City of Cadwell	99,600	99,600	109,973	-	109,973
City of Montrose	86,550	86,550	91,420	-	91,420
City of Dexter	112,950	112,950	128,951	-	128,951
City of Dudley	108,650	108,650	122,553	-	122,553
Laurens County Development Authority	2,000,000	2,000,001	2,067,260	-	2,067,260
Dublin-Laurens County Recreation Authority	1,150,000	1,150,000	1,149,999	-	1,149,999
Total Public Projects	\$ 49,250,200	\$ 49,426,167	\$ 51,175,657	\$ 2,082,381	\$ 53,258,038
Public Projects - FY 13 - 18 SPLOST:					
Economic Development	\$ 7,350,000	\$ 7,350,000	\$ 4,984,445	\$ 62,915	\$ 5,047,360
Previously Incurred General Obligation Debt	5,650,000	5,650,000	5,605,511	-	5,605,511
Recreational Facilities	500,000	500,000	153,366	73,976	227,342
Courthouse/Admin Buildings and Equipment	900,000	900,000	230,067	88,700	318,767
Public Safety Equipment and Facilities	4,900,000	4,900,000	1,309,510	716,031	2,025,541
Road Improvements	14,000,000	14,000,000	1,430,711	2,620,105	4,050,816
Public Works Facilities and Equipment	1,950,000	1,950,000	524,206	557,252	1,081,458
Airport Improvements	200,000	200,000	350,217	35,348	385,565
City of Dublin	14,675,000	14,675,000	4,511,266	2,176,005	6,687,271
City of East Dublin	2,250,000	2,250,000	691,782	333,680	1,025,462
City of Rentz	125,000	125,000	50,000	-	50,000
City of Montrose	125,000	125,000	50,000	-	50,000
City of Dexter	125,000	125,000	50,000	-	50,000
City of Dudley	125,000	125,000	50,000	-	50,000
City of Cadwell	125,000	125,000	50,000	-	50,000
Total Public Projects	\$ 53,000,000	\$ 53,000,000	\$ 20,041,081	\$ 6,664,012	\$ 26,705,093

FAMILY CONNECTION
 SCHEDULE OF REVENUES AND EXPENDITURES – BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2015

	Budget	Actual	Variance - Favorable (Unfavorable)
Revenues:			
Grant revenue	\$ 45,000	\$ 45,000	\$ -
Operating revenue	1,000	4,477	3,477
Interest income	-	12	12
Total revenues	<u>46,000</u>	<u>49,489</u>	<u>3,489</u>
Expenditures:			
Salaries	43,880	57,863	(13,983)
Group insurance	6,810	6,812	(2)
Payroll taxes	3,075	4,145	(1,070)
Worker's compensation	780	1,403	(623)
Other professional services	-	742	(742)
Insurance	-	975	(975)
Travel	-	41	(41)
Education and training	600	1,000	(400)
Office expense	-	2,405	(2,405)
Telephone	-	165	(165)
Capital outlay	-	1,479	(1,479)
Total expenditures	<u>55,145</u>	<u>77,030</u>	<u>(21,885)</u>
Deficiency of Revenues Under Expenditures	<u>\$ (9,145)</u>	<u>\$ (27,541)</u>	<u>\$ (18,396)</u>

FAMILY CONNECTION
 SCHEDULE OF STATE CONTRACTUAL ASSISTANCE
 FOR THE YEAR ENDED JUNE 30, 2015

State Program Name	Contract Number	Actual Revenue Received	Current Expenditures	Amount Due To/From State
Family Connection	427-93-131300082-99	\$ 45,000	\$ 77,030	\$ -