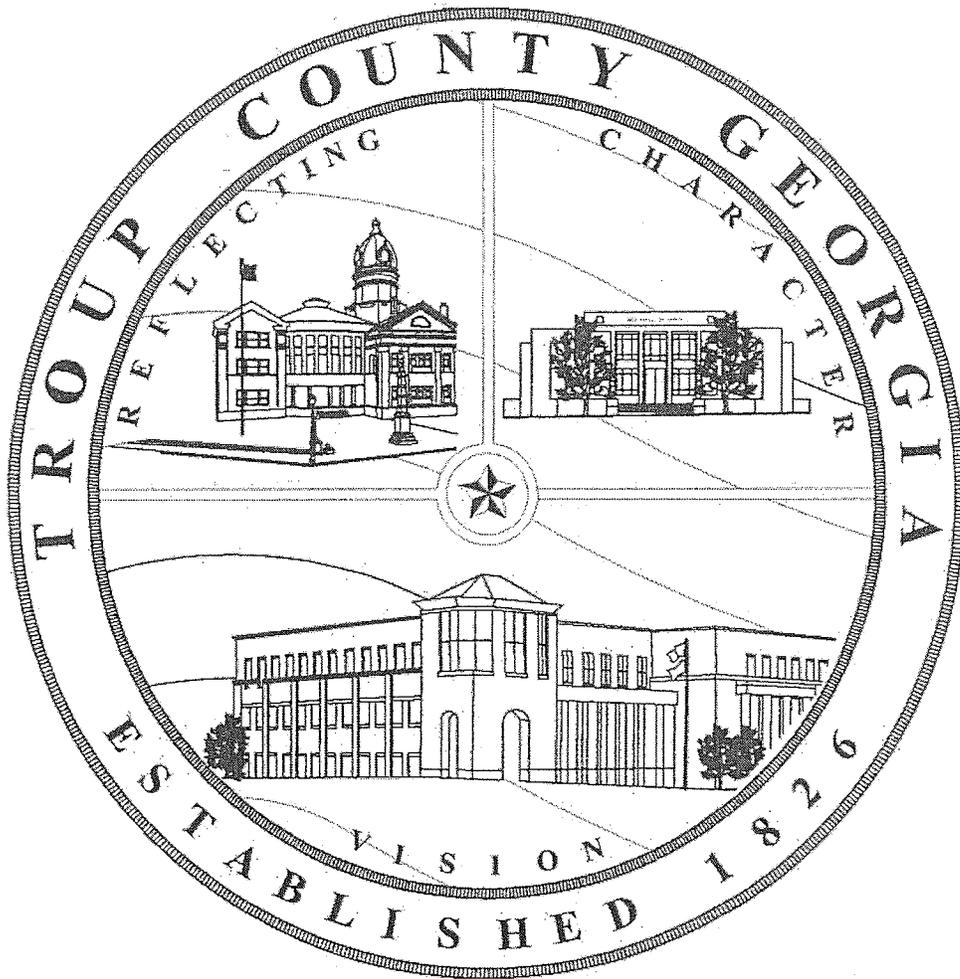


# COMPREHENSIVE ANNUAL FINANCIAL REPORT



**FISCAL YEAR ENDED  
JUNE 30, 2012**



**Troup County, Georgia  
Comprehensive Annual Financial Report  
For the Fiscal Year Ended  
June 30, 2012**

**Prepared by:  
Office of Commissioners  
Accounting Department**



Troup County, Georgia  
*Comprehensive Annual Financial Report*  
*For the Fiscal Year Ended June 30, 2012*

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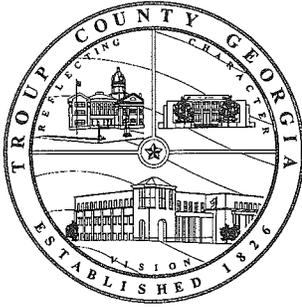
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## **INTRODUCTORY SECTION**





# TRUMP COUNTY BOARD OF COMMISSIONERS

RICHARD C. WOLFE, CHAIRMAN, DISTRICT 1  
BUCK DAVIS, DISTRICT 2  
C.F. FOSTER III, DISTRICT 3  
MORRIS JONES, DISTRICT 4  
RICHARD ENGLISH, JR., DISTRICT 5

May 6, 2013

To the Honorable Chairman, Distinguished Members of the Board of Commissioners and  
Citizens of Troup County, Georgia:

State of Georgia law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby present the comprehensive annual financial report (CAFR) of Troup County, Georgia for the fiscal year ended June 30, 2012.

This report consists of management's representations concerning the finances of Troup County, Georgia. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of Troup County, Georgia has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. We presented it in a manner for the reader to gain maximum understanding of the County's financial position and results of operations as measured by the financial activity within its various funds.

Troup County's financial statements have been audited by J. K. Boatwright & Co., P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Troup County for the fiscal year ended June 30, 2012 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that Troup County's financial statements for the fiscal year ended June 30, 2012 are duly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of Troup County was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair representation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are presented in the Compliance Section of the CAFR.

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

## **PROFILE OF THE GOVERNMENT**

Troup County, Georgia was incorporated in 1826. It is located on the western border of the State adjacent to the State of Alabama. Troup County, Georgia occupies 414 square miles and serves a population of 67,764. Its location offers easy access to three major cities--Atlanta, Georgia; Columbus, Georgia; and Montgomery, Alabama--via the transportation arteries of Interstate-85 and Interstate-185. Troup County also is serviced by various modes transportation including air (LaGrange--Callaway Airport), rail, bus, and motor freight. Troup County's annual average unemployment rate for 2011 was 11.4%--down from the 2010 rate of 12.7%. The economic growth of Troup County has been steady and with the influx of new industry into this area, the outlook for the future is one of growth and expansion.

Geographically, Troup County is located on Georgia's western border, shared with Alabama. It is bordered to the north by Heard and Coweta Counties, to the east by Meriwether County, to the south by Harris County and to the west by the Alabama Counties of Randolph and Chambers. Three growing, incorporated municipalities are located within Troup County: City of LaGrange (County seat); City of Hogansville; and City of West Point.

Troup County is empowered by state statute to levy property tax on both real and personal property located within its boundaries. It has operated under the Board of Commissioners / County Manager form of government since 1974. Policy-making and legislative authority are vested in the Board of Commissioners consisting of the Chairman and four Commissioners. The Board of Commissioners serve four-year staggered terms to avoid all members being replaced at the same time. The Chairman is elected at large; the four Commissioners are elected by district. The Board of Commissioners is responsible for passing ordinances, adopting the budget, establishing tax millage rates, appointing committees, and hiring the County Manager. The County Manager is responsible for carrying out the policies and ordinances of the Board of Commissioners, for overseeing the day-to-day operations of the government; and appointing the heads of the various county departments.

The County provides a full range of services. These services include law enforcement; fire protection; corrections; construction and maintenance of streets, highways, bridges and other associated infrastructure; E-911 emergency communications, voter registration and elections; tax assessment and collection; emergency management services; culture and recreation activities; and general administrative and support services. The County also provides planning and zoning; building permits and code enforcement; animal control; and solid waste disposal sites to the unincorporated areas of the County. In addition to the government activities included in this report, the County also includes the Troup County Department of Public Health (TCDPH) as a component unit. This entity meets the component unit criteria as set forth in GAAP. The Troup County Airport Authority, Troup County Board of Education, Troup County Department of Family and Children Services, Troup County Development Authority, Troup County Family Connection Authority, and Troup County Public Facilities Authority do not meet established criteria for inclusion in the reporting entity and accordingly, are excluded from this report.

## **MAJOR INITIATIVES**

Following an extremely successful launch of its first North American assembly plant, KMMG (Kia) has managed to continuously improve sales becoming the world's fifth largest automaker. It's most popular model, the Optima continues to be made here in West Point, Georgia. The plant also produces the Santé Fe, a popular model for its sister company, Hyundai. The synergy of the Kia and Hyundai plants located on the I-85 corridor has helped Kia's employment impact reach over 10,000 in the area. The Hyundai plant is in Montgomery, Alabama.

Still, Troup County's unemployment rate remains stubbornly high in this post-recession era. The Center for Strategic Planning is a partnership of key stakeholders in Troup that includes other local governments, schools and colleges as well as foundations and other non-profits. The Center has a multi-pronged approach to improving the human condition in Troup, including addressing chronic unemployment of some of our citizenry. The county is fortunate to have an excellent location along two Interstates which allows employers to draw from a geographically broad workforce pool.

The city of LaGrange is still an area draw for shoppers. To bolster the retail hub status, Troup County is also partnered in retail recruitment efforts. Local government representatives have participated in International Council of Shopping Centers (ICSC) – a major retail developer association – events to improve LaGrange and Troup County’s chances at increasing commercial real estate development, particularly retail.

Troup continued to maintain and enhance its road infrastructure throughout the county with SPLOST III funds. SPLOST III was nearing its end in FY12. Having run through the Great Recession, the Special Local Option Sales Tax is projected to have collected less than originally forecast in 2006. Still, through cleverly strategic management of resources, including the use of in-house talent and inmate labor in place of market labor, the county has been able to maximize the critical funding source. As other revenues shrank during the same period, all infrastructure maintenance likely would have been deferred – possibly dangerously so. The completion of Pegasus Parkway in the southwestern boundary of LaGrange and the unincorporated county has reduced commute times for many drivers and improved trucking access to major state highways for industry. The new roadway has also opened large tracts for future industrial, commercial and residential development.

The County Board of Assessors’ comprehensive review of parcels and structures on the digest wound down during FY12. Many undocumented structures and parcels were discovered as well as an improved objected grading system for field appraisers was employed. For the most part, the review resulted in some property owners’ values being adjusted down and others up thus balancing out in the net digest for the County. A moratorium put in place by the State Legislature has artificially depressed recognition of true market values, however. The moratorium will officially end in 2012 and our digest should begin to gradually reflect fair market values. Even so, the county’s slightly improved digest reflected the overall healthy economic foundation.

During FY12, plans for SPLOST IV took shape and initial investments have already begun. The county has implemented energy efficiency improvements, begun work on a new Mountville area fire station and conducted initial inquiries to replace nearly defunct criminal justice technology. The energy enhancements will repay their investment soon and the new fire station has already saved property owners thousands on fire emergency insurance by improving ISO ratings.

The Board of Commissioners adopted Resolution 2012-13 on May 15, 2012 to endorse an East-West corridor from Macon-Bibb County in central Georgia to Troup County. Georgia Department of Transportation’s study showed that the corridor offered the highest return of investment of all other proposed projects. The route is needed to improve truck transportation to the Port of Savannah.

## **FINANCIAL POLICIES & PRACTICES**

**Budgeting Controls.** The County maintains strict budgetary controls over its funds. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Commissioners. Activities of the general fund and special revenue funds are included in the annual operations budget. Multi-year, project-oriented financial plans for major capital improvement programs are also adopted. The level of budgetary control (that is, the level at which expenditures should not exceed the appropriated amount) is established at the department level within fund. The county maintains an encumbrance accounting system for accomplishing budgetary control. Encumbered amounts lapse at year-end. However, encumbrances generally are reappropriated as part of the subsequent year’s budget.

As demonstrated by the statements and schedules included in the financial section of this report, Troup County continues to meet its responsibility for sound financial management. The General Fund unassigned fund balance has been managed very conservatively to maintain a June 30, 2012 balance of \$19,548,844 or 54.5% of the total annual operating budget. This unassigned fund balance continues to be dedicated to major capital projects as approved by the Board of Commissioners. For the future, the Board of Commissioners will consider options for replenishing fund balance expended on major capital projects.

**Long-Term Financial Planning and Debt Administration.** The County has no general obligation bonded debt. In May 2007, Troup County entered into an intergovernmental agreement with LaGrange Development Authority, Troup County Development Authority and City of LaGrange to acquire, construct and equip a new industrial park (Callaway South Industrial Park) on approximately 1,100 acres located within the City of LaGrange. Two series of revenue bonds were issued, Series 2007A in the aggregate amount of \$1,565,000 and Series 2007B in the aggregate amount of \$5,285,000. The revenue bonds are secured by an intergovernmental agreement under which City of LaGrange and Troup County agreed to a 50%/50% split on debt service payments commencing February 2008. The two governmental entities are in good standing on bond debt service payments. City of LaGrange and Troup County are to be reimbursed for debt service payments with future proceeds from the sale or lease of parcels.

In November 2007 (and augmented in July 2010), the County entered into a 5-year lease/purchase program with Yancey Brothers/Caterpillar for 14 pieces of heavy equipment used in the road/highway and sanitation departments. The equipment is valued over \$2.4M and the program comes with a guaranteed buyback at the end of 5 years. The road/highway equipment has been indispensable to the success of the County's road paving program funded by SPLOST III tax revenues.

In December 2010, The County entered into a \$1.5M note payable agreement to partially finance investment in an energy enhancement program at the County jail and correctional institute. This utilities cost savings program calls for installation of new, energy-efficient heating and air conditioning equipment, as well as new, water-conservation equipment including clothes washers, toilets, shower heads, etc. The note payable is with a local bank. Debt service spans 6-years with a simple interest rate of 1.9% per annum. When fully implemented, the program guarantees annual utilities cost savings. These savings are expected to payback the \$3M investment over a ten-year period.

#### **AWARDS & ACKNOWLEDGEMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Troup County, Georgia for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2011. This was the twenty-sixth consecutive year Troup County, Georgia has achieved this prestigious award. In order to be awarded a GFOA Certificate of Achievement, a governmental must publish an easily-readable and efficiently-organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A GFOA Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the staff of the County Accounting/Finance Department and other County departments. We would like to express our sincere appreciation to all staff members who directly contributed to the preparation of this report. As in most endeavors, it was a team effort that produced this outstanding financial document. The active involvement and professional support of J.K. Boatwright & Co., P.C., (Partners Susan Black and Roger Dawson) plus Consultant Paul Glick have been instrumental in the completion of the associated audit and statistical section of this report. Finally, credit must also be given to the Chairman and the Board of Commissioners for their solid support ensuring the highest standards of professionalism are maintained in managing the finances of Troup County, Georgia.

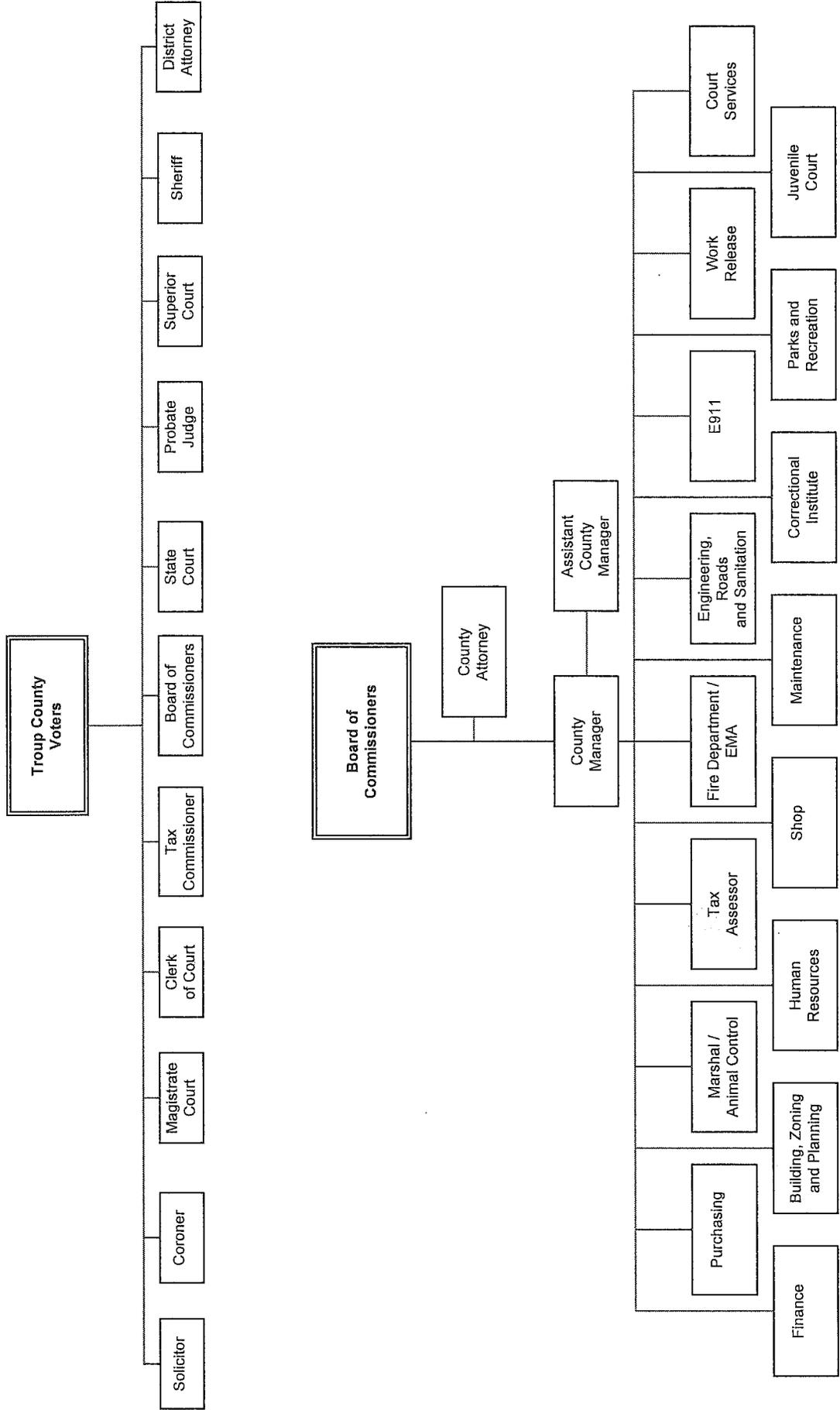
Respectively submitted,



Tod Tentler  
County Manager

G. S. Turk  
Chief Finance Officer / County Clerk

# Troup County Board of Commissioners Organizational Chart



**Troup County, Georgia**  
***List of Principal Officials***  
***June 30, 2012***

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Richard C. Wolfe, Chairman

Richard English, Jr.

Buck Davis

Morris Jones

Ken Smith, Sr.

COUNTY MANAGER

Tod Tentler

COUNTY ATTORNEY

Jerry Willis

ELECTED OFFICIALS

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

Gary S. Wood  
Jackie W. Taylor  
Donny Turner  
Donald W. Boyd  
Vickie Sue McWaters  
Jeanette L. Little  
Allen B. Keeble  
Quillian Baldwin  
William Lee  
Aubrey Duffey  
John Simpson  
Jack Kirby

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Troup County  
Georgia

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Christopher P. Morrell*

President

*Jeffrey R. Enos*

Executive Director

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## **FINANCIAL SECTION**



15 North Lafayette Square LaGrange, Georgia 30240  
P.O. Box 1107 LaGrange, Georgia 30241  
Phone: 706-884-4605 Fax: 706-845-0057

May 6, 2013

INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners  
Troup County, Georgia

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Troup County, Georgia, as of and for the year ended June 30, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Troup County, Georgia's, management. Our responsibility is to express opinions on these financial statements based on our audit.

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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Troup County, Georgia, as of June 30, 2012, and the respective changes in financial position and the respective budgetary comparison for the General Fund and the Major Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 6, 2013, on our consideration of Troup 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* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 10 through 19 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Troup County, Georgia's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and budgetary schedules, schedule of projects constructed with special sales tax proceeds, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining and individual nonmajor fund financial statements and budgetary schedules, the schedule of projects constructed with special sales tax proceeds 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Yours truly,



J. K. BOATWRIGHT & CO., P. C.

Certified Public Accountants

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**



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## MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the comprehensive annual financial report of Troup County, Georgia (the County), the County's management is pleased to provide a narrative discussion and analysis of the financial activities of the County for the fiscal year ended June 30, 2012. The County's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

### FINANCIAL HIGHLIGHTS – FISCAL YEAR 2012

- The County's assets exceeded its liabilities by \$139,639,870 (total net assets) for the fiscal year reported.
- Total net assets are comprised of the following:
  - (1) Capital assets, net of related debt, of \$119,476,570 include property and equipment, net of accumulated depreciation, reduced for outstanding debt related to the purchase or construction of capital assets.
  - (2) Net assets of \$18,840,974 are restricted by constraints imposed from outside the County such as debt covenants, grantors, laws, or regulations.
  - (3) Unrestricted net assets of \$1,322,326 represent the portion available to maintain the County's continuing obligations to citizens and creditors.
- The County's governmental funds reported a total ending fund balance of \$29,259,839 this year. In comparison to the prior year ending fund balance of \$33,906,579 there was a decrease of \$4,646,740 or 13.7%.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$19,263,607 or 54.4% of total General Fund expenditures.
- Overall, the County continues to maintain a strong financial position in a weak national economy.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This Management Discussion and Analysis document serves as an introduction to the County's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The County also includes in this report additional information to supplement the basic financial statements. Year-to-year comparative data is presented where appropriate. Financial tables compare fiscal year 2012 data to fiscal year 2011 data.

#### *Government-wide Financial Statements*

The County's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the County's overall financial status. Financial reporting at this level is similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Assets*. This is the government-wide statement of position presenting information that includes all of the County's assets and liabilities, with the difference reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County as a whole is improving or deteriorating. Evaluation of the overall health of the County would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of County infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports changes in the County's net assets during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or disbursed.

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The statement of activities is designed to show the County's financial reliance on property tax revenues to fund the various services and functions the County provides to its citizens.

Both government-wide financial statements distinguish governmental activities of the County that are principally supported by property taxes, sales taxes and intergovernmental revenue. Governmental activities include general government, judicial, public safety, public works, health and welfare, and culture and recreation.

The government-wide financial statements are presented on pages 20 & 21 of this report.

### ***Fund Financial Statements***

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The County uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the County's most significant funds rather than the County as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining statements in a later section of this report.

The County has two categories of funds as described below:

*Governmental funds* are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the County's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

This section also includes the budget statements for the General Fund and the major special revenue fund.

The basic governmental fund financial statements are presented on pages 22 - 29 of this report.

*Fiduciary funds* are reported in the fund financial statements and generally report assets maintained by the County's constitutional officers (e.g., the tax commissioner, the sheriff).

The basic agency financial statement is presented on page 30 of this report.

### **Notes to the Basic Financial Statements**

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 31 of this report.

### **Supplementary Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning the County's budget presentations. Budgetary comparison schedules for the nonmajor special revenues funds and the other governmental funds can be found in the supplementary section of this report. These schedules demonstrate compliance with the County's adopted and final revised budget. In addition, the combining and comparative statements are presented in this section.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

The County's net assets at fiscal year-end are \$139,639,870 as compared to \$137,011,976 for prior year, an increase of \$2,627,894 or 1.9%. The following table provides a summary of the County's net assets:

Summary of Net Assets

	June 30, 2012		June 30, 2011	
	Governmental Activities	Percentage of Total	Governmental Activities	Percentage of Total
Assets:				
Current assets	\$ 31,096,747	21%	\$ 36,167,277	24%
Capital assets	120,569,594	79%	112,661,931	76%
Total assets	151,666,341	100%	148,829,208	100%
Liabilities:				
Current liabilities	4,146,750	34%	3,836,714	32%
Long-term liabilities	7,879,721	66%	7,980,518	68%
Total liabilities	12,026,471	100%	11,817,232	100%
Net assets:				
Invested in capital assets, net of related debt	119,476,570	86%	111,309,882	81%
Restricted	18,840,974	13%	21,243,190	16%
Unrestricted	1,322,326	1%	4,458,904	3%
Total net assets	\$ 139,639,870	100%	\$ 137,011,976	100%

The County continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities at June 30, 2012 is 7.5 to 1 as compared to 9.4 to 1 at June 30, 2011.

The County reported a positive balance in net assets. Net assets increased \$2,627,894 during fiscal year 2012.

Note that approximately 79% of the governmental activities' net assets are tied up in capital assets. The County uses these capital assets to provide a wide range of services to its citizens.

(this page continued on the subsequent page)

The following table provides a summary of the County's changes in net assets for the last two fiscal years:

Summary of Changes in Net Assets

	For the Year Ended June 30, 2012		For the Year Ended June 30, 2011	
	Governmental Activities	Percentage of Total	Governmental Activities	Percentage of Total
Revenues:				
Program:				
Charges for services	\$ 6,370,011	12%	\$ 6,411,996	12%
Operating grants	4,625,805	9%	5,077,982	9%
Capital grants	2,230,429	4%	837,919	2%
General:				
Taxes	39,319,044	73%	38,202,306	70%
Investment earnings	29,466	0%	58,083	0%
Other	1,115,878	2%	3,849,382	7%
Total revenues	<u>53,690,633</u>	<u>100%</u>	<u>54,437,668</u>	<u>100%</u>
Program Expenses:				
General government	4,769,617	9%	4,899,031	10%
Judicial	5,398,197	11%	4,923,787	10%
Public safety	23,424,306	46%	22,964,252	48%
Highways and streets	9,990,704	20%	7,606,312	16%
Health and welfare	1,111,276	2%	1,102,444	2%
Culture and recreation	5,901,183	12%	5,816,189	12%
Conservation	193,644	0%	215,431	0%
Interest	273,812	1%	268,032	1%
Total expenses	<u>51,062,739</u>	<u>100%</u>	<u>47,795,478</u>	<u>100%</u>
Change in net assets	2,627,894		6,642,190	
Beginning net assets	<u>137,011,976</u>		<u>130,369,786</u>	
Ending net assets	<u>\$ 139,639,870</u>		<u>\$ 137,011,976</u>	

**GOVERNMENTAL REVENUES**

The County relies heavily on property taxes to support governmental operations. Property taxes provided 42.1% of the County's total revenues as compared to 40.7% in fiscal year 2011. Sales taxes equal 29.7% of total revenues for governmental activities as compared to 26.2% in fiscal year 2011. The \$2.6 million in public safety program revenues relates to emergency Management infrastructure, sirens and 800 MHz radios. The culture and recreation capital grants relate to improvements for equestrian facilities, boat ramps at Pine Road Park, and improvements to Callaway Stadium.

Also, note that program revenues cover 25.9% of governmental operating expenses, the same as in fiscal year 2011. This means that the government's taxpayers and the County's other non-program revenues fund approximately two-thirds of governmental activities. As a result, the general economy, local businesses and property owners have a major impact on the County's revenue streams.

**GOVERNMENTAL FUNCTIONAL EXPENSES**

As with most general-purpose governments, the public safety function is the largest cost center, comprising 46% of the County's total expenses. All other functional areas combined including general government, judicial, highways and streets, culture and recreation, etc., comprised 54% of total expenses.

Included in these functional expenses is depreciation expense, which makes up \$3,551,625 or 7% of cost of services.

This table below presents the cost of each of the County's programs, including the net costs (i.e., total cost minus program revenues generated by the activities). The net costs illustrate the financial burden placed on the County's taxpayers by each of these functions.

	Governmental Activities							
	2012				2011			
	Total Cost of Services	Percentage of Total	Net Cost of Services	Percentage of Total	Total Cost of Services	Percentage of Total	Net Cost of Services	Percentage of Total
General government	\$ 4,769,617	9%	\$ 4,286,584	11%	\$ 4,899,031	10%	\$ 4,516,549	13%
Judicial	5,398,197	11%	4,250,979	11%	4,923,787	10%	3,953,686	11%
Public safety	23,424,306	46%	16,667,018	44%	22,964,252	48%	16,002,557	45%
Highways and streets	9,990,704	20%	8,710,900	23%	7,606,312	16%	6,449,405	18%
Health and welfare	1,111,276	2%	1,044,314	3%	1,102,444	2%	1,026,600	3%
Culture and recreation	5,901,183	11%	2,409,243	6%	5,816,189	12%	3,035,321	9%
Conservation	193,644	0%	193,644	1%	215,431	0%	215,431	1%
Interest	273,812	1%	273,812	1%	268,032	1%	268,032	1%
<b>Total</b>	<b>\$ 51,062,739</b>	<b>100%</b>	<b>\$ 37,836,494</b>	<b>100%</b>	<b>\$ 47,795,478</b>	<b>100%</b>	<b>\$ 35,467,581</b>	<b>100%</b>

The net cost is the gross cost of operations less charges for services, fines, operating grants and capital grants. Note that over 51.1% of program revenues relate to the public safety function. Approximately one-third of the public safety gross costs are recovered by program revenues.

**FINANCIAL ANALYSIS OF COUNTY'S FUNDS**

**Governmental Funds**

As discussed above, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$29,259,839. Of this year-end total, \$9,022,326 is unassigned indicating its availability for continuing County service requirements. Legally restricted fund balances include: \$11,942,190 committed to SPLOST III capital projects; \$6,530,156 in the Parks and Recreation Endowment Fund committed to operations and maintenance expenses; and other amounts totaling \$696,213 for culture and recreation, and health and welfare.

The total ending fund balance of governmental funds reflects a decrease of \$4,745,984 compared to prior year in which \$282,237 is assigned for Culture and Recreation Uses.

**Major Governmental Funds**

The County reports four major governmental funds.

**General Fund** - The General Fund is the County's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased by \$313,832 after the prior period adjustment. Total unassigned fund

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balance is now \$19,263,607, which is approximately 49.5% of total annual budget and is considered very adequate. Total General Fund revenues increased \$292,589 over fiscal year 2011, or just 7/10<sup>th</sup> of 1%. Real property taxes decreased \$765,182 or 3.7% and motor vehicle taxes increased \$99,213 or 6.7%. Although there was a minor increase in the tax digest, the decrease relates to taxes due falling into delinquency. Local option sales taxes increased \$506,696 or 11.5% primarily because of an improving economy. The County has made a concerted effort to ensure businesses were properly registered with the state to report sales and use taxes. In addition, a large part of the County's sales taxes relates to fuel sales along the Interstates and the increased gas prices translates to increased sales taxes.

State intergovernmental revenue increased \$113,892 or 3.3%. This increase relates to two revenue streams, a criminal justice coordinating council grant (an increase of \$217,047) and inmate subsidies from the Department of Corrections (an increase of \$79,962). The criminal justice coordinating council grant is the State of Georgia's new 'accountability courts'. The fiscal year 2012 grants were for drug court, felony drug court and DUI. These are incarceration diversion and recidivism reduction programs. The increase in State inmate subsidies relates to more state prisoners housed in the County, as the State recently closed three prisons.

Revenue from inmate housing for the City of LaGrange increased \$156,146 or 48.4% from fiscal year 2011. This increase relates to improved accounting and timely billing.

Business license revenue doubled over fiscal year 2011 because of improved accounting and billing. Landfill charges for services increased \$179,843 or 90.4% over fiscal year 2011. The County's landfill is a C & D landfill. The City of LaGrange had been diverting C&D to their municipal landfill, but is now using the County landfill for this waste. Also, there has been a growth in construction which results in additional landfill waste.

Fines and forfeitures were down \$207,087 or 13% less than fiscal year 2011. Much of this decrease relates to judges ordering community service in lieu of a cash fine.

Total General Fund expenditures increased \$1,741,678 or 4.7% over the prior year. Administrative expenditures increased \$167,126 over the prior year. The cost of corrections increased \$349,931 or 6.1%. Much of this increase relates to overtime resulting from additional TCCI projects.

***Parks and Recreation Endowment Fund*** – This fund was established with a \$7 million grant from Callaway Foundation, Inc. The grant is designed to cover the operating and maintenance costs for SPLOST-funded parks and recreation facilities. The fund is structured to provide annual proceeds to the County equal to 5% of the fund's December 31<sup>st</sup> fair market value averaged over the last five-years.

During fiscal year 2012, the fair market value of fund investments continued to rebound and reported a gain of \$83,474. The fund also expended \$341,314 based on the formula above and \$34,942 in investment fees. The fund balance is \$6,530,156 at June 30, 2012.

***Capital Improvement Fund*** – In fiscal year 2012, this fund reported \$130,356 in intergovernmental revenues and expended approximately \$2.6 million primarily on various parks and recreation projects and \$305,318 on debt service. This fund reported a fund balance deficit of approximately \$9.9 million. Historically, this fund reports a fund balance deficit as it is funded primarily by General Fund transfers from unassigned fund balance.

***SPLOST III Fund*** – This fund is the follow-on SPLOST approved by voter referendum. SPLOST III is a 1% sales tax to be collected over a 6-year period commencing January 1, 2007 and expiring December 31, 2012. SPLOST III revenues are shared by the County with the cities within the County through an intergovernmental agreement. These revenues are earmarked to fund a new County Health Department facility, road/street/bridge improvements, water/sewer system improvements and public safety equipment (i.e., fire engines, tanker trucks, 800-Megahertz emergency radio communications system, etc.)

In fiscal year 2012, over \$11 million of SPLOST taxes were recognized as revenue and approximately \$11.8 million was expended on capital projects and payments to the cities within the County. At June 30, 2012, the ending fund balance was \$11.9 million.

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**BUDGETARY HIGHLIGHTS – GENERAL FUND**

*Revenues*

The final revenue budget was increased \$381,882 or 1% over the original budget. In total, revenues realized of \$37,920,217 were \$501,124 or 1.3% below the final amended budget of \$38,421,341.

Real property taxes were \$504,413 below budget as a result of increased tax delinquency. However improved collections are being made in fiscal year 2013.

Revenues from the City of LaGrange inmate fees were \$165,080 over budget. Landfill charges were \$218,758 above the budget. Park and recreation charges were \$113,271 below the budget. In fiscal year 2012, there were reduced registrations, resulting in lower concession sales. State courts fines and forfeitures were \$129,353 below budget.

Miscellaneous revenues were \$664,310 below budget because the budget was overestimated.

*Expenditures*

The expenditure budget was amended upward by \$1,136,683 or 3% above the original budget.

In total, expenditures were exactly the same as the amended budget as there was a post year-end budget adjustment.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

*Capital Assets*

The County's investment in capital assets (net of accumulated depreciation) was \$120.6 million for governmental activities as of June 30, 2012. The total increase in net capital assets was \$7.9 million or 7%.

See Note 3-D for additional information about changes in capital assets during the fiscal year.

*(this page continued on the subsequent page)*

The following table provides a summary of capital asset activity:

	Capital Assets			
	Governmental Activities		Percentage of Total	
	June 30, 2012	Restated June 30, 2011	June 30, 2012	June 30, 2011
Non-depreciable assets:				
Land	\$ 20,595,281	\$ 18,150,865	99%	99%
Construction in progress	112,660	267,389	1%	1%
Total non-depreciable assets	<u>20,707,941</u>	<u>18,418,254</u>	<u>100%</u>	<u>100%</u>
Depreciable assets:				
Buildings	73,047,442	70,776,006	53%	54%
Machinery and equipment	25,090,038	24,333,985	18%	19%
Infrastructure	<u>40,727,323</u>	<u>35,795,723</u>	<u>29%</u>	<u>27%</u>
Total depreciable assets	138,864,803	130,905,714	<u>100%</u>	<u>100%</u>
Less accumulated depreciation	<u>39,003,150</u>	<u>35,837,037</u>		
Book value - depreciable assets	<u>\$ 99,861,653</u>	<u>\$ 95,068,677</u>		
Percentage depreciated	<u>28%</u>	<u>27%</u>		
Total capital assets, net	<u>\$ 120,569,594</u>	<u>\$ 113,486,931</u>		

At June 30, 2012, the depreciable capital assets for governmental activities were 28% depreciated. This compares similarly with the 27% at June 30, 2011. The comparison indicates that the County is replacing its assets at the same rate they are depreciating--a positive financial indicator.

The increase in the land classification relates to the purchase of right-of-ways and for the C and D landfill. The increase in the building classification relates to Long Cane Fire Station (new), Church Street Annex energy savings improvements, Dallas Street Annex renovations, and Jail and TCCI energy savings improvements. Most of the additions to the machinery and equipment classification relates to road department equipment.

**Long-term Debt**

Troup County has no general obligation bonded debt.

On May 22, 2007, Troup County entered into an intergovernmental agreement with LaGrange Development Authority, Troup County Development Authority and City of LaGrange to acquire, construct and equip a new industrial park (Callaway South Industrial Park) on approximately 1,100 acres located within City of LaGrange. Two series of revenue bonds were issued, Series 2007A in the aggregate amount of \$1,565,000 and Series 2007B in the aggregate amount of \$5,285,000. The revenue bonds are secured by intergovernmental agreement whereby City of LaGrange and Troup County agreed to a 50%/50% split on debt service payments commencing February 2008. The two governmental entities are in good standing on those payments. City of LaGrange and Troup County are to be reimbursed for their debt service payments by future proceeds from the sale or lease of parcels. At June 30, 2012, the County's balance remaining on the Series 2007A bonds was \$782,500 and \$2,240,000 on the Series 2007B bonds.

In November 2007 (and augmented in July 2011), the County entered into a 5-year lease/purchase program with Yancey Brothers/Caterpillar to acquire 14 pieces of heavy equipment for the road/highway department and the sanitation department. Total equipment cost was \$2.4M and the program comes with a guaranteed buyback at the end of 5 years. The road/highway equipment has been indispensable to the success of the County's road paving program funded by SPLOST III tax revenues.

At June 30, 2012, the remaining balance on the lease/purchase program was \$1,093,024.

In December 2010, The County entered into a \$1.5M note payable agreement to partially fund a \$3M capital investment program for the County jail and correctional institute. This utilities, cost-savings program calls for installation of new, energy-efficient heating and air conditioning equipment, as well as new, water-efficient equipment including clothes washers, toilets, shower heads, etc. The note payable is with a local bank. Debt service spans 6-years at a simple interest rate of 1.9% per annum. When fully implemented, the program guarantees annual utilities cost savings. These savings are expected to pay back the \$3M investment over a ten-year period. At June 30, 2012, the remaining balance on the note payable was \$1,141,110.

The changes in long-term debt are as follows:

	2012	2011	Percentage Change
Intergovernmental agreement (2007A)	\$ 782,500	\$ 782,500	0.0%
Intergovernmental agreement (2007B)	2,240,000	2,350,000	-4.7%
Compensated absences	1,003,684	1,021,352	-1.7%
Claims	256,048	586,275	-56.3%
Capital lease (2011)	43,526	52,721	-21.1%
Capital lease (2008)	1,049,498	1,299,327	-19.2%
Note Payable	1,141,110	1,381,512	-21.1%
Note Payable	664,972	825,000	-24.1%
Note Payable	191,400	-	100.0%
Landfill closure costs	290,512	248,889	16.7%
Total	<u>\$ 7,663,250</u>	<u>\$ 8,547,576</u>	-10.3%

See note 3-F for additional information about the County's long-term debt.

**ECONOMIC CONDITIONS AFFECTING THE COUNTY**

The County's primary revenue streams are property taxes and sales taxes. These provide a desirable revenue mix since property taxes are inelastic and sales taxes are elastic. Both revenue sources, however, are highly sensitive to fluctuations in the economy, and so have been adversely affected by the recent economic downturn. During FY12, national and state economic conditions began to improve. Improvements to the county's economy were also seen in early 2012, though lagged national and state just as signs of the downturn lagged locally.

Values of all property classes have been artificially depressed due to a State imposed moratorium on increases in values for existing properties (decreases were allowed). This was especially true in Troup County's residential properties which were more vulnerable to the foreclosure crisis. The County's major commercial properties weathered the foreclosure storm well compared to similar markets. Yet, during this period, the County's Board of Assessors entered into a State mandated county-wide property review. The review did reveal properties that were previously not on the digest, misclassified or had other adjustments. The Review did help to moderate the effects of the real estate downturn, foreclosure crisis and State's moratorium.

Sales tax revenues respond much more quickly to market forces. The 12% increase from FY11 demonstrated the upturn in the local economy more readily than property and other taxes. Another factor in the increase in sales tax revenues, however, has

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less to do with improved economy and more with increased fuel prices. With our location on Interstates 85 & 185, Troup receives a substantial portion of sales taxes from fuel sales.

Troup County had two new auto dealerships to open during FY12 – a Kia and a Hyundai dealership. This did contribute to the improved sales tax, but also possibly to the improved motor vehicle tax. Like most of the nation, Troup seemed to experience the result of pent-up demand as the economy improved. Motor Vehicle ad valorem taxes increased over 8%.

For the future, however, the new Kia Motor Company automobile assembly plant and the Kia suppliers that have located in Troup County continue to serve as a cornerstone for local economic growth and expansion. Kia and its local suppliers are filling the void created when many textile manufacturing plants located in the County either shutdown completely or moved their operations out of state and offshore. While Kia and suppliers certainly account for a large part of the employment picture, Troup County continues to enjoy a very diverse industrial and commercial base. Companies such as Knology, Intercall and Duracell provide a well-rounded base. Even as many textile jobs have left, Milliken and InterfaceFlor are still major employers in Troup County.

Historically, the County's unemployment rate has unfortunately been above state and nationwide rates. In the month of June 2012, the County's unemployment rate was 11.9%. During the same timeframe, the state unemployment rate was 9.0% while the national rate was 8.2%. The Georgia had traditionally enjoyed lower rates than the national numbers, but reductions in education funding and other government employee have dampened employment, as well as Metro Atlanta's struggle to bring new construction back. There is a multi-jurisdictional workforce development initiative underway involving various local agencies to attack this problem. An area of focus is better job training programs to prepare citizens to be more employable in today's working world.

#### **REQUESTS FOR INFORMATION**

This financial report is designed to provide an overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the Finance Director, Troup County Government Center, 100 Ridley Avenue, LaGrange, Georgia 30240.

Please note that Troup County Department of Public Health (TCDPH) is a component unit of the County and is included as a separate column in the government-wide financial statements. (See Note 1-A for an explanation). TCDPH is reported separately to emphasize that as a component unit, it is legally separate from the County. Detailed financial statements for TCDPH may be obtained directly from the Troup County Department of Public Health, 900 Dallis Street, LaGrange, Georgia 30240.

## **BASIC FINANCIAL STATEMENTS**



**Troup County, Georgia**  
**Statement of Net Assets**  
**June 30, 2012**

	<u>Primary Governmental Activities</u>	<u>Component Unit</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 21,182,398	\$ 1,772,766
Investments	6,530,156	-
Receivables:		
Accounts	425,367	32,449
Sales taxes	1,367,660	-
Other taxes	95,563	-
Intergovernmental	708,886	1,044,186
Inventory	200,336	-
Prepaid items	586,381	-
<b>Total Current Assets</b>	<u>31,096,747</u>	<u>2,849,401</u>
<b>Capital Assets:</b>		
Nondepreciable capital assets	20,707,941	-
Depreciable capital assets, net	99,861,653	210,630
<b>Total Capital Assets</b>	<u>120,569,594</u>	<u>210,630</u>
<b>Total Assets</b>	<u>151,666,341</u>	<u>3,060,031</u>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable	1,187,496	208,800
Accrued expenses	207,755	-
Accrued interest	72,253	-
Intergovernmental	359,490	598,362
Compensated absences payable	350,100	271,100
Claims payable	256,048	-
Capital lease obligations	1,092,844	-
Notes payable	503,264	-
Intergovernmental agreement payable	117,500	-
<b>Total Current Liabilities</b>	<u>4,146,750</u>	<u>1,078,262</u>
<b>Long-Term Liabilities:</b>		
Compensated absences payable (net of current portion)	653,584	489,070
Capital lease obligations (net of current portion)	180	-
Notes payable	1,494,218	-
Intergovernmental agreement payable (net of current portion)	2,905,000	-
Landfill closure and postclosure care costs payable	290,512	-
Net pension obligation	2,675	-
Net OPEB obligation	2,533,552	-
<b>Total Long-Term Liabilities</b>	<u>7,879,721</u>	<u>489,070</u>
<b>Total Liabilities</b>	<u>12,026,471</u>	<u>1,567,332</u>
<b>Net Assets</b>		
Invested in capital assets, net of related debt	119,476,570	210,630
Restricted for:		
Capital projects	11,614,605	-
Program purposes	645,706	-
Endowment - expendable	6,530,156	-
Culture and recreation	50,507	-
Prior year program income	-	1,012,009
Unrestricted	1,322,326	270,060
<b>Total Net Assets</b>	<u>\$ 139,639,870</u>	<u>\$ 1,492,699</u>

See accompanying notes to the basic financial statements

Troup County, Georgia  
Statement of Activities  
For the Year Ended June 30, 2012

Function	Primary Government				Net (Expense) Revenues and Changes in Net Assets	
	Expenses	Charges for Services and Sales	Program Revenues Operating Grants, Contributions and Interest	Capital Grants, Contributions and Interest		Governmental Activities
<b>Primary Government:</b>						
General government	\$ 4,769,617	\$ 293,348	\$ 189,685	\$ -	\$ (4,286,584)	\$ -
Judicial	5,398,197	810,639	336,579	-	(4,250,979)	-
Public safety	23,424,306	4,160,258	2,593,892	3,138	(16,667,018)	-
Highways and streets	9,990,704	421,173	698,958	159,673	(8,710,900)	-
Health and welfare	1,111,276	64,244	2,718	-	(1,044,314)	-
Culture and recreation	5,901,183	620,349	803,973	2,067,618	(2,409,243)	-
Conservation	193,644	-	-	-	(193,644)	-
Interest	273,812	-	-	-	(273,812)	-
<b>Total Governmental Activities</b>	<b>\$ 51,062,739</b>	<b>\$ 6,370,011</b>	<b>\$ 4,625,805</b>	<b>\$ 2,230,429</b>	<b>\$ (37,836,494)</b>	<b>\$ -</b>
<b>Component Unit:</b>						
Troup County Board of Health	\$ 13,862,871	\$ 2,570,026	\$ 11,144,483	\$ -	\$ -	\$ (148,362)
<b>General Revenues:</b>						
Property taxes levies for general purposes					\$ 21,502,876	\$ -
Sales taxes					15,963,056	-
Selective taxes					1,853,112	-
Unrestricted investment earnings					29,466	4,217
Gain on sale of capital assets					9,840	-
Miscellaneous					1,106,038	-
<b>Total General Revenues</b>					<b>40,464,388</b>	<b>4,217</b>
<b>Change in Net Assets</b>					<b>2,627,894</b>	<b>(144,145)</b>
<b>Net Assets Beginning of Year</b>					<b>137,011,976</b>	<b>1,636,844</b>
<b>Net Assets End of Year</b>					<b>\$ 139,639,870</b>	<b>\$ 1,492,699</b>

See accompanying notes to the basic financial statements

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**Troup County, Georgia**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2012**

	<u>General</u>	<u>Parks and Recreation Endowment</u>	<u>Capital Improvements</u>	<u>SPLOST III</u>
<b>Assets</b>				
Cash and cash equivalents	\$ 8,667,645	\$ -	\$ -	\$ 11,860,544
Investments	-	6,530,156	-	-
Receivables:				
Accounts	425,367	-	-	-
Sales taxes	424,489	-	-	943,171
Other taxes	95,563	-	-	-
Intergovernmental	531,512	-	-	171,954
Interfund	10,196,842	-	-	-
Inventory	200,336	-	-	-
Prepaid items	586,381	-	-	-
<b>Total Assets</b>	<u>\$ 21,128,135</u>	<u>\$ 6,530,156</u>	<u>\$ -</u>	<u>\$ 12,975,669</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts payable	\$ 455,145	\$ -	\$ 43,154	\$ 671,199
Accrued expenditures	207,755	-	-	-
Intergovernmental payable	-	-	-	359,490
Interfund payable	-	-	9,870,542	2,790
Deferred revenue	82,167	-	-	-
<b>Total Liabilities</b>	<u>745,067</u>	<u>-</u>	<u>9,913,696</u>	<u>1,033,479</u>
<b>Fund Balances</b>				
Nonspendable:				
Inventory	200,336	-	-	-
Prepaid items	586,381	-	-	-
Restricted for:				
Culture and recreation	50,507	-	-	-
Endowment	-	6,530,156	-	-
Capital outlay	-	-	-	11,942,190
Program purposes	-	-	-	-
Assigned to:				
Culture and recreation	282,237	-	-	-
Unassigned (deficits)	19,263,607	-	(9,913,696)	-
<b>Total Fund Balances (Deficits)</b>	<u>20,383,068</u>	<u>6,530,156</u>	<u>(9,913,696)</u>	<u>11,942,190</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 21,128,135</u>	<u>\$ 6,530,156</u>	<u>\$ -</u>	<u>\$ 12,975,669</u>

See accompanying notes to the basic financial statements

Other Governmental Funds	Total Governmental Funds
\$ 654,209	\$ 21,182,398
-	6,530,156
-	425,367
-	1,367,660
-	95,563
5,420	708,886
-	10,196,842
-	200,336
-	586,381
<u>\$ 659,629</u>	<u>\$ 41,293,589</u>

\$ 17,998	\$ 1,187,496
-	207,755
-	359,490
323,510	10,196,842
-	82,167
<u>341,508</u>	<u>12,033,750</u>

-	200,336
-	586,381
-	50,507
-	6,530,156
-	11,942,190
645,706	645,706
-	282,237
<u>(327,585)</u>	<u>9,022,326</u>
<u>318,121</u>	<u>29,259,839</u>
<u>\$ 659,629</u>	<u>\$ 41,293,589</u>

Troup County, Georgia  
*Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net Assets  
June 30, 2012*

<b>Total Governmental Fund Balances</b>	\$	29,259,839
 <b>Amounts Reported for Governmental Activities in the Statement of Net Assets Are Different Because:</b>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		
Cost	\$ 159,572,744	
Less accumulated depreciation	<u>(39,003,150)</u>	120,569,594
 Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds:		
Property taxes		82,167
 Interfund receivables and payables between governmental funds are reported on the fund balance sheet but eliminated on the government-wide statement of net assets:		
Interfund receivables	(10,196,842)	
Interfund payables	<u>10,196,842</u>	-
 Liabilities not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences payable	(1,003,684)	
Claims payable	(256,048)	
Accrued interest	(72,253)	
Capital leases payable	(1,093,024)	
Intergovernmental agreement payable	(3,022,500)	
Notes payable	(1,997,482)	
Landfill closure and postclosure care costs payable	(290,512)	
Net pension obligation	(2,675)	
Net OPEB obligation	<u>(2,533,552)</u>	<u>(10,271,730)</u>
 <b>Net Assets of Governmental Activities</b>	 \$	 <u>139,639,870</u>

See accompanying notes to the basic financial statements

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Troup County, Georgia  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
 Governmental Funds  
 For The Year Ended June 30, 2012

	General	Parks and Recreation Endowment	Capital Improvements	SPLOST III
<b>Revenues</b>				
Property taxes	\$ 21,485,229	\$ -	\$ -	\$ -
Sales taxes	4,903,202	-	-	11,059,854
Other taxes	1,763,216	-	-	-
Intergovernmental	4,672,629	-	130,356	686,874
Licenses and permits	231,282	-	-	-
Charges for services	2,344,361	-	-	-
Fines and forfeitures	1,385,738	-	-	-
Investment earnings	29,466	83,474	-	29,317
Miscellaneous	1,105,094	-	-	-
<b>Total Revenues</b>	<u>37,920,217</u>	<u>83,474</u>	<u>130,356</u>	<u>11,776,045</u>
<b>Expenditures</b>				
<b>Current:</b>				
General government	4,124,704	-	-	239
Judicial	5,356,897	-	-	-
Public safety	20,163,012	-	-	-
Highways and streets	2,713,945	-	-	7,325
Health and welfare	631,047	-	-	-
Culture and recreation	5,094,032	376,256	-	-
Conservation	193,032	-	-	-
Intergovernmental	-	-	-	4,215,462
<b>Capital Outlay</b>	64,192	-	2,574,794	7,548,453
<b>Debt Service:</b>				
Principal retirement	369,024	-	279,645	-
Interest and fiscal charges	239,057	-	25,673	-
<b>Total Expenditures</b>	<u>38,948,942</u>	<u>376,256</u>	<u>2,880,112</u>	<u>11,771,479</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(1,028,725)</u>	<u>(292,782)</u>	<u>(2,749,756)</u>	<u>4,566</u>
<b>Other Financing Sources (Uses):</b>				
Sale of capital assets	18,584	-	-	-
Notes payable	-	-	191,400	-
Transfers in	30,710	-	-	-
Transfers out	(623,396)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>(574,102)</u>	<u>-</u>	<u>191,400</u>	<u>-</u>
Net change in fund balances	<u>(1,602,827)</u>	<u>(292,782)</u>	<u>(2,558,356)</u>	<u>4,566</u>
<b>Fund Balances (Deficits)</b>				
Beginning of Year	20,069,236	6,822,938	(7,355,340)	13,755,039
<b>Prior Period Adjustment</b>	<u>1,817,415</u>	<u>-</u>	<u>-</u>	<u>(1,817,415)</u>
<b>Fund Balances Beginning of Year (Restated)</b>	<u>21,886,651</u>	<u>6,822,938</u>	<u>(7,355,340)</u>	<u>11,937,624</u>
<b>Increase in Reserves for Inventory and Prepaid Items</b>	<u>99,244</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances (Deficits) End of Year</b>	<u>\$ 20,383,068</u>	<u>\$ 6,530,156</u>	<u>\$ (9,913,696)</u>	<u>\$ 11,942,190</u>

Other Governmental Funds	Total Governmental Funds
\$ -	\$ 21,485,229
-	15,963,056
89,896	1,853,112
-	5,489,859
-	231,282
1,042,433	3,386,794
194,282	1,580,020
2,718	144,975
-	1,105,094
<u>1,329,329</u>	<u>51,239,421</u>
-	4,124,943
-	5,356,897
1,631,394	21,794,406
-	2,721,270
259,621	890,668
-	5,470,288
-	193,032
-	4,215,462
194,918	10,382,357
120,785	769,454
11,882	276,612
<u>2,218,600</u>	<u>56,195,389</u>
<u>(889,271)</u>	<u>(4,955,968)</u>
-	18,584
-	191,400
623,396	654,106
<u>(30,710)</u>	<u>(654,106)</u>
<u>592,686</u>	<u>209,984</u>
<u>(296,585)</u>	<u>(4,745,984)</u>
614,706	33,906,579
-	-
<u>614,706</u>	<u>33,906,579</u>
-	99,244
<u>\$ 318,121</u>	<u>\$ 29,259,839</u>

**Troup County, Georgia**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes**  
**in Fund Balances of Governmental Funds to the Statement of Activities**  
**For the Year Ended June 30, 2012**

<b>Net Changes In Fund Balances - Total Governmental Funds</b>		<b>\$ (4,745,984)</b>
<b>Amounts reported for governmental activities in the statement of activities are different because:</b>		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.		
Depreciation expense	\$ (3,551,625)	
Capital outlay	<u>8,396,457</u>	4,844,832
Governmental funds do not report donated capital assets - General. Donated capital assets increase net assets.		355,163
Governmental funds do not report donated capital assets - Authority. Donated capital assets increase net assets.		2,067,618
Governmental funds report proceeds from the disposal of capital assets. Proceeds must be adjusted to reflect gain/loss on the transactions.		(184,950)
Property tax revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Deferred @ 6/30/12	82,167	
Deferred @ 6/30/11	<u>(64,520)</u>	17,647
The issuance of long-term debt (notes payable and leases) provides current financial resources in the governmental funds, however the related debt is reported as a liability in the statement of net assets.		(191,400)
Repayment of the capital lease payable is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		259,024
Repayment of the intergovernmental agreement principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		110,000
Repayment of the notes payable principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		400,430
Interest 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.		
Deferred @ 6/30/12	(72,253)	
Deferred @ 6/30/11	<u>75,053</u>	2,800
Compensated absences 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.		
Deferred @ 6/30/12	(1,003,684)	
Deferred @ 6/30/11	<u>1,021,352</u>	17,668
Claims payable 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.		
Deferred @ 6/30/12	(256,048)	
Deferred @ 6/30/11	<u>586,275</u>	330,227
Landfill closure and postclosure care 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.		
Deferred @ 6/30/12	(290,512)	
Deferred @ 6/30/11	<u>248,889</u>	(41,623)
Net pension obligation reported in the statement of activities does not require the use of current financial resources and therefore is not reported as expenditures in governmental funds.		
Deferred @ 6/30/12	(2,675)	
Deferred @ 6/30/11	<u>2,690</u>	15
Net OPEB Obligation in the statement of activities does not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Deferred @ 6/30/12	(2,533,552)	
Deferred @ 6/30/11	<u>1,820,735</u>	(712,817)
The increase in fund balances reserves for prepaid items and inventory are added directly to the fund balances at the fund level but expenses are reduced at the government-wide level.		<u>99,244</u>
<b>Change In Net Assets of Governmental Activities</b>		<b><u>\$ 2,627,894</u></b>

See accompanying notes to the basic financial statements

Troup County, Georgia  
*General Fund*  
*Statement of Revenues, Expenditures and*  
*Changes in Fund Balances - Budget and Actual*  
*For The Year Ended June 30, 2012*

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Property taxes	\$ 21,830,421	\$ 21,830,421	\$ 21,485,229	\$ (345,192)
Sales taxes and other	6,359,000	6,359,000	6,666,418	307,418
Intergovernmental	4,287,601	4,520,047	4,672,629	152,582
Licenses and permits	168,200	168,200	231,282	63,082
Charges for services	2,269,905	2,269,905	2,344,361	74,456
Fines and forfeitures	1,444,364	1,444,364	1,385,738	(58,626)
Investment earnings	60,000	60,000	29,466	(30,534)
Miscellaneous	1,619,968	1,769,404	1,105,094	(664,310)
<b>Total Revenues</b>	<u>38,039,459</u>	<u>38,421,341</u>	<u>37,920,217</u>	<u>(501,124)</u>
<b>Expenditures</b>				
<b>Current:</b>				
General government	4,005,180	4,124,704	4,124,704	-
Judicial	5,232,773	5,356,897	5,356,897	-
Public safety	19,287,832	20,163,012	20,163,012	-
Highways and streets	3,054,850	2,713,945	2,713,945	-
Health and welfare	630,801	631,047	631,047	-
Culture and recreation	5,032,746	5,094,032	5,094,032	-
Conservation	206,312	193,032	193,032	-
<b>Capital Outlay</b>	71,637	64,192	64,192	-
<b>Debt Service:</b>				
Principal retirement	110,000	369,024	369,024	-
Interest and fiscal charges	180,128	239,057	239,057	-
<b>Total Expenditures</b>	<u>37,812,259</u>	<u>38,948,942</u>	<u>38,948,942</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	227,200	(527,601)	(1,028,725)	(501,124)
<b>Other Financing Sources (Uses):</b>				
Sale of capital assets	30,000	30,000	18,584	(11,416)
Transfers in	44,000	44,000	30,710	(13,290)
Transfers out	(375,921)	(375,921)	(623,396)	(247,475)
<b>Total Other Financing Sources (Uses)</b>	<u>(301,921)</u>	<u>(301,921)</u>	<u>(574,102)</u>	<u>(272,181)</u>
<b>Net Change in Fund Balances</b>	<u>\$ (74,721)</u>	<u>\$ (829,522)</u>	<u>(1,602,827)</u>	<u>\$ (773,305)</u>
<b>Fund Balances Beginning of Year (Restated)</b>			20,069,236	
<b>Prior Period Adjustment</b>			1,817,415	
<b>Increase in Reserves for Inventory and Prepaid Items</b>			<u>99,244</u>	
<b>Fund Balances End of Year</b>			<u>\$ 20,383,068</u>	

See accompanying notes to the basic financial statements

**Troup County, Georgia**  
***Parks and Recreation Endowment Fund***  
***Statement of Revenues, Expenditures and***  
***Changes in Fund Balances - Budget and Actual***  
***For The Year Ended June 30, 2012***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>				
Investment earnings	\$ 500,000	\$ 500,000	\$ 83,474	\$ (416,526)
<b>Total Revenues</b>	<u>500,000</u>	<u>500,000</u>	<u>83,474</u>	<u>(416,526)</u>
<b>Expenditures</b>				
<b>Current:</b>				
Culture and recreation	<u>500,000</u>	<u>500,000</u>	<u>376,256</u>	<u>123,744</u>
<b>Total Expenditures</b>	<u>500,000</u>	<u>500,000</u>	<u>376,256</u>	<u>123,744</u>
<b>Excess of Revenues Over Expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	<u>(292,782)</u>	<u>\$ (292,782)</u>
<b>Fund Balances Beginning of Year</b>			<u>6,822,938</u>	
<b>Fund Balances End of Year</b>			<u>\$ 6,530,156</u>	

See accompanying notes to the basic financial statements

**Troup County, Georgia**  
**Comparative Statement of Fiduciary Assets and Liabilities**  
**Agency Funds**  
**June 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>Assets</b>		
Cash	\$ 3,966,927	\$ 4,925,058
Taxes receivable	46,497	47,584
Other receivables	331,331	224,790
<b>Total Assets</b>	<u>\$ 4,344,755</u>	<u>\$ 5,197,432</u>
<b>Liabilities</b>		
Due to other entities	\$ 758,322	\$ 1,467,644
Due to other taxing units	676,541	585,040
Escrow bond deposits	223,484	213,558
Federal forfeiture funds	2,136,568	2,341,603
Confiscated funds	64,826	58,687
Inmate funds	107,672	89,422
Deferred liabilities	377,342	441,478
<b>Total Liabilities</b>	<u>\$ 4,344,755</u>	<u>\$ 5,197,432</u>

See accompanying notes to the basic financial statements

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## **NOTES TO THE BASIC FINANCIAL STATEMENTS**



Troup County, Georgia  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2012*

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**Troup County, Georgia**  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2012*

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

The financial statements of Troup County, Georgia (the County) have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

The most significant of the County's accounting policies are described below.

***1-A. Reporting Entity***

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County. For the County, this entity includes the County and its constitutional officers.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organizations; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the County in that the County approves the budget, levies their taxes or issues their debt.

The Troup County Recreation Endowment Fund (TCREF) is a separate legal entity and is presented as a blended component unit because the County appoints a majority of the board and the fund benefits the County exclusively by providing funds directly to the County to supplement the culture and recreation budget.

The component unit columns included on the government-wide financial statements identify the financial data of the County's discretely presented component unit. They are reported separately to emphasize that the component unit is legally separate from the County.

A brief description of the discretely presented component unit follows: The Troup County Board of Health (TCBH) provides health related services to the citizens of the County through the Master Public Health Agreement with the Georgia Department of Human Resources. The chief executive officer of the County and three members appointed by the Board of Commissioners make up a majority of the governing board of the TCBH. The County has the ability to modify or approve the budget of the TCBH.

The TCBH is reported as a component unit because the entity is legally separate, however, the County appoints a voting majority of the department's governing board, and the County is able to impose its will on the entity. The TCBH is presented as a discretely presented component unit because the entity does not provide services entirely to the County, and the department and the County do not have substantively the same governing boards.

Separate financial statements for the component unit can be obtained directly from:

Troup County Board of Health  
900 Dallis Street  
LaGrange, Georgia 30240

Troup County, Georgia  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2012*

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

***1-B. Basis of Presentation***

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

***Government-wide Financial Statements*** - The government-wide financial statements include the statement of net assets and the statement of activities. These statements report financial information for the County as a whole. The primary government and the component unit are presented separately within these financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and grants and County's general revenues. Neither fiduciary funds nor component units that are fiduciary in nature are included.

The statement of net assets presents the financial position of the governmental activities of the County and its discretely presented component unit at year-end.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The County does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the County's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted*.

Other revenue sources not properly included with program revenues are reported as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the County.

***Fund Financial Statements*** - During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for governmental funds.

Major individual governmental funds are reported in separate columns.

***Fund Accounting*** - The County uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The County uses two categories of funds: governmental and fiduciary.

**Troup County, Georgia**  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2012*

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

**Governmental Funds** - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The County reports the difference between governmental fund assets and liabilities as fund balance. The following are the County's major governmental funds:

**General Fund (General Fund Type)** – The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund's fund balance is available to the County for any purpose, provided it is expended or transferred according to the general laws of the State of Georgia.

**Parks and Recreation Endowment Fund (Special Revenue Fund Type)** – This fund was established to account for an endowment from Callaway Foundation, Inc., which may be expended for expenses in operating and maintaining recreation facilities.

**Capital Improvements Fund (Capital Projects Fund Type)** – This fund accounts for capital improvements included in the County's capital program.

**SPLOST III Fund (Capital Projects Fund Type)** – This fund accounts for the revenues provided by a special purpose local option sales tax and expenditures related to the infrastructure improvements.

**Fiduciary Funds** – The County's fiduciary funds are agency funds which are custodial in nature and used primarily by the County's constitutional officers.

**1-C. Measurement Focus**

**Government-wide Financial Statements** - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net assets. The statement of activities reports revenues and expenses.

**Fund Financial Statements** - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements. Fiduciary funds employ the economic resources measurement focus.

**Troup County, Georgia**  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2012*

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

**1-D. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. Fiduciary funds use the accrual basis of accounting.

**Revenues - Exchange Transactions** - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, the phrase "available for exchange transactions" means expected to be received within 60 days of year-end.

**Revenues - Non-exchange Transactions** - Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (Note 3-C) Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the County must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, investment earnings and federal and state grants.

**Deferred Revenue** - Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred revenue (i.e., they are measurable but not available) rather than as revenue.

Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as deferred revenue.

**Expenses/Expenditures** - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

**Troup County, Georgia**  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2012*

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

***1-E. Assets, Liabilities and Fund Equity***

***1-E-1 Cash, Cash Equivalents, and Investments***

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County.

Investments are stated at fair value based on quoted market prices.

Georgia law authorizes the County to invest in the following type of obligations:

- Obligations of the State of Georgia or of any other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the government or government agency
- Obligations of any corporation of the government
- Prime bankers' acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund I)
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

***1-E-2 Receivables***

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

***1-E-3 Interfund Balances***

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/interfund payables." These amounts are eliminated in the governmental activities column of the statement of net assets

***1-E-4 Consumable Inventories***

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

On the fund financial statements, inventories of governmental funds are stated at cost. For all funds, cost is determined on a first in, first out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased. At the fund reporting level, an equal amount of fund balance is reserved indicating this amount is not available for general appropriation.

***1-E-5 Prepaid Items***

Payments made to vendors for services that will benefit periods beyond June 30, 2012, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reserved as this amount is not available for general appropriation.

Troup County, Georgia  
*Notes to the Basic Financial Statements*  
For the Year Ended June 30, 2012

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

**1-E-6 Capital Assets**

General capital assets are those assets specifically related to governmental activities. These assets generally result from expenditures in governmental funds. The County reports these assets in the governmental activities column of the government-wide statement of net assets but does not report these assets in the governmental fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of five thousand dollars. The County's infrastructure consists primarily of roads and bridges. Infrastructure acquired prior to fiscal years ended after June 30, 1980 and prior to the implementation of GASB Statement No. 34 has been reported. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

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

Asset Class	Governmental Activities Estimated Lives
Buildings	50 years
Machinery and equipment	3 – 7 years
Infrastructure	40 years

**1-E-7 Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements. Governmental funds report the compensated absence liability at the fund reporting level only "*when due.*"

**1-E-8 Accrued Liabilities and Long-term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year. The intergovernmental agreement, the claims and the landfill closure and post-closure care costs are recognized as liabilities in the governmental fund financial statements when due.

**Troup County, Georgia**  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2012*

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

**1-E-9 Fund Equity**

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

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

**Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either 1) not in spendable form (items that are not expected to be converted to cash) or 2) legally or contractually required to be maintained in intact.

**Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through 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 County Commissioners through the adoption of a resolution. Only the Board of County Commissioners may modify or rescind the commitment.

**Assigned** – Fund balances are reported as assigned when amounts are constrained by the County’s intent to use them for a specific purpose, but they are neither restricted nor committed as defined above.

**Unassigned** – Fund balances are reported as unassigned as the residual amount when the balances are not classified under the above criterion. The County reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

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

**Net Assets** - Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net asset amount also is adjusted by any bond issuance deferral amounts. Net assets 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. All other net assets are reported as unrestricted.

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

Troup County, Georgia  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2012*

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

***1-E-10 Interfund Activity***

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

Transfers between funds reported in the governmental activities column are eliminated.

***1-E-11 Estimates***

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

***1-E-12 Comparative Data***

Comparative total data for the prior year have been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified to be consistent with the current year's presentation. Certain revenues are classified as intergovernmental at the fund reporting level but reclassified as charges for services at the government-wide reporting level.

***Note 2 – Stewardship, Compliance and Accountability***

***2-A. Budgetary Information***

The County adopts an annual operating budget for the general fund and each special revenue fund. A project budget is adopted for each capital projects fund. The budget resolution reflects the total of each department's appropriation in each fund.

The general and special revenue fund budgets are adopted on a basis consistent with GAAP. Budgets for capital projects funds are adopted on a basis consistent with GAAP except the budget period is a project period rather than an annual period.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund. Any change in total to a fund or departmental appropriation within a fund requires approval of the Board of Commissioners.

The County Manager may approve budget transfers within departments. During the year, the Board of Commissioners approved budget revisions.

All unexpended annual appropriations lapse at year-end.

**Troup County, Georgia**  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2012*

**Note 2 – Stewardship, Compliance and Accountability (Continued)**

**2-B. Deficit Fund Equities**

The following individual funds had deficit fund balances at the fund reporting level at June 30, 2012:

Capital Improvements Fund	\$ 9,913,696
SPLOST IV (Nonmajor Capital Projects Fund)	327,585

The deficit fund balance in the Capital Improvements Fund will be liquidated through general fund revenues appropriated for completion of the projects. The deficit fund balance in SPLOST IV will be satisfied through SPLOST IV collections beginning January 1, 2013.

**2-C. State Compliance Matter**

The SPLOST III Fund contains a receivable from another municipality for an approved SPLOST III project. Due to the nature of the project and the cost sharing arrangement under the intergovernmental agreement, the costs of the approved project were incurred by Troup County and will be reimbursed from the municipality's portion of the SPLOST III proceeds.

**Note 3 - Detailed Notes on All Funds**

**3-A. Deposits and Investments**

**Deposits – Custodial Credit Risk**

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial risk. As of June 30, 2012, \$16,776,067 of the County's bank balance of \$30,050,590 was exposed to custodial credit risk as follows:

Uninsured and Collateral held by Pledging Bank's Trust Department in the County's Name	<u>\$16,776,067</u>
Total	<u>\$16,776,067</u>

The component unit's deposits were entirely covered by federal depository insurance and collateral held by the custodial bank in the unit's name and in the State of Georgia Pledging Pool.

**Deposits – External Investment Pool**

A portion of the County's deposits at June 30, 2012 were invested in Georgia Fund I. It was created by OCGA 36-83-8, and is a stable net asset value investment pool that follows Standard and Poor's criteria for AAA rated money market funds. However, the State of Georgia Office of Treasury operates Georgia Fund I in a manner consistent with rule 2a-7 of the Investment Company Act of 1940 and it is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1 par 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 per share.

**Troup County, Georgia**  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2012*

**Note 3 - Detailed Notes on All Funds (Continued)**

**Investments – Credit Risk**

As of June 30, 2012, the County had the following investments:

Investment Type	<u>Maturities</u>	<u>Fair Value</u>
Endowment:		
Income Cash	Daily	\$ 3,431
Federated Money Market Funds	Daily	732,830
Equity Securities	Daily	3,100,552
Mutual Funds	Daily	2,429,965
Ridgeworth Fund Midcap Value Equity	Daily	<u>263,378</u>
 Total		 <u>\$ 6,530,156</u>

The above are investments held by the Troup County Recreation Endowment Fund. The Troup County Recreation Endowment Fund is a separate legal entity and is presented as a blended component unit for financial statement reporting.

Georgia law authorizes the County to invest in limited types of obligations (see note 1-E-1). The County has no investment policy that would further limit the investment choices. As of June 30, 2012 the County’s investment in Ridgeworth Fund Midcap Value Equity has a four-star rating by Morningstar. All other investments are unrated.

**Investments – Interest Rate Risk**

The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the County’s current investments are all short-term in nature.

**Investments – Concentration of Credit Risk**

The County places no limit on the amounts that may be invested in any one issuer. However, the County’s current investments amount to no more than five percent of total investments with any one issuer, or are invested in mutual funds that are exempt from this provision.

**3-B. Receivables**

Receivables at June 30, 2012, consisted of taxes, interest, accounts, and intergovernmental receivables arising from grants.

Receivables and payables are recorded on the County’s financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

**Troup County, Georgia**  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2012*

*Note 3 - Detailed Notes on All Funds (Continued)*

**3-C. Property Taxes**

Property taxes attach as an enforceable lien on property as of January 1, based on property tax values as assessed on that same date. Taxes are levied by September 15 and are due by November 15 of the same year. After November 15, the bill becomes delinquent and penalties and interest may be assessed by the government. The County bills and collects its own property taxes and also taxes for the State of Georgia, the Troup County Board of Education, the Downtown LaGrange Development Authority, the City of LaGrange, the City of Hogansville, and the City of West Point. The collections and remittances are accounted for in the County Tax Commissioner agency fund.

(The notes to the basic financial statements continue on the next page.)

**Troup County, Georgia**  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2012*

*Note 3 - Detailed Notes on All Funds (Continued)*

**3-D. Capital Assets**

Capital asset activity for the year ended June 30, 2012, was as follows:

	Restated Balance <u>July 1, 2011</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>June 30, 2012</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 18,150,865	\$ 2,444,416	\$ -	\$ 20,595,281
Construction in progress	<u>267,389</u>	<u>84,501</u>	<u>239,230</u>	<u>112,660</u>
Total non-depreciable assets	<u>18,418,254</u>	<u>2,528,917</u>	<u>239,230</u>	<u>20,707,941</u>
Other capital assets:				
Buildings	70,776,006	2,304,525	33,089	73,047,442
Machinery and equipment	24,333,985	1,293,426	537,373	25,090,038
Infrastructure	<u>35,795,723</u>	<u>4,931,600</u>	<u>-</u>	<u>40,727,323</u>
Total other capital assets	<u>130,905,714</u>	<u>8,529,551</u>	<u>570,462</u>	<u>138,864,803</u>
Total cost	<u>149,323,968</u>	<u>11,058,468</u>	<u>809,692</u>	<u>159,572,744</u>
Accumulated depreciation:				
Buildings	10,267,556	1,422,111	-	11,689,667
Machinery and equipment	14,755,289	1,512,293	385,512	15,882,070
Infrastructure	<u>10,814,192</u>	<u>617,221</u>	<u>-</u>	<u>11,431,413</u>
Total accumulated depreciation	<u>35,837,037</u>	<u>3,551,625</u>	<u>385,512</u>	<u>39,003,150</u>
Governmental activities capital assets, net	<u>\$ 113,486,931</u>	<u>\$ 7,506,843</u>	<u>\$ 424,180</u>	<u>\$ 120,569,594</u>
Governmental activities depreciation expense				
General government				\$ 708,778
Public Safety				1,294,916
Highway and streets				954,831
Health and welfare				220,608
Culture and recreation				371,880
Other				<u>612</u>
Total governmental activities depreciation expense				<u>\$ 3,551,625</u>

**Troup County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2012**

**Note 3 - Detailed Notes on All Funds (Continued)**

	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
Component unit				
Depreciable capital assets:				
Machinery and equipment	\$ 2,288,172	\$ 51,104	\$ 221,672	\$ 2,117,604
Less accumulated depreciation	<u>2,022,701</u>	<u>105,945</u>	<u>221,672</u>	<u>1,906,974</u>
Component unit capital assets, net	<u>\$ 265,471</u>	<u>\$ (54,841)</u>	<u>\$ -</u>	<u>\$ 210,630</u>

**3-E. - Interfund Balances and Transfers**

Interfund balances at June 30, 2012, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The County expects to repay all interfund balances within one year.

<u>Payable to:</u>	<u>Payable from:</u>			<u>Total</u>
	<u>Capital Improvements</u>	<u>SPLOST III Fund</u>	<u>SPLOST IV Fund</u>	
General Fund	\$ 9,870,542	\$ 2,790	\$ 323,510	\$ 10,196,842
Total	<u>\$ 9,870,542</u>	<u>\$ 2,790</u>	<u>\$ 323,510</u>	<u>\$ 10,196,842</u>

Interfund transfers for the year ended June 30, 2012, consisted of the following:

<u>Transfers out:</u>	<u>Transfers in:</u>		
	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
General Fund	\$ -	\$ 623,396	\$ 623,396
Other Governmental Funds	<u>30,710</u>	<u>-</u>	<u>30,710</u>
Total	<u>\$ 30,710</u>	<u>\$ 623,396</u>	<u>\$ 654,106</u>

Interfund transfers in the General Fund totaled \$623,396 which was transferred from the General Fund to the Emergency 9-1-1 Fund to subsidize the operation of the Emergency 9-1-1 center. Additionally, \$30,710 was transferred from the Hotel/Motel Tax Fund to the General Fund. This amount represents the remaining portion of Hotel/Motel tax after compliance with the requirements of OCGA 48-13-51 (See note 4-F).

Troup County, Georgia  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2012*

*Note 3 - Detailed Notes on All Funds (Continued)*

**3-F. Long-term Debt**

**Intergovernmental Agreements** – Troup County has entered into two intergovernmental contracts:

The LaGrange Development Authority (the “Issuer”), the Troup County Development Authority, LaGrange, and Troup County entered into an intergovernmental contract under which the Issuer is to acquire, construct and equip a new industrial park (Callaway South Industrial Park) on approximately 1,100 acres located within LaGrange. The issuer issued two series of revenue bonds, Series 2007A in the aggregate principal amount of \$1,565,000 and Series 2007B in the aggregate principal amount of \$5,285,000. The revenue bonds are secured by the intergovernmental contract under which LaGrange and Troup County have agreed to each pay one-half of the debt service on the bonds when due, commencing in February 2008. The Issuer is obligated for up to 50 years to reimburse LaGrange and Troup County for payments made under the intergovernmental contract from net proceeds received from the sale or lease of parcels.

Intergovernmental agreements requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2013	\$ 117,500	\$ 173,407	\$ 290,907
2014	125,000	166,227	291,227
2015	132,500	158,590	291,090
2016	140,000	150,494	290,494
2017	147,500	141,940	289,440
2018-2022	892,500	562,145	1,454,645
2023-2027	1,195,000	256,426	1,451,426
2028	<u>272,500</u>	<u>12,726</u>	<u>285,226</u>
Total	<u>\$ 3,022,500</u>	<u>\$ 1,621,955</u>	<u>\$ 4,644,455</u>

**Commitment** - On July 1, 2008, Troup County entered into an agreement with the LaGrange-Troup County Hospital Authority (the “Authority”) to support the Authority’s effort to finance the acquisition and construction of additional healthcare facilities and renovations to existing healthcare facilities in Troup County. The Authority issued Revenue Anticipation Certificates, Series 2008A in the aggregate principal amount of \$46,590,000. Troup County has pledged to levy property taxes up to seven mills, to provide funds to service the principal and interest payments in the event of default by the Authority.

(The notes to the basic financial statements continue on the next page.)

**Troup County, Georgia**  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2012*

**Note 3 - Detailed Notes on All Funds (Continued)**

**Capital Leases** – During 2008, the County entered into a capital lease obligation for machinery and equipment. The machinery and equipment held under the capital lease at June 30, 2012 had a cost of \$1,987,396. The capital lease requires a final payment of \$1,095,677 in 2013, including an interest rate of 4.4% for a term of five years.

During 2011, the County entered into a capital lease obligation for machinery and equipment. The machinery and equipment held under the capital lease at June 30, 2012 has a cost of \$62,134. The capital lease requires a final payment of \$43,954 in November 2012, including an interest rate of 3.35%.

The future minimum lease obligations and the net present value of the minimum lease payments for the leases are as follows:

Year Ending <u>June 30,</u>	<u>Amount</u>
2013	\$ 1,139,630
2014	<u>180</u>
Total	1,139,810
Less: amount representing interest	<u>(46,786)</u>
Present value of minimum lease payments	<u><u>\$ 1,093,024</u></u>

(The notes to the basic financial statements continue on the next page.)

Troup County, Georgia  
*Notes to the Basic Financial Statements*  
For the Year Ended June 30, 2012

**Note 3 - Detailed Notes on All Funds (Continued)**

**Notes Payable** – In December 2010 the County entered into a Promissory Note Payable with an individual to purchase real estate located at 909 Knott Road in LaGrange, Troup County, Georgia. The original principal amount of the promissory note was \$825,000. The promissory note is to be repaid through five (5) equal installments of principal and interest of \$172,650. The final payment is scheduled for December 20, 2015. The promissory note is secured by a first priority lien on the property. See Note 4-H, B for the prior period adjustment regarding this note payable.

In December 2010 the County entered into a Note Payable with a local bank to finance certain energy improvements to County facilities. The original principal amount of the note payable was \$1,500,000. The note is to be repaid through twenty-four (24) quarterly payments of \$66,334, which include simple interest at 1.90%. The final payment is scheduled for December 2016. The note is collateralized with an amount deposited in a certificate of deposit and included in cash and cash equivalents.

In December 2011 the County entered into a Promissory Note Payable with an individual to purchase property located on Big Springs Road in LaGrange, Troup County, Georgia. The original principal amount of the promissory note was \$191,400. The promissory note is to be repaid in two (2) equal payments of \$95,700, with the first payment being due on July 15, 2012 and the final payment due on July 15, 2013. The promissory note is a non-interest bearing note. The note is secured by the property.

Note Payable requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2013	\$ 503,264	\$ 30,422	\$ 533,686
2014	510,516	23,152	533,668
2015	422,205	15,780	437,985
2016	429,697	8,289	437,986
2017	131,800	957	132,757
Total	<u>\$ 1,997,482</u>	<u>\$ 78,600</u>	<u>\$ 2,076,082</u>

(The notes to the basic financial statements continue on the next page.)

**Troup County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2012**

**Note 3 - Detailed Notes on All Funds (Continued)**

**Changes in Long-term Debt** - Changes in the County's long-term obligations consisted of the following for the year ended June 30, 2012:

	Restated Outstanding <u>July 01, 2011</u>	<u>Additions</u>	<u>Reductions</u>	Outstanding June 30, 2012	Amount Due in One Year
<b>Governmental Activities</b>					
Compensated absences	\$ 1,021,352	\$ 338,595	\$ 356,263	\$ 1,003,684	\$ 350,100
Capital Lease (2008)	1,299,327	-	249,829	1,049,498	1,049,498
Capital Lease (2011)	52,721	-	9,195	43,526	43,346
Landfill closure and post-closure care	248,889	41,623	-	290,512	-
Intergovernmental Contract (2007A)	782,500	-	-	782,500	-
Intergovernmental Contract (2007B)	2,350,000	-	110,000	2,240,000	117,500
Note Payable (CB&T)	1,381,512	-	240,402	1,141,110	245,116
Note Payable (Knott Road)	825,000	-	160,028	664,972	162,448
Note Payable (Big Springs Road)	-	191,400	-	191,400	95,700
<b>Total Governmental Activities</b>	<u>\$ 7,961,301</u>	<u>\$ 571,618</u>	<u>\$ 1,125,717</u>	<u>\$ 7,407,202</u>	<u>\$ 2,063,708</u>
<b>Component Unit</b>					
Compensated absences	<u>\$ 715,679</u>	<u>\$ 315,591</u>	<u>\$ 271,100</u>	<u>\$ 760,170</u>	<u>\$ 271,100</u>

Compensated absences payable, capital lease (2008), capital lease (2011), landfill closure and post-closure care costs payable, intergovernmental contract 2007A and intergovernmental contract 2007B and the note payable are being paid from the general fund.

**3-G. Landfill Closure and Postclosure Care Costs**

State and Federal laws and regulations require that the County place a final cover on its construction and demolition (C & D) landfill when closed and perform certain maintenance and monitoring functions at the landfill site for five years after closure. In addition to operating expenses related to current year activity of the landfill, an estimated liability is being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the C & D landfill no longer accepts waste. The recognition of those landfill closure and postclosure care costs is based on the amount of the landfill used during the year. The estimated liability for landfill closure and postclosure care costs is \$290,512 as of June 30, 2012, which is based on 62.02% usage (filled) of the landfill. It is estimated that an additional liability of \$177,905 will be recognized as closure and postclosure care costs between the date of the balance sheet and the date the landfill is expected to be filled to capacity (2017). The estimated total current cost of the landfill closure and postclosure care (\$468,417) is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor and maintain the C & D landfill were acquired as of June 30, 2012. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The County has unassigned funds in the General Fund in excess of \$19.26 million at June 30, 2012. No reserve is deemed necessary.

Troup County, Georgia  
Notes to the Basic Financial Statements  
For the Year Ended June 30, 2012

*Note 3 - Detailed Notes on All Funds (Continued)*

**3-H. Pensions**

**A. Plan Description**

The County participates in 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 is administered by the Government Employee Benefits Corporation of Georgia (GEBCorp). GEBCorp issues a publicly available financial report that includes financial statements and required supplementary information for ACCG. The Plan has a calendar year end, whereas the County has a fiscal year end. As a participant in an agent multiple-employer plan administered by a third party, the County has no control over the dates of the actuarial valuations. Information for the "fiscal year" is not available; the most recent available information is presented.

The County's payroll for employees covered by the Plan as of January 1, 2011 (the most recent actuarial valuation date) was \$16,005,616 (based on covered earnings for the preceding year). The County's total payroll was \$16,868,523.

All full time County employees are eligible to participate in the Plan after completing one year of service. Benefits vest after five years of service. Participants become eligible to retire at the earlier of: a) age 65 with 3 years of participation in the Plan, b) age 55 and 30 years of service, or c) age 60 and 20 years of service. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of the sum of: a) 2.67% of average annual compensation for each year of service prior to January 1, 1989 to a maximum of 15 years and b) 1.8% of average annual compensation for each year of service after December 31, 1988, payable as a 50% Joint and Survivor annuity. Compensation is averaged over a five year period prior to retirement or termination. The Plan also provides benefits in the event of death or disability. These benefit provisions were established by an adoption agreement executed by the County Board of Commissioners.

The following is the plan membership at January 1, 2011:

<u>Category</u>	
Active employees participating in the plan	432
Retirees, beneficiaries and disables currently receiving benefits	113
Terminated plan participants entitled to, but not yet receiving benefits	<u>200</u>
Total	<u><u>745</u></u>

A copy of the plan's financial report may be obtained from:

County Employee Benefits Corporation of Georgia  
1100 Circle 74 Parkway, Suite 300  
Atlanta, Georgia 30339

Troup County, Georgia  
*Notes to the Basic Financial Statements*  
For the Year Ended June 30, 2012

*Note 3 - Detailed Notes on All Funds (Continued)*

**B. Funding Policy**

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 payroll of plan members and are added to the 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 employer and its plan members.

County employees are not required to contribute to the Plan.

For 2011, the County's actual contribution of \$1,860,306 exceeded the annual pension cost (and required contribution) of \$1,860,291. The actual contribution amounted to 11.6% of covered payroll. The required contribution was determined as part of the January 1, 2011 actuarial valuation using the projected unit credit actuarial cost method.

The actuarial assumptions included (a) 7.75% investment rate of return, (b) projected salary increases of 4.0% - 6.5% based on age, and 0% per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 3%. The asset valuation method used is market value. The unfunded actuarial accrued liability is being amortized as a level dollar of projected payroll on a closed basis. The remaining amortization period at January 1, 2011, was 10 years.

**Annual Pension Cost** – The County's annual pension cost for the last three years are as follows:

Fiscal Year Ended <u>December 31,</u>	Annual Pension <u>Cost</u>	Annual Pension <u>Contribution</u>	Percentage <u>Contributed</u>	Net Pension Obligation <u>(Asset)</u>
2009	\$ 1,521,110	\$ 1,487,297	97.8%	\$ 2,704
2010	1,635,905	1,635,919	100.0%	2,690
2011	1,860,291	1,860,306	100.0%	2,675

(The notes to the basic financial statements continue on the next page.)

Troup County, Georgia  
*Notes to the Basic Financial Statements*  
For the Year Ended June 30, 2012

*Note 3 - Detailed Notes on All Funds (Continued)*

*Plan Funded Status and Funding Progress* – The County’s funding status based upon the most recent actuarial valuation follows:

Schedule of Funding Progress						
Measurement Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL/(UAAL) (2)-(1)	(5) Annual Covered Payroll	(6) UAAL as a Percentage of Covered Payroll
12/31/2009	\$ 20,240,469	\$ 24,483,293	82.7%	\$ 4,242,824	\$ 15,113,182	28.1%
12/31/2010	21,946,973	26,857,525	81.7%	4,910,552	15,765,723	31.1%
12/31/2011	23,511,614	29,824,759	78.8%	6,313,145	16,005,616	39.4%

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect at January 1, 2011.

(The notes to the basic financial statements continue on the next page.)

Troup County, Georgia  
*Notes to the Basic Financial Statements*  
For the Year Ended June 30, 2012

**Note 3 - Detailed Notes on All Funds (Continued)**

**Net Pension Assets** – The County’s derivation of the annual required contribution, the annual pension cost and net pension obligation (asset) at January 1, 2011 (i.e., the most recent actuarial valuation) and 2010 are as follows:

	Actuarial valuation date <u>January 1, 2011</u>	Actuarial valuation date <u>January 1, 2010</u>
<b>Derivation of the Annual Required Contribution:</b>		
Normal Cost	\$ 1,111,857	\$ 1,051,864
Amortization of unfunded accrued actuarial liability (UAAL)	530,884	394,206
Pre-retirement death benefit expense	126,395	114,841
Post-retirement death benefit expense	19,150	3,828
Administrative expenses	<u>72,020</u>	<u>71,180</u>
Annual required contribution (ARC)	<u>\$ 1,860,306</u>	<u>\$ 1,635,919</u>
<b>Derivation of the Annual Pension Cost:</b>		
Annual required contribution (ARC)	\$ 1,860,306	\$ 1,635,919
Interest on prior year net pension obligation	208	210
Adjustment to ARC	<u>(223)</u>	<u>(224)</u>
Annual pension cost	<u>\$ 1,860,291</u>	<u>\$ 1,635,905</u>
<b>Derivation of the Net Pension Obligation (Asset):</b>		
Annual pension cost	\$ 1,860,291	\$ 1,635,905
Contributions made	<u>1,860,306</u>	<u>1,635,919</u>
Increase (decrease) in net pension obligation (asset)	(15)	(14)
Net pension obligation (asset), beginning of year	<u>2,690</u>	<u>2,704</u>
Net pension obligation, end of year	<u>\$ 2,675</u>	<u>\$ 2,690</u>

(The notes to the basic financial statements continue on the next page.)

Troup County, Georgia  
*Notes to the Basic Financial Statements*  
For the Year Ended June 30, 2012

*Note 3 - Detailed Notes on All Funds (Continued)*

**3-I. Net Assets**

Net assets invested in capital assets, net of related debt and net assets restricted for program purposes on the Government-wide statement of net assets as of June 30, 2012 are detailed as follows:

	Governmental Activities
Invested in capital assets, net of related debt:	
Cost of capital assets	\$159,572,744
Less capital lease related debt	(1,093,024)
Less accumulated depreciation	<u>(39,003,150)</u>
Invested in capital assets, net of related debt:	<u>\$119,476,570</u>
 Restricted for program purposes:	
Drug abuse treatment and education	\$ 559,990
Victim/Witness assistance fund	7,313
Juvenile Supervision	<u>78,403</u>
 Restricted for program purposes	 <u>\$ 645,706</u>

**3-J. Fund Equity**

**Fund Balances** – Fund balances are classified as follows:

**Nonspendable** – The following fund balances are nonspendable because they are not in spendable form:

**General Fund:**

Inventories	\$ 200,336
Prepaid items	<u>586,381</u>
Total	<u>\$ 786,717</u>

**Restricted** – The following fund balances are legally restricted to specified purposes:

**General Fund:**

Culture and recreation	<u>\$ 50,507</u>
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**Parks & Recreation Endowment Fund:**

Culture and recreation	<u>\$ 6,530,156</u>
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**SPLOST III Fund:**

Capital outlay	<u>\$ 11,942,190</u>
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**Nonmajor special revenue funds:**

Health and welfare	<u>\$ 645,706</u>
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**Assigned** – The following fund balance is assigned to a specific purpose:

**General Fund:**

Culture and recreation	<u>\$ 282,237</u>
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**Troup County, Georgia**  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2012*

**Note 4 - Other Notes**

**4-A. Risk Management**

The County is exposed to various risks of losses related to torts, thefts of, damage to and destructions of assets; errors and omissions; injuries to employees; and natural disasters. During 1987 in an effort to hold down the cost of rising medical and health insurance, the County began paying part of its employee's claims out of its general fund. For the plan year ending June 30, 2012 the County is self-insured for claims up to \$125,000 per employee for a maximum of approximately \$4,762,614 in the aggregate for claims incurred and paid within the plan year. Claims exceeding this amount are covered by a private insurance carrier. The County includes dental insurance coverage for its employees in its self-insurance plan.

The County has joined together with other counties in the state as part of the Association of County Commissioners of Georgia Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

As part of this risk pool, the County is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the fund, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the fund 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 fund.

The fund is to defend and protect the members of the fund against liability or loss as prescribed in the member government contract and in accordance with worker's compensation law of Georgia. The fund is to pay all cost 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 have not exceeded commercial coverage in any of the past three fiscal years.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported.

Changes in the reported liability since June 30, 2009 resulted from the following:

<u>Date</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>End of Fiscal Year Liability</u>
2010	\$ 476,221	\$ 4,122,896	\$ 4,208,933	\$ 390,184
2011	390,184	4,304,085	4,107,994	586,275
2012	586,275	4,147,696	4,477,923	256,048

There were no significant reductions in insurance coverage from prior year, and there have been no settlements that exceed the County's insurance coverage during the past four years.

Troup County, Georgia  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2012*

*Note 4 - Other Notes (Continued)*

**4-B. Postemployment Healthcare Plan**

**A. Plan Description**

The County provides postemployment benefits (OPEB) for healthcare to eligible retirees and their dependents under the County's self-insurance plan. The plan is a single-employer defined benefit plan. The benefits are provided in accordance with County ordinances and policies. A separate, audited postemployment Healthcare Plan report is not available.

Eligible retirees are those persons who:

1. Retired from active service of the employer on or after August 1, 1990
2. At retirement have a minimum of 15 years continuous active service with the employer; and
3. Are at least age 50 at retirement; and
4. Elect to contribute to the Plan the contribution required for a retired employee.

The portion of premiums contributed by the retired employee is determined based on years of service and range from 25% to 50%.

**B. Funding Policy**

The contribution requirements of participants and the County are established by and may be amended by the Board of Commissioners. The required contributions are based on projected pay-as-you go financing requirements as determined annually by the County.

**C. Annual OPEB Cost and Net OPEB Obligation**

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of Government Accounting Standards Board Statement 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions." The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

(The notes to the basic financial statements continue on the next page.)

**Troup County, Georgia**  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2012*

**Note 4 - Other Notes (Continued)**

The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation to the plan:

	<u>June 30, 2012</u>	<u>June 30, 2011</u>
Determination of Annual Required Contribution		
Normal Cost at year end	\$ 418,404	\$ 402,312
Amortization of UAAL	<u>465,176</u>	<u>431,487</u>
Annual Required Contribution (ARC)	883,580	833,799
Determination of Net OPEB Obligation		
Annual Required Contribution	883,580	833,799
Interest on prior year Net OPEB Obligation	72,829	44,914
Adjustments to ARC	<u>(105,293)</u>	<u>(64,934)</u>
Annual OPEB Cost	851,116	813,779
Contributions made*	<u>(138,299)</u>	<u>(115,892)</u>
Increase in Net OPEB Obligation	712,817	697,887
Net OPEB Obligation, beginning of year	<u>1,820,735</u>	<u>1,122,848</u>
Net OPEB Obligation, end of year **	<u>\$ 2,533,552</u>	<u>\$ 1,820,735</u>

\* Employer contributions will be equal to the net expected employer benefit payments (gross benefit cost offset by the retiree's contributions) during the 2012 fiscal year plus any additional funds the County will place in a GASB 45 qualifying trust. GASB 45 defines contributions for this purpose to be actual benefit payments during the year plus contributions, if any, to a separate, irrevocable trust.

\*\* The Net OPEB Obligation has been calculated using Estimated Employer Contributions for 2012.

(The notes to the basic financial statements continue on the next page.)

**Troup County, Georgia**  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2012*

**Note 4 - Other Notes (Continued)**

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended June 30, 2012 are as follows:

<u>Fiscal</u> <u>Year Ended</u>	<u>Annual</u> <u>OPEB Cost</u>	<u>Percentage of</u> <u>OPEB Cost</u> <u>Contributed</u>	<u>Net OPEB</u> <u>Obligation</u>
6/30/2010	\$ 670,986	14.40%	\$1,122,848
6/30/2011	813,779	14.24%	1,820,735
6/30/2012	851,116	16.20%	2,533,552

**D. Funded Status and Funding Progress**

As of June 30, 2012, the most recent actuarial valuation date, the County's funding has been limited to participant contributions. The actuarial accrued liability (AAL) for benefits was \$8,043,841. This amount is also the unfunded actuarial accrued liability (UAAL). The covered payroll for June 30, 2012 was \$17,895,750 with the UAAL amounting to 46.71% of covered payroll.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**E. Actuarial Methods and Assumptions**

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculators.

In the June 30, 2012, actuarial valuation, the unprojected unit credit actuarial cost method was used. The actuarial assumptions include a 4.0 percent discount rate, which is a blended rate of the expected long-term investment returns on the employer's own investments calculated based on the funded level of the plan at the valuation date. Other actuarial assumptions include mortality rates, withdrawal rates based on the age of the employee, disability rates, retirement rates and an annual healthcare cost trend rate of 6.7 percent initially, reduced by decrements to a rate of 5.7 percent after ten years. The UAAL is being amortized over the maximum permissible amortization period of thirty years.

**Troup County, Georgia**  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2012*

**Note 4 - Other Notes (Continued)**

**4-C. Commitments**

The County has entered into contracts for construction and capital improvements which result in the following encumbrances, which are reflected in the financial statements under the appropriate fund balance classification:

**Encumbrances**

Capital improvements fund	\$ 38,181
SPLOST III fund	<u>808,693</u>
	<u>\$ 1,297,680</u>

**4-D. Contingent Liabilities**

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the County believes such disallowances, if any, will be immaterial.

The County was a defendant in several lawsuits at June 30, 2012. In the opinion of County management, the outcome of these contingencies will not have a material effect on the financial position of the County.

**4-E. Joint Ventures**

Under Georgia Law, the County, in conjunction with other counties and cities in the ten county west central Georgia area, is a member of the Three Rivers Regional Commission (RC) and is required to pay annual dues thereto. During the year ended June 30, 2012, the County paid \$30,922 in such dues. 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:

Three Rivers Regional Commission  
120 North Hill Street  
P. O. Box 818  
Griffin, Georgia 30224

**4-F. Hotel/Motel Taxes**

The County levies and collects a hotel/motel tax in accordance with the provisions of Section 48-13-51 of the Official Code of Georgia Annotated (OCGA). During the year ending June 30, 2011, the County increased its levy from 5% to 8% as a result of a change enacted by the General Assembly.

During the fiscal year ended June 30, 2012, the County collected \$89,896 in hotel/motel taxes. In accordance with OCGA 48-13-51, the County expended \$59,186. Expenditures meet the statutory requirement.

**Troup County, Georgia**  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2012*

*Note 4 – Other Notes (Continued)*

**4-G. Deferred Compensation Plan**

The County provides an opportunity for employees to participate in a deferred compensation plan, commonly referred to as a 457 Plan. The County does not make contributions to the plan. Employee elected contributions are maintained in separate accounts for each employee by the third party administrator.

**4-H. Prior Period Adjustments**

**A. SPLOST III Expenditures**

The financial statements of the General Fund and the SPLOST III Fund reflect a prior period adjustment. The adjustment is necessary because certain paving and fuel expenditures were recorded in the General Fund in error. These expenditures were appropriately authorized SPLOST III expenditures and should have been recorded in the SPLOST III Fund.

The net effect of the adjustment on the Governmental Funds' Statement of Revenues, Expenditures and Changes in Fund Balance is to decrease beginning fund balance in the SPLOST III Fund by \$1,817,415, with a corresponding increase in the General Fund. There is no effect on current revenues or expenditures.

The combining and individual fund financial statements reflect the prior period adjustment as well. Each Fund's 2011 Comparative Balance Sheet and Comparative Statement of Revenues, Expenditures and Changes in Fund Balance have been restated. A summary of the changes follows:

	<u>General Fund</u>	<u>SPLOST III Fund</u>	<u>Total</u>
For the year ending June 30, 2011:			
Total assets	\$ 1,817,415	\$ -	\$ 1,817,415
Total liabilities	-	1,817,415	1,817,415
Total ending fund balance	1,817,415	(1,817,415)	-
Revenues	-	-	-
Expenditures	(604,947)	604,947	-
Net change in fund balance	604,947	(604,947)	-
Beginning fund balance	1,212,468	(1,212,468)	-
Ending fund balance	1,817,415	(1,817,415)	-
For the year ending June 30, 2010:			
Total assets	1,212,468	-	1,212,468
Total liabilities	-	1,212,468	1,212,468
Total ending fund balance	1,212,468	(1,212,468)	-

**Troup County, Georgia**  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2012*

*Note 4 – Other Notes (Continued)*

***B. Capital Improvements Fund Expenditures***

The financial statements of the Capital Improvements Fund reflect a prior period adjustment. The adjustment is necessary to include proceeds received from the issuance of a note payable and the corresponding capital outlay for the purchase of land occurring during the year ending June 30, 2011

There is a no effect of the adjustment on the Governmental Funds' Statement of Revenues, Expenditures and Changes in Fund Balance. There is no effect on current revenues or expenditures.

The combining and individual fund financial statements reflect the prior period adjustment. The Capital Improvements Fund Comparative Statement of Revenues, Expenditures and Changes in Fund Balance has been restated. A summary of the changes for the year ending June 30, 2011 follows:

Total assets	\$	-
Total liabilities		-
Total ending fund balance		-
Revenues		-
Expenditures	825,000	
Other Financing Sources (Uses)	825,000	
Net change in fund balance		-
Beginning fund balance		-
Ending fund balance		-

**REQUIRED SUPPLEMENTARY INFORMATION**



**Troup County, Georgia**  
**Schedule of Funding Progress**  
**Pension Plan**  
**Year Ended June 30, 2012**

Measurement Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL/(UAAL) (2)-(1)	(5) Annual Covered Payroll	(6) UAAL as a Percentage of Covered Payroll
12/31/2006	\$ 16,810,225	\$ 17,054,901	98.6%	\$ 244,676	\$ 12,738,845	1.9%
12/31/2007	18,500,704	19,402,355	95.4%	901,651	14,140,780	6.4%
12/31/2008	18,463,747	21,636,433	85.3%	3,172,686	14,583,693	21.8%
12/31/2009	20,240,469	24,483,293	82.7%	4,242,824	15,113,182	28.1%
12/31/2010	21,946,973	26,857,525	81.7%	4,910,552	15,765,723	31.1%
12/31/2011	23,511,614	29,824,759	78.8%	6,313,145	16,005,616	39.4%

Troup County, Georgia  
*Schedule of Employer Contributions*  
*Pension Plan*  
*Year Ended June 30, 2012*

Fiscal Year Ended December 31,	Annual Pension Cost	Annual Pension Contribution	Percentage Contributed	Net Pension Obligation (Asset)
2006	\$ 1,044,191	\$ 1,045,533	100.1%	\$ (2,275)
2007	1,071,861	1,081,328	100.9%	(11,742)
2008	1,191,909	1,211,276	101.6%	(31,109)
2009	1,521,110	1,487,297	97.8%	2,704
2010	1,635,905	1,635,919	100.0%	2,690
2011	1,860,291	1,860,306	100.0%	2,675

**Troup County, Georgia**  
**Schedule of Funding Progress**  
**Postemployment Healthcare Plan**  
**Year Ended June 30, 2012**

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Liabilities (AAL) (1)	Unfunded Actuarial Liabilities (UAAL) (2)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
July 1, 2009	\$ -	\$ 5,631,791	\$ 5,631,791	0.00%	\$17,521,855	32.14%
July 1, 2010	-	7,461,289	7,461,289	0.00%	17,221,094	43.33%
July 1, 2011	-	8,043,841	8,043,841	0.00%	17,895,750	46.71%

(1) Actuarial liability determined under the unprojected unit credit actuarial cost method .

(2) Actuarial liability less actuarial value of assets, if any.

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## **SUPPLEMENTARY INFORMATION**



**NONMAJOR GOVERNMENTAL FUNDS**



**Troup County, Georgia**  
**Combining Balance Sheet - By Fund Type**  
**Nonmajor Governmental Funds**  
**June 30, 2012**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 654,209	\$ -	\$ 654,209
Intergovernmental receivable	5,420	-	5,420
<b>Total Assets</b>	<b>\$ 659,629</b>	<b>\$ -</b>	<b>\$ 659,629</b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ 13,923	\$ 4,075	\$ 17,998
Interfund payable	-	323,510	323,510
<b>Total Liabilities</b>	<b>13,923</b>	<b>327,585</b>	<b>341,508</b>
<b>Fund Balances</b>			
Restricted for:			
Program purposes	645,706	-	645,706
Unrestricted (deficits)	-	(327,585)	(327,585)
<b>Total Fund Balances</b>	<b>645,706</b>	<b>(327,585)</b>	<b>318,121</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 659,629</b>	<b>\$ -</b>	<b>\$ 659,629</b>

**Troup County, Georgia**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances - By Fund Type**  
**Nonmajor Governmental Funds**  
**For The Year Ended June 30, 2012**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Fund</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues</b>			
Other taxes	\$ 89,896	\$ -	\$ 89,896
Charges for services	1,042,433	-	1,042,433
Fines and forfeitures	194,282	-	194,282
Investment earnings	2,718	-	2,718
<b>Total Revenues</b>	<u>1,329,329</u>	<u>-</u>	<u>1,329,329</u>
<b>Expenditures</b>			
<b>Current:</b>			
Public safety	1,631,394	-	1,631,394
Health and welfare	259,621	-	259,621
<b>Capital Outlay</b>	-	194,918	194,918
<b>Debt Service:</b>			
Principal	-	120,785	120,785
Interest	-	11,882	11,882
<b>Total Expenditures</b>	<u>1,891,015</u>	<u>327,585</u>	<u>2,218,600</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(561,686)	(327,585)	(889,271)
<b>Other Financing Sources (Uses)</b>			
Transfers in	623,396	-	623,396
Transfers out	(30,710)	-	(30,710)
<b>Total Other Financing Sources (Uses)</b>	<u>592,686</u>	<u>-</u>	<u>592,686</u>
Net change in fund balances	31,000	(327,585)	(296,585)
<b>Fund Balances Beginning of Year</b>	<u>614,706</u>	<u>-</u>	<u>614,706</u>
<b>Fund Balances End of Year</b>	<u>\$ 645,706</u>	<u>\$ (327,585)</u>	<u>\$ 318,121</u>

**GENERAL FUND**



Troup County, Georgia  
*General Fund*  
*Comparative Balance Sheet*  
*June 30, 2012 and June 30, 2011*

	<u>2012</u>	<u>Restated 2011</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 8,667,645	\$ 12,444,462
Receivables:		
Accounts	425,367	212,523
Sales taxes	424,489	418,994
Other taxes	95,563	97,469
Intergovernmental	531,512	470,242
Interfund	10,196,842	9,043,598
Inventory	200,336	193,794
Prepaid items	586,381	493,679
<b>Total Assets</b>	<u>\$ 21,128,135</u>	<u>\$ 23,374,761</u>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ 455,145	\$ 584,066
Accrued expenditures	207,755	839,524
Deferred revenue	82,167	64,520
<b>Total Liabilities</b>	<u>745,067</u>	<u>1,488,110</u>
<b>Fund Balances</b>		
Nonspendable:		
Inventory	200,336	193,794
Prepaid items	586,381	493,679
Restricted for:		
Culture and recreation	50,507	50,507
Assigned:		
Culture and recreation	282,237	-
Unassigned	19,263,607	21,148,671
<b>Total Fund Balances</b>	<u>20,383,068</u>	<u>21,886,651</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 21,128,135</u>	<u>\$ 23,374,761</u>

Troup County, Georgia  
*General Fund*  
**Comparative Statement of Revenues, Expenditures and  
Changes in Fund Balances**  
For The Years Ended June 30, 2012 and June 30, 2011

	2012	Restated 2011
<b>Revenues</b>		
Property taxes	\$ 21,485,229	\$ 22,123,271
Sales taxes	4,903,202	4,396,506
Other taxes	1,763,216	1,727,752
Intergovernmental	4,672,629	4,448,881
Licenses and permits	231,282	162,733
Charges for services	2,344,361	2,166,142
Fines and forfeitures	1,385,738	1,592,825
Investment earnings	29,466	58,083
Miscellaneous	1,105,094	951,435
<b>Total Revenues</b>	<u>37,920,217</u>	<u>37,627,628</u>
<b>Expenditures</b>		
<b>Current:</b>		
General government	4,124,704	3,854,368
Judicial	5,356,897	4,828,707
Public safety	20,163,012	19,692,187
Highways and streets	2,713,945	2,223,204
Health and welfare	631,047	638,452
Culture and recreation	5,094,032	4,900,526
Conservation	193,032	215,431
<b>Capital Outlay</b>	64,192	202,640
<b>Debt Service:</b>		
Principal Retirement	369,024	396,306
Interest and fiscal charges	239,057	255,443
<b>Total Expenditures</b>	<u>38,948,942</u>	<u>37,207,264</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(1,028,725)</u>	<u>420,364</u>
<b>Other Financing Sources (Uses):</b>		
Sale of capital assets	18,584	28,884
Capital lease	-	62,134
Transfers in	30,710	33,253
Transfers out	(623,396)	(406,627)
<b>Total Other Financing Sources (Uses)</b>	<u>(574,102)</u>	<u>(282,356)</u>
<b>Net Change in Fund Balances</b>	<u>(1,602,827)</u>	<u>138,008</u>
<b>Fund Balances Beginning of Year</b>	21,886,651	20,565,651
Prior Period Adjustment	-	1,212,468
<b>Fund Balances Beginning of Year (Restated)</b>	<u>21,886,651</u>	<u>21,778,119</u>
<b>(Decrease) Increase in Reserve in Inventory &amp; Prepaids</b>	<u>99,244</u>	<u>(29,476)</u>
<b>Fund Balances End of Year</b>	<u>\$ 20,383,068</u>	<u>\$ 21,886,651</u>

Troup County, Georgia  
*General Fund*  
*Schedule of Revenues - Budget and Actual*  
*For The Year Ended June 30, 2012*  
*(With Actual Amounts For The Year Ended June 30, 2011)*

	2012			2011	
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Property taxes:					
Real	\$ 20,229,155	\$ 20,229,155	\$ 19,724,742	\$ (504,413)	\$ 20,489,924
Intangible	160,000	160,000	184,760	24,760	156,833
Motor vehicle	1,441,266	1,441,266	1,575,727	134,461	1,476,514
<b>Total Property Taxes</b>	<b>21,830,421</b>	<b>21,830,421</b>	<b>21,485,229</b>	<b>(345,192)</b>	<b>22,123,271</b>
Selective taxes:					
Local option sales tax	4,700,000	4,700,000	4,903,202	203,202	4,396,506
Railroad tax	26,000	26,000	26,282	282	26,029
Beverage tax	160,000	160,000	163,037	3,037	163,871
Franchise tax	210,000	210,000	244,981	34,981	235,020
Insurance premium tax	1,263,000	1,263,000	1,328,916	65,916	1,302,832
<b>Total Selective Taxes</b>	<b>6,359,000</b>	<b>6,359,000</b>	<b>6,666,418</b>	<b>307,418</b>	<b>6,124,258</b>
Intergovernmental-State of Georgia					
Department of Transportation:					
Highways	35,000	35,000	36,002	1,002	193,025
Parks and recreation	96,223	96,223	108,968	12,745	102,538
Inmate detail	42,182	42,182	-	(42,182)	-
Transit	-	27,053	5,090	(21,963)	-
Department of Corrections - inmate subsidy	2,460,000	2,460,000	2,520,146	60,146	2,440,184
Department of Administrative Services - flood control	28,000	28,000	24,927	(3,073)	25,899
Department of Revenue:					
Real estate transfer tax	40,000	40,000	37,194	(2,806)	27,259
Department of Defense - salary supplement - fire chief	17,634	17,634	17,634	-	17,634
Board of Pardon and Parole	5,000	5,000	9,450	4,450	4,350
Criminal Justice Coordinating Council	160,000	267,384	270,797	3,413	53,750
Juvenile Court - administrative office of the courts	28,520	28,520	28,520	-	48,514
Georgia Pubic Defenders Standard Council	-	-	1,260	1,260	23,147
Department of Labor - Accounting Intern Program	-	-	-	-	2,519
Department of Human Resources:					
Troup senior center	193,106	211,347	206,175	(5,172)	205,447
Troup transit	300,000	300,000	295,629	(4,371)	303,634
<b>Total Intergovernmental-State of Georgia</b>	<b>\$ 3,405,665</b>	<b>\$ 3,558,343</b>	<b>\$ 3,561,792</b>	<b>\$ 3,449</b>	<b>\$ 3,447,900</b>

(Continued)

Troup County, Georgia  
**General Fund**  
*Schedule of Revenues - Budget and Actual*  
*For The Year Ended June 30, 2012*  
*(With Actual Amounts For The Year Ended June 30, 2011)*

(Continued)

	2012			2011	
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Intergovernmental-Federal Government					
US Department of Treasury:					
Two Rivers	\$ 33,609	\$ 33,609	\$ 38,239	\$ 4,630	\$ 32,457
West Point Lake payment in lieu of taxes	95,000	95,000	97,866	2,866	95,880
West Point Lake patrol	44,600	44,600	42,800	(1,800)	46,200
US Department of Agriculture-summer lunch program	62,000	96,140	104,637	8,497	66,968
US Department of Justice:					
Council of Juvenile Court Judges of Georgia	5,000	5,000	-	(5,000)	-
US Department of Education:					
Leadership in Energy and Environmental Design	-	-	3,862	3,862	-
Federal Emergency Management Agency:					
GEMA Tornado Disaster Recovery	-	45,628	(9,705)	(55,333)	71,904
<b>Total Intergovernmental-Federal Government</b>	<b>240,209</b>	<b>319,977</b>	<b>277,699</b>	<b>(42,278)</b>	<b>313,409</b>
Intergovernmental-Local Governments					
City of LaGrange, Georgia:					
Payment in lieu of taxes for housing authority	10,000	-	-	-	9,916
Inmate housing	320,000	320,000	485,080	165,080	326,934
Housing Authority	-	10,000	16,386	6,386	-
City of Hogansville, Georgia:					
Inmate housing	10,000	10,000	21,780	11,780	13,457
Fire service	159,545	159,545	159,545	-	162,455
City of West Point, Georgia:					
Prison labor	42,182	42,182	70,537	28,355	42,182
Troup County DFACS	-	-	29,809	29,809	32,628
Troup County Board of Education - resource officer	100,000	100,000	50,001	(49,999)	100,000
<b>Total Intergovernmental-Local Governments</b>	<b>641,727</b>	<b>641,727</b>	<b>833,138</b>	<b>191,411</b>	<b>687,572</b>
<b>Total Intergovernmental</b>	<b>4,287,601</b>	<b>4,520,047</b>	<b>4,672,629</b>	<b>152,582</b>	<b>4,448,881</b>
Licenses and Permits:					
Alcoholic beverage licenses	10,500	10,500	13,409	2,909	8,387
Business licenses	32,000	32,000	57,332	25,332	28,641
Building/trailer permits	14,500	14,500	41,926	27,426	15,884
Bank licenses	110,000	110,000	117,360	7,360	109,067
Driveway/timber permits	1,200	1,200	1,255	55	754
<b>Total Licenses and Permits</b>	<b>\$ 168,200</b>	<b>\$ 168,200</b>	<b>\$ 231,282</b>	<b>\$ 63,082</b>	<b>\$ 162,733</b>

(Continued)

Troup County, Georgia  
*General Fund*  
*Schedule of Revenues - Budget and Actual*  
*For The Year Ended June 30, 2012*  
*(With Actual Amounts For The Year Ended June 30, 2011)*

(Continued)

	2012			2011	
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Charges for Services:					
Magistrate court	\$ 320,000	\$ 320,000	\$ 342,900	\$ 22,900	\$ 318,763
Superior court	270,000	270,000	262,931	(7,069)	257,069
State court	85,300	85,300	67,368	(17,932)	87,611
Probate	117,000	117,000	137,440	20,440	116,362
Sheriff	10,000	10,000	29,489	19,489	33,141
Telephone commissions	140,000	140,000	46,786	(93,214)	86,299
Landfill	160,000	160,000	378,758	218,758	198,915
Recycling	40,000	40,000	42,415	2,415	40,351
E911 Cellular	-	-	-	-	25
Work release program	350,000	350,000	353,859	3,859	317,620
Parks and recreation	733,620	733,620	620,349	(113,271)	658,268
Miscellaneous	43,985	43,985	62,066	18,081	51,718
<b>Total Charges for Services</b>	<b>2,269,905</b>	<b>2,269,905</b>	<b>2,344,361</b>	<b>74,456</b>	<b>2,166,142</b>
Fines and forfeitures:					
State court	1,075,000	1,075,000	945,647	(129,353)	1,063,592
Superior court	110,000	110,000	134,215	24,215	125,963
Drug funds	-	-	57,313	57,313	122,313
Juvenile court	10,864	10,864	9,396	(1,468)	11,444
Jail 10% fine	222,000	222,000	206,445	(15,555)	236,233
Contempt	1,500	1,500	2,157	657	2,504
Attorney's indigent defense	25,000	25,000	30,565	5,565	30,776
<b>Total Fines and forfeitures</b>	<b>1,444,364</b>	<b>1,444,364</b>	<b>1,385,738</b>	<b>(58,626)</b>	<b>1,592,825</b>
Miscellaneous:					
Investment earnings	60,000	60,000	29,466	(30,534)	58,083
Parks and recreation fundraising/sponsors	263,208	263,208	259,882	(3,326)	237,831
Miscellaneous	1,356,760	1,506,196	845,212	(660,984)	713,604
<b>Total Miscellaneous</b>	<b>1,679,968</b>	<b>1,829,404</b>	<b>1,134,560</b>	<b>(694,844)</b>	<b>1,009,518</b>
<b>Total Revenues</b>	<b>38,039,459</b>	<b>38,421,341</b>	<b>37,920,217</b>	<b>(501,124)</b>	<b>37,627,628</b>
Other Financing Sources - sale of capital assets	30,000	30,000	18,584	(11,416)	28,884
Other Financing Sources - capital lease	-	-	-	-	62,134
Other Financing Sources - Transfers in	44,000	44,000	30,710	(13,290)	33,253
<b>Total Revenues and Other Financing Sources</b>	<b>\$ 38,113,459</b>	<b>\$ 38,495,341</b>	<b>\$ 37,969,511</b>	<b>\$ (525,830)</b>	<b>\$37,751,899</b>

**Troup County, Georgia**  
**General Fund**  
*Schedule of Expenditures - Budget and Actual*  
*For The Year Ended June 30, 2012*  
*(With Actual Amounts For The Year Ended June 30, 2011)*

	2012			Variance Positive (Negative)	2011
	Original Budget	Final Budget	Actual		Restated Actual
General Government					
Legislative	\$ 119,809	\$ 46,173	\$ 46,173	\$ -	\$ 44,338
Executive	1,301,444	1,422,061	1,422,061	-	1,254,935
Elections	283,497	262,485	262,485	-	298,604
Financial Administration	1,878,368	1,961,567	1,961,567	-	1,854,117
Other	422,062	432,418	432,418	-	402,374
Total General Government	4,005,180	4,124,704	4,124,704	-	3,854,368
Judicial	5,232,773	5,356,897	5,356,897	-	4,828,707
Public Safety					
Police protection	9,550,637	9,861,264	9,861,264	-	9,728,593
Fire protection	3,637,467	3,796,092	3,796,092	-	3,801,912
Protective inspection	367,653	382,748	382,748	-	345,594
Correction	5,732,075	6,114,199	6,114,199	-	5,764,268
Other	-	8,709	8,709	-	51,820
Total Public Safety	19,287,832	20,163,012	20,163,012	-	19,692,187
Highway and Streets					
Highway and streets	1,749,756	1,621,321	1,621,321	-	1,695,392
County shop	426,402	418,485	418,485	-	435,335
Sanitation	878,692	674,139	674,139	-	697,424
Total Highway and Streets	3,054,850	2,713,945	2,713,945	-	2,828,151
Health and welfare	630,801	631,047	631,047	-	638,452
Culture and recreation	5,032,746	5,094,032	5,094,032	-	4,900,526
Conservation of natural resources	206,312	193,032	193,032	-	215,431
Capital Outlay	71,637	64,192	64,192	-	202,640
Debt Service					
Principal retirement	110,000	369,024	369,024	-	396,306
Interest and fiscal charges	180,128	239,057	239,057	-	255,443
Total Debt Service	290,128	608,081	608,081	-	651,749
Total Expenditures	37,812,259	38,948,942	38,948,942	-	37,812,211
Other Financing Uses - Transfers out	375,921	375,921	623,396	(247,475)	406,627
Total Expenditures and Other Financing Uses	\$ 38,188,180	\$ 39,324,863	\$ 39,572,338	\$ (247,475)	\$ 38,218,838

**MAJOR SPECIAL REVENUE FUND**



**Troup County, Georgia**  
***Parks and Recreation Endowment Fund***  
***Comparative Balance Sheet***  
***June 30, 2012 and June 30, 2011***

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	<u>2012</u>	<u>2011</u>
<b>Assets</b>		
Investments	<u>\$ 6,530,156</u>	<u>\$ 6,822,938</u>
 <b>Fund Balances</b>		
Restricted for endowment	<u>\$ 6,530,156</u>	<u>\$ 6,822,938</u>

**Troup County, Georgia**  
***Parks and Recreation Endowment Fund***  
***Comparative Statement of Revenues, Expenditures and***  
***Changes in Fund Balances***  
***For The Years Ended June 30, 2012 and June 30, 2011***

	<u>2012</u>	<u>2011</u>
<b>Revenues</b>		
Investment earnings	\$ 83,474	\$ 1,188,114
<b>Total Revenues</b>	<u>83,474</u>	<u>1,188,114</u>
<b>Expenditures</b>		
<b>Current:</b>		
Culture and recreation	<u>376,256</u>	<u>368,142</u>
<b>Total Expenditures</b>	<u>376,256</u>	<u>368,142</u>
<b>Excess of Revenues Over Expenditures</b>	(292,782)	819,972
<b>Fund Balances Beginning of Year</b>	<u>6,822,938</u>	<u>6,002,966</u>
<b>Fund Balances End of Year</b>	<u>\$ 6,530,156</u>	<u>\$ 6,822,938</u>

**NONMAJOR SPECIAL REVENUE FUNDS**



Troup County, Georgia  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2012

	Drug Abuse Treatment and Education	Juvenile Supervision	Victim/ Witness Assistance	Emergency 9-1-1	Hotel/ Motel Tax	Total Nonmajor Special Revenue Funds
<b>Assets</b>						
Cash and cash equivalents	\$ 569,351	\$ 81,553	\$ 3,305	\$ -	\$ -	\$ 654,209
Intergovernmental receivable	1,412	-	4,008	-	-	5,420
<b>Total Assets</b>	<b>\$ 570,763</b>	<b>\$ 81,553</b>	<b>\$ 7,313</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 659,629</b>
<b>Liabilities and Fund Balances</b>						
<b>Liabilities</b>						
Accounts payable	\$ 10,773	\$ 3,150	\$ -	\$ -	\$ -	\$ 13,923
<b>Fund Balances</b>						
Restricted for program purposes	559,990	78,403	7,313	-	-	645,706
<b>Total Liabilities and Fund Balances</b>	<b>\$ 570,763</b>	<b>\$ 81,553</b>	<b>\$ 7,313</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 659,629</b>

Troup County, Georgia  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For The Year Ended June 30, 2012

	Drug Abuse Treatment and Education	Juvenile Supervision	Victim/ Witness Assistance	Emergency 9-1-1	Hotel/ Motel Tax	Total Nonmajor Special Revenue Funds
<b>Revenues</b>						
Other Taxes	\$ -	\$ -	\$ -	\$ -	\$ 89,896	\$ 89,896
Charges for services	-	34,435	-	1,007,998	-	1,042,433
Fines and forfeitures	86,493	-	107,789	-	-	194,282
Investment earnings	2,388	183	147	-	-	2,718
<b>Total Revenues</b>	<b>88,881</b>	<b>34,618</b>	<b>107,936</b>	<b>1,007,998</b>	<b>89,896</b>	<b>1,329,329</b>
<b>Expenditures</b>						
<b>Current:</b>						
Public safety	-	-	-	1,631,394	-	1,631,394
Health and welfare	50,452	40,599	109,384	-	59,186	259,621
<b>Total Expenditures</b>	<b>50,452</b>	<b>40,599</b>	<b>109,384</b>	<b>1,631,394</b>	<b>59,186</b>	<b>1,891,015</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>38,429</b>	<b>(5,981)</b>	<b>(1,448)</b>	<b>(623,396)</b>	<b>30,710</b>	<b>(561,686)</b>
<b>Other Financing Sources (Uses):</b>						
Transfers in	-	-	-	623,396	-	623,396
Transfers out	-	-	-	-	(30,710)	(30,710)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>623,396</b>	<b>(30,710)</b>	<b>592,686</b>
Net change in fund balances	38,429	(5,981)	(1,448)	-	-	31,000
<b>Fund Balances Beginning of Year</b>	<b>521,561</b>	<b>84,384</b>	<b>8,761</b>	<b>-</b>	<b>-</b>	<b>614,706</b>
<b>Fund Balances End of Year</b>	<b>\$ 559,990</b>	<b>\$ 78,403</b>	<b>\$ 7,313</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 645,706</b>

**Troup County, Georgia**  
**Drug Abuse Treatment and Education Fund**  
**Comparative Balance Sheet**  
**June 30, 2012 and June 30, 2011**

	<u>2012</u>	<u>2011</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 569,351	\$ 522,803
Intergovernmental receivable	<u>1,412</u>	<u>1,140</u>
<b>Total Assets</b>	<u><u>\$ 570,763</u></u>	<u><u>\$ 523,943</u></u>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ 10,773	\$ 2,382
<b>Fund Balances</b>		
Restricted for program purposes	<u>559,990</u>	<u>521,561</u>
<b>Total Liabilities and Fund Balances</b>	<u><u>\$ 570,763</u></u>	<u><u>\$ 523,943</u></u>

**Troup County, Georgia**  
**Drug Abuse Treatment and Education Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**For The Year Ended June 30, 2012**  
*(With Comparative Actual Amounts for the Year Ended June 30, 2011)*

	<u>2012</u>			<u>2011</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
<b>Revenues</b>					
Fines and forfeitures	\$ 71,500	\$ 71,500	\$ 86,493	\$ 14,993	\$ 74,387
Investment earnings	4,000	4,000	2,388	(1,612)	3,857
<b>Total Revenues</b>	<u>75,500</u>	<u>75,500</u>	<u>88,881</u>	<u>13,381</u>	<u>78,244</u>
<b>Expenditures</b>					
<b>Current:</b>					
Health and welfare	<u>500,000</u>	<u>500,000</u>	<u>50,452</u>	<u>449,548</u>	<u>28,110</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ (424,500)</u>	<u>\$ (424,500)</u>	38,429	<u>\$ 462,929</u>	50,134
<b>Fund Balances Beginning of Year</b>			<u>521,561</u>		<u>471,427</u>
<b>Fund Balances End of Year</b>			<u>\$ 559,990</u>		<u>\$ 521,561</u>

**Troup County, Georgia**  
**Juvenile Supervision Fund**  
**Comparative Balance Sheet**  
**June 30, 2012 and June 30, 2011**

	<u>2012</u>	<u>2011</u>
<b>Assets</b>		
Cash and cash equivalents	<u>\$ 81,553</u>	<u>\$ 86,369</u>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ 3,150	\$ 1,985
<b>Fund Balances</b>		
Restricted for program purposes	<u>78,403</u>	<u>84,384</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 81,553</u>	<u>\$ 86,369</u>

**Troup County, Georgia**  
**Juvenile Supervision Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**For The Year Ended June 30, 2012**  
*(With Comparative Actual Amounts for the Year Ended June 30, 2011)*

	2012			Variance Positive (Negative)	2011
	Original Budget	Final Budget	Actual		Actual
<b>Revenues</b>					
Charges for services	\$ 37,000	\$ 37,000	\$ 34,435	\$ (2,565)	\$ 38,929
Investment earnings	300	300	183	(117)	219
<b>Total Revenues</b>	<u>37,300</u>	<u>37,300</u>	<u>34,618</u>	<u>(2,682)</u>	<u>39,148</u>
<b>Expenditures</b>					
<b>Current:</b>					
Health and welfare	50,000	50,000	40,599	9,401	54,187
Contingency	67,300	67,300	-	67,300	-
<b>Total Expenditures</b>	<u>117,300</u>	<u>117,300</u>	<u>40,599</u>	<u>76,701</u>	<u>54,187</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ (80,000)</u>	<u>\$ (80,000)</u>	(5,981)	<u>\$ 74,019</u>	(15,039)
<b>Fund Balances Beginning of Year</b>			<u>84,384</u>		<u>99,423</u>
<b>Fund Balances End of Year</b>			<u>\$ 78,403</u>		<u>\$ 84,384</u>

**Troup County, Georgia**  
*Victim/Witness Assistance Fund*  
*Comparative Balance Sheet*  
*June 30, 2012 and June 30, 2011*

	<u>2012</u>	<u>2011</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 3,305	\$ 4,704
Intergovernmental receivable	<u>4,008</u>	<u>4,057</u>
<b>Total Assets</b>	<u>\$ 7,313</u>	<u>\$ 8,761</u>
 <b>Liabilities and Fund Balances</b>		
 <b>Fund Balances</b>		
Restricted for program purposes	<u>\$ 7,313</u>	<u>\$ 8,761</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 7,313</u>	<u>\$ 8,761</u>

**Troup County, Georgia**  
**Victim/Witness Assistance Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**For The Year Ended June 30, 2012**  
*(With Comparative Actual Amounts for the Year Ended June 30, 2011)*

	<u>2012</u>			<u>2011</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
<b>Revenues</b>					
Fines and forfeitures	\$ 120,000	\$ 120,000	\$ 107,789	\$ (12,211)	\$ 117,978
Investment earnings	200	200	147	(53)	211
<b>Total Revenues</b>	<u>120,200</u>	<u>120,200</u>	<u>107,936</u>	<u>(12,264)</u>	<u>118,189</u>
<b>Expenditures</b>					
<b>Current:</b>					
Health and welfare	<u>120,200</u>	<u>120,200</u>	<u>109,384</u>	<u>10,816</u>	<u>118,110</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	(1,448)	<u>\$ (1,448)</u>	79
<b>Fund Balances Beginning of Year</b>			<u>8,761</u>		<u>8,682</u>
<b>Fund Balances End of Year</b>			<u>\$ 7,313</u>		<u>\$ 8,761</u>

**Troup County, Georgia**  
**Emergency 9-1-1 Fund**  
**Comparative Balance Sheet**  
**June 30, 2012 and June 30, 2011**

	<u>2012</u>	<u>2011</u>
<b>Assets</b>		
Cash and cash equivalents	\$ -	\$ -
Intergovernmental receivable	-	-
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ -</u>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ -	\$ -
Interfund payable	-	-
<b>Total Liabilities</b>	-	-
<b>Fund Balances</b>		
Restricted for program purposes	-	-
<b>Total Liabilities and Fund Balances</b>	<u>\$ -</u>	<u>\$ -</u>

**Troup County, Georgia**  
**Emergency 9-1-1 Fund**  
*Schedule of Revenues, Expenditures and*  
**Changes in Fund Balances - Budget and Actual**  
**For The Year Ended June 30, 2012**  
*(With Comparative Actual Amounts for the Year Ended June 30, 2011)*

	2012			Variance Positive (Negative)	2011
	Original Budget	Final Budget	Actual		Actual
<b>Revenues</b>					
Charges for services	\$ 1,151,000	\$ 1,151,000	\$ 1,007,998	\$ (143,002)	\$ 1,064,948
<b>Expenditures</b>					
<b>Current:</b>					
Public safety	1,526,921	1,631,394	1,631,394	-	1,471,575
<b>Total Expenditures</b>	<u>1,526,921</u>	<u>1,631,394</u>	<u>1,631,394</u>	<u>-</u>	<u>1,471,575</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(375,921)	(480,394)	(623,396)	(143,002)	(406,627)
<b>Other Financing Sources (Uses):</b>					
Transfers in	<u>375,921</u>	<u>375,921</u>	<u>623,396</u>	<u>247,475</u>	<u>406,627</u>
<b>Net change in fund balances</b>	<u>\$ -</u>	<u>\$ (104,473)</u>	-	<u>\$ (104,473)</u>	-
<b>Fund Balances Beginning of Year</b>			-		-
<b>Fund Balances End of Year</b>			<u>\$ -</u>		<u>\$ -</u>

**Troup County, Georgia**  
**Hotel/Motel Tax Fund**  
**Comparative Balance Sheet**  
**June 30, 2012 and June 30, 2011**

	<u>2012</u>	<u>2011</u>
<b>Assets</b>		
Cash and cash equivalents	\$ -	\$ -
Intergovernmental receivable	-	-
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ -</u>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ -	\$ -
Interfund payable	-	-
<b>Total Liabilities</b>	-	-
<b>Fund Balances</b>		
Restricted for program purposes	-	-
<b>Total Liabilities and Fund Balances</b>	<u>\$ -</u>	<u>\$ -</u>

**Troup County, Georgia**  
**Hotel/Motel Tax Fund**  
**Schedule of Revenues, Expenditures and**  
**Changes in Fund Balances - Budget and Actual**  
**For The Year Ended June 30, 2012**  
*(With Comparative Actual Amounts for the Year Ended June 30, 2011)*

	2012			2011	
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
<b>Revenues</b>					
Other taxes	\$ 112,000	\$ 112,000	\$ 89,896	\$ (22,104)	\$ 70,706
<b>Expenditures</b>					
<b>Current:</b>					
Health and welfare	46,000	59,186	59,186	-	37,453
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	66,000	52,814	30,710	(22,104)	33,253
<b>Other Financing Sources (Uses):</b>					
Transfers out	(64,000)	(64,000)	(30,710)	33,290	(33,253)
Net change in fund balances	<u>\$ 2,000</u>	<u>\$ (11,186)</u>	-	<u>\$ (11,186)</u>	-
<b>Fund Balances Beginning of Year</b>			-		-
<b>Fund Balances End of Year</b>			<u>\$ -</u>		<u>\$ -</u>

## **MAJOR CAPITAL PROJECTS FUNDS**



**Troup County, Georgia**  
**Capital Improvements Fund**  
**Comparative Balance Sheet**  
**June 30, 2012 and June 30, 2011**

	<u>2012</u>	<u>2011</u>
<b>Assets</b>		
Cash and cash equivalents	\$ -	\$ -
Receivables:		
Interfund	-	-
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ -</u>
 <b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ 43,154	\$ 131,948
Interfund payable	9,870,542	7,223,392
<b>Total Liabilities</b>	<u>9,913,696</u>	<u>7,355,340</u>
 <b>Fund Balances (Deficits)</b>		
Unassigned (deficits)	<u>(9,913,696)</u>	<u>(7,355,340)</u>
<b>Total Fund Balances (Deficits)</b>	<u>(9,913,696)</u>	<u>(7,355,340)</u>
 <b>Total Liabilities and Fund Balances</b>	<u>\$ -</u>	<u>\$ -</u>

Troup County, Georgia  
*Capital Improvements Fund*  
*Comparative Statement of Revenues, Expenditures and*  
*Changes in Fund Balances*  
*For The Years Ended June 30, 2012 and June 30, 2011*

	<u>2012</u>	<u>Restated 2011</u>
<b>Revenues</b>		
Intergovernmental	\$ 130,356	\$ 690,073
Miscellaneous	-	2,870,904
<b>Total Revenues</b>	<u>130,356</u>	<u>3,560,977</u>
<b>Expenditures</b>		
<b>Current:</b>		
General government	-	195,757
Public safety	-	804
Highway and streets	-	2,491
Culture and recreation	-	63,483
<b>Capital Outlay</b>	2,574,794	4,775,755
<b>Debt Service:</b>		
Principal	279,645	118,488
Interest	25,673	14,180
<b>Total Expenditures</b>	<u>2,880,112</u>	<u>5,170,958</u>
<b>(Deficiency) of Revenues (Under) Expenditures</b>	(2,749,756)	(1,609,981)
<b>Other Financing Sources (Uses):</b>		
Note payable	191,400	2,325,000
Transfers out	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>191,400</u>	<u>2,325,000</u>
Net change in fund balance	(2,558,356)	715,019
<b>Fund Balances (Deficits) Beginning of Year</b>	<u>(7,355,340)</u>	<u>(8,070,359)</u>
<b>Fund Balances (Deficits) End of Year</b>	<u>\$ (9,913,696)</u>	<u>\$ (7,355,340)</u>

**Troup County, Georgia**  
**SPLOST III Fund**  
**Comparative Balance Sheet**  
**June 30, 2012 and June 30, 2011**

	<u>2012</u>	<u>Restated 2011</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 11,860,544	\$ 13,463,329
Receivables:		
Sales taxes	943,171	930,773
Intergovernmental	171,954	-
<b>Total Assets</b>	<u>\$ 12,975,669</u>	<u>\$ 14,394,102</u>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ 671,199	\$ 281,508
Intergovernmental payable	359,490	354,765
Interfund payable	2,790	1,820,205
<b>Total Liabilities</b>	<u>1,033,479</u>	<u>2,456,478</u>
<b>Fund Balances</b>		
Restricted for:		
Capital outlay	11,942,190	11,937,624
<b>Total Fund Balances</b>	<u>11,942,190</u>	<u>11,937,624</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 12,975,669</u>	<u>\$ 14,394,102</u>

**Troup County, Georgia**  
**SPLOST III Fund**  
**Comparative Statement of Revenues, Expenditures and**  
**Changes in Fund Balances**  
**For The Years Ended June 30, 2012 and June 30, 2011**

	<b>2012</b>	<b>Restated 2011</b>
<b>Revenues</b>		
Sales taxes	\$ 11,059,854	\$ 9,855,829
Intergovernmental	686,874	272,496
Investment earnings	29,317	35,743
<b>Total Revenues</b>	<b>11,776,045</b>	<b>10,164,068</b>
<b>Expenditures</b>		
<b>Current:</b>		
General government	239	14
Highways and streets	7,325	116,081
Health and welfare	-	954
Culture and Recreation	-	5,558
Intergovernmental	4,215,462	3,756,550
<b>Capital Outlay</b>	<b>7,548,453</b>	<b>5,327,130</b>
<b>Total Expenditures</b>	<b>11,771,479</b>	<b>9,206,287</b>
<b>Excess of Revenues Over Expenditures</b>	<b>4,566</b>	<b>957,781</b>
<b>Other Financing Sources (Uses)</b>		
Transfers out	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>
Net change in fund balance	4,566	957,781
<b>Fund Balances Beginning of Year</b>	<b>11,937,624</b>	<b>12,192,311</b>
Prior Period Adjustment		(1,212,468)
<b>Fund Balances Beginning of Year (Restated)</b>	<b>11,937,624</b>	<b>10,979,843</b>
<b>Fund Balances End of Year</b>	<b>\$ 11,942,190</b>	<b>\$ 11,937,624</b>

**NONMAJOR CAPITAL PROJECTS FUND**



**Troup County, Georgia**  
**SPLOST IV Fund**  
**Comparative Balance Sheet**  
**June 30, 2012 and June 30, 2011**

	<u>2012</u>	<u>2011</u>
<b>Assets</b>		
Cash and cash equivalents	\$ -	\$ -
Receivables:		
Sales taxes	-	-
<b>Total Assets</b>	<u>\$ -</u>	<u>\$ -</u>
 <b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ 4,075	\$ -
Interfund payable	323,510	-
<b>Total Liabilities</b>	<u>327,585</u>	<u>-</u>
 <b>Fund Balances (Deficits)</b>		
Unrestricted (deficits)	<u>(327,585)</u>	<u>-</u>
<b>Total Fund Balances (Deficits)</b>	<u>(327,585)</u>	<u>-</u>
 <b>Total Liabilities and Fund Balances</b>	<u>\$ -</u>	<u>\$ -</u>

**Troup County, Georgia**  
**SPLOST IV Fund**  
*Comparative Statement of Revenues, Expenditures and*  
*Changes in Fund Balances*  
*For The Years Ended June 30, 2012 and June 30, 2011*

	<u>2012</u>	<u>2011</u>
<b>Revenues</b>		
Sales taxes	\$ -	\$ -
<b>Total Revenues</b>	<u>-</u>	<u>-</u>
<b>Expenditures</b>		
<b>Current:</b>		
General government	-	-
Public safety	-	-
Highways and streets	-	-
<b>Capital Outlay</b>	194,918	-
<b>Debt Service:</b>		
Principal	120,785	-
Interest	11,882	-
<b>Total Expenditures</b>	<u>327,585</u>	<u>-</u>
<b>(Deficiency) of Revenues (Under) Expenditures</b>	(327,585)	-
<b>Other Financing Sources (Uses)</b>		
Transfers in	-	-
Transfers out	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>
Net change in fund balance	(327,585)	-
<b>Fund Balances (Deficits) Beginning of Year</b>	<u>-</u>	<u>-</u>
<b>Fund Balances (Deficits) End of Year</b>	<u><u>\$ (327,585)</u></u>	<u><u>\$ -</u></u>

## **FIDUCIARY FUNDS**



Troup County, Georgia  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
*For The Year Ended June 30, 2012*

Tax Commissioner	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
<b>Assets</b>				
Cash	\$ 329,129	\$ 61,356,664	\$ 61,375,069	\$ 310,724
Taxes receivable	224,790	54,109,017	54,002,476	331,331
<b>Total Assets</b>	<b>\$ 553,919</b>	<b>\$ 115,465,681</b>	<b>\$ 115,377,545</b>	<b>\$ 642,055</b>
<b>Liabilities</b>				
Due to other taxing units	\$ 553,919	\$ 115,465,681	\$ 115,377,545	\$ 642,055
Special Escrow	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
<b>Assets</b>				
Cash	\$ 147,835	\$ -	\$ 5,192	\$ 142,643
<b>Liabilities</b>				
Due to others entities	\$ 147,835	\$ -	\$ 5,192	\$ 142,643
Installment Fines	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
<b>Assets</b>				
Cash	\$ 397,763	\$ 591,203	\$ 654,881	\$ 334,085
Other receivables	43,715	-	458	43,257
<b>Total Assets</b>	<b>\$ 441,478</b>	<b>\$ 591,203</b>	<b>\$ 655,339</b>	<b>\$ 377,342</b>
<b>Liabilities</b>				
Deferred liabilities	\$ 441,478	\$ 591,203	\$ 655,339	\$ 377,342
Probate Judge	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
<b>Assets</b>				
Cash	\$ 1,048,383	\$ 23,337	\$ 844,690	\$ 227,030
<b>Liabilities</b>				
Due to other entities	\$ 1,048,383	\$ 23,337	\$ 844,690	\$ 227,030

(Continued)

**Troup County, Georgia**  
**Combining Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
**For The Year Ended June 30, 2012**

(Continued)

<b>Sheriff</b>	<b>Balance July 1, 2011</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance June 30, 2012</b>
<b>Assets</b>				
Cash	\$ 2,648,468	\$ 3,758,713	\$ 3,814,831	\$ 2,592,350
<b>Liabilities</b>				
Due to other entities	\$ 6,256	\$ 2,611,615	\$ 2,500,196	\$ 117,675
Escrow bond deposits	213,558	155,573	145,647	223,484
Federal forfeiture funds	2,341,603	929,856	1,134,891	2,136,568
Confiscated funds	58,687	13,703	7,564	64,826
Inmate funds	28,364	47,966	26,533	49,797
<b>Total Liabilities</b>	<b>\$ 2,648,468</b>	<b>\$ 3,758,713</b>	<b>\$ 3,814,831</b>	<b>\$ 2,592,350</b>
<b>Child Support</b>	<b>Balance July 1, 2011</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance June 30, 2012</b>
<b>Assets</b>				
Cash	\$ -	\$ 78,279	\$ 78,279	\$ -
<b>Liabilities</b>				
Due to other entities	\$ -	\$ 78,279	\$ 78,279	\$ -
<b>Magistrate Judge</b>	<b>Balance July 1, 2011</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance June 30, 2012</b>
<b>Assets</b>				
Cash	\$ 23,920	\$ 844,804	\$ 847,388	\$ 21,336
<b>Liabilities</b>				
Due to other entities	\$ 23,920	\$ 844,804	\$ 847,388	\$ 21,336
<b>Juvenile Court</b>	<b>Balance July 1, 2011</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance June 30, 2012</b>
<b>Assets</b>				
Cash	\$ 12,066	\$ 20,134	\$ 20,842	\$ 11,358
<b>Liabilities</b>				
Due to other entities	\$ 12,066	\$ 20,134	\$ 20,842	\$ 11,358

(Continued)

Troup County, Georgia  
Combining Statement of Changes in Assets and Liabilities  
Agency Funds  
For The Year Ended June 30, 2012

(Continued)

Clerk of State Court	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
<b>Assets</b>				
Cash	\$ 30,308	\$ 69,237	\$ 71,846	\$ 27,699
<b>Liabilities</b>				
Due to other entities	\$ 30,308	\$ 69,237	\$ 71,846	\$ 27,699
Clerk of Superior Court	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
<b>Assets</b>				
Cash	\$ 142,131	\$ 1,246,911	\$ 1,235,773	\$ 153,269
<b>Liabilities</b>				
Due to other entities	\$ 142,131	\$ 1,246,911	\$ 1,235,773	\$ 153,269
Transfer Tax	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
<b>Assets</b>				
Cash	\$ 5,087	\$ 80,715	\$ 79,119	\$ 6,683
<b>Liabilities</b>				
Due to other taxing units	\$ 5,087	\$ 80,715	\$ 79,119	\$ 6,683
Inmate Store	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
<b>Assets</b>				
Cash	\$ 67,367	\$ 6,317	\$ 8,960	\$ 64,724
Other receivables	3,869		629	3,240
<b>Total Assets</b>	<b>\$ 71,236</b>	<b>\$ 6,317</b>	<b>\$ 9,589</b>	<b>\$ 67,964</b>
<b>Liabilities</b>				
Due to other entities	\$ 10,178	\$ -	\$ 89	\$ 10,089
Inmate funds	61,058	6,317	9,500	57,875
<b>Total Liabilities</b>	<b>\$ 71,236</b>	<b>\$ 6,317</b>	<b>\$ 9,589</b>	<b>\$ 67,964</b>

(Continued)

Troup County, Georgia  
Combining Statement of Changes in Assets and Liabilities  
Agency Funds  
For The Year Ended June 30, 2012

(Continued)

Intangible Recording Tax	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
<b>Assets</b>				
Cash	\$ 26,034	\$ 472,155	\$ 470,386	\$ 27,803
<b>Liabilities</b>				
Due to other taxing units	\$ 26,034	\$ 472,155	\$ 470,386	\$ 27,803
Work Release	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
<b>Assets</b>				
Cash	\$ 7,720	\$ 8,820	\$ 5,351	\$ 11,189
<b>Liabilities</b>				
Due to other entities	\$ 7,720	\$ 8,820	\$ 5,351	\$ 11,189
Cell Tower Escrow	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
<b>Assets</b>				
Cash	\$ 38,847	\$ -	\$ 2,813	\$ 36,034
<b>Liabilities</b>				
Due to other entities	\$ 38,847	\$ -	\$ 2,813	\$ 36,034
Totals	Balance July 1, 2011	Additions	Deductions	Balance June 30, 2012
<b>Assets</b>				
Cash	\$ 4,925,058	\$ 68,557,289	\$ 69,515,420	\$ 3,966,927
Taxes receivable	47,584	-	1,087	46,497
Other receivables	224,790	54,109,017	54,002,476	331,331
<b>Total Assets</b>	<b>\$ 5,197,432</b>	<b>\$ 122,666,306</b>	<b>\$ 123,518,983</b>	<b>\$ 4,344,755</b>
<b>Liabilities</b>				
Due to other taxing units	\$ 585,040	\$ 116,018,551	\$ 115,927,050	\$ 676,541
Due to other entities	1,467,644	4,903,137	5,612,459	758,322
Escrow bond deposits	213,558	155,573	145,647	223,484
Federal forfeiture funds	2,341,603	929,856	1,134,891	2,136,568
Confiscated funds	58,687	13,703	7,564	64,826
Inmate funds	89,422	54,283	36,033	107,672
Deferred liabilities	441,478	591,203	655,339	377,342
<b>Total Liabilities</b>	<b>\$ 5,197,432</b>	<b>\$ 122,666,306</b>	<b>\$ 123,518,983</b>	<b>\$ 4,344,755</b>

## **OTHER SCHEDULES**



**Troup County, Georgia**  
*Schedule of Projects Constructed With Special Sales Tax Proceeds*  
*Year Ended June 30, 2012*

Project	Original Estimated Costs	Current Estimated Costs	-----Expenditures-----		Total	Estimated Percentage of Completion
			Prior Years	Current Year		
SPLOST III:						
Infrastructure	\$43,800,000	\$ 43,800,000	\$ 19,986,665	\$ 7,556,017	\$ 27,542,682	63%
City of LaGrange	\$19,400,000	\$ 19,320,000	\$ 12,837,451	\$ 3,120,537	\$ 15,957,988	83%
City of Hogansville	\$ 3,400,000	\$ 3,400,000	\$ 2,252,185	\$ 547,462	\$ 2,799,647	82%
City of West Point	\$ 3,400,000	\$ 3,400,000	\$ 2,252,185	\$ 547,463	\$ 2,799,648	82%
SPLOST IV:						
County-wide:						
Recreation	\$ 6,500,000	\$ 6,500,000	\$ -	\$ -	\$ -	0%
Libraries	\$ 1,400,000	\$ 1,400,000	\$ -	\$ -	\$ -	0%
Court Technology						
System	\$ 3,000,000	\$ 3,000,000	\$ -	\$ 86,900	\$ 86,900	3%
Infrastructure	\$12,200,000	\$ 12,200,000	\$ -	\$ 59,000	\$ 59,000	0%
County-specific:						
Infrastructure	\$17,400,000	\$ 17,400,000	\$ -	\$ 49,018	\$ 49,018	0%
Public Safety, Energy Efficiency, and Sustainability	\$ 2,550,000	\$ 2,550,000	\$ -	\$ 132,667	\$ 132,667	5%
City of LaGrange	\$19,950,000	\$ 19,950,000	\$ -	\$ -	\$ -	0%
City of Hogansville	\$ 3,500,000	\$ 3,500,000	\$ -	\$ -	\$ -	0%
City of West Point	\$ 3,500,000	\$ 3,500,000	\$ -	\$ -	\$ -	0%

NOTE: The schedule has been corrected to reflect the prior period adjustment discussed in Note 4-H. SPLOST III Infrastructure Prior Years Expenditures have been increased by \$1,817,415.

Total SPLOST III Infrastructure Expenditures	
per the June 30, 2011 Schedule	\$ 18,169,250
Prior period adjustment	<u>1,817,415</u>
Revised Prior Years Expenditures	<u>\$ 19,986,665</u>

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## **STATISTICAL SECTION**



**Troup County, Georgia**  
***Introduction to Statistical Section***  
***(Unaudited)***

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This part of Troup County's comprehensive annual financial report presents detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. This information is unaudited.

<b>Contents</b>	<b>Page</b>
<b>Financial Trends</b> These tables contain trend information that may assist the reader in assessing the County's current financial performance by placing it in historical perspective.	98 - 118
<b>Revenue Capacity</b> These tables contain information that may assist the reader in assessing the viability of the County's two most significant "own-source" revenue sources, property taxes and sales taxes.	119 - 126
<b>Debt Capacity</b> These tables present information that may assist the reader in analyzing the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future. The County has not had any general obligation bonds outstanding for the last ten fiscal years.	127 - 129
<b>Demographic and Economic Information</b> These tables present demographic and economic information intended (1) to assist users in understanding the socioeconomic environment within which the County operates and (2) to provide information that facilitates comparisons of financial statement information over time and among counties.	130 - 131
<b>Operating Information</b> These tables contain service and infrastructure indicators that can inform one's understanding how the information in the County's financial statements relates to the services the County provides and the activities it performs. The County will be expanding the disclosure of operating information in future years.	132 - 134

***Data Source:***

Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial report for the applicable year.

**Troup County, Georgia**  
**Changes in Net Assets - Governmental Activities (Unaudited)**  
*Last Ten Fiscal Years*  
*(accrual basis of accounting)*

For The Fiscal Year Ended June 30,

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Expenses:</b>										
General government <sup>2</sup>	\$ 3,135,515	\$ 3,277,310	\$ 3,450,385	\$ 4,039,973	\$ 3,763,951	\$ 7,554,183	\$ 4,539,757	\$ 4,465,143	\$ 4,899,031	\$ 4,769,617
Judicial	3,321,981	3,596,852	3,740,623	3,929,890	4,250,478	4,547,103	4,830,161	4,780,381	4,923,787	5,398,197
Public safety	16,162,153	16,820,359	17,420,410	18,851,801	19,991,303	21,270,146	22,048,272	22,617,970	22,964,252	23,424,306
Highways and streets <sup>3</sup>	3,077,170	3,504,427	3,273,133	4,052,567	4,695,819	10,079,059	9,019,162	9,829,715	7,606,312	9,990,704
Health and welfare	575,436	656,074	666,129	650,001	801,638	1,154,390	1,186,264	1,202,372	1,102,444	1,111,276
Culture and recreation	3,811,613	4,249,349	4,785,801	4,949,623	4,964,807	5,759,119	5,649,583	5,658,112	5,816,189	5,901,183
Other	491,280	148,937	159,926	160,450	160,475	183,108	167,530	207,231	215,431	193,644
Interest and fiscal charges	637,725	1,273,011	1,058,363	771,458	426,388	218,408	290,112	185,639	268,032	273,812
<b>Total Expenses</b>	<b>31,212,873</b>	<b>33,526,319</b>	<b>34,554,770</b>	<b>37,405,763</b>	<b>39,054,859</b>	<b>50,765,516</b>	<b>47,730,841</b>	<b>48,946,563</b>	<b>47,795,478</b>	<b>51,062,739</b>
<b>Program Revenues:</b>										
Charges for services:										
Judicial fees	792,346	763,293	727,454	760,520	773,557	807,508	792,515	718,455	779,805	810,639
Sheriff fees	1,174,126	1,359,417	1,558,404	1,501,232	1,806,319	2,732,941	1,432,281	1,439,414	1,629,546	1,585,894
Fines <sup>6</sup>	1,345,401	1,557,006	1,845,234	1,692,141	1,817,866	1,902,612	1,803,115	1,822,194	1,785,190	1,580,020
Emergency telephone fees	523,995	489,278	479,936	851,849	308,599	301,322	898,538	948,575	1,064,948	1,007,998
Parks and recreation	780,655	502,186	538,461	556,866	624,616	685,316	618,020	740,228	658,268	620,349
Landfill	145,210	168,791	155,917	329,841	692,093	402,413	336,750	252,832	198,915	378,758
Licenses and permits	217,386	232,332	204,381	219,572	176,393	188,354	200,906	154,440	162,733	231,282
Other	101,894	98,822	93,007	254,512	896,749	248,361	215,951	156,932	155,071	155,071
Operating grants and contributions <sup>1</sup>	5,566,966	6,680,983	3,410,243	3,382,577	3,197,665	3,248,206	4,768,403	4,021,011	5,077,982	4,625,805
Capital grants and contributions <sup>5</sup>	290,490	1,746,631	369,769	54,487	1,393,171	1,229,308	4,572,743	1,150,355	837,919	2,230,429
<b>Total Program Revenues</b>	<b>10,938,469</b>	<b>13,598,739</b>	<b>9,382,806</b>	<b>9,603,597</b>	<b>11,687,028</b>	<b>11,746,341</b>	<b>15,639,222</b>	<b>11,404,436</b>	<b>12,327,897</b>	<b>13,226,245</b>
<b>Net (Expense) Revenue</b>	<b>(20,274,404)</b>	<b>(19,927,580)</b>	<b>(25,171,964)</b>	<b>(27,802,166)</b>	<b>(27,367,831)</b>	<b>(39,019,175)</b>	<b>(32,091,619)</b>	<b>(37,542,127)</b>	<b>(35,467,581)</b>	<b>(37,836,494)</b>
<b>General Revenues:</b>										
Taxes:										
Property	14,557,450	17,640,583	18,502,577	19,221,406	19,917,933	21,033,583	21,949,157	22,043,247	22,151,513	21,502,876
Sales	12,032,317	12,578,088	12,814,028	14,541,921	14,635,723	16,412,632	15,468,391	15,364,024	14,252,335	15,963,056
Selective	1,354,563	1,446,903	1,539,841	1,639,412	1,755,406	1,900,417	1,904,848	1,815,936	1,798,458	1,853,112
Gain on sale of capital assets	19,492	400	-	-	147,090	303,662	7,251	4,662	7,233	9,840
Investment earnings <sup>4</sup>	1,132,956	1,305,047	884,795	1,513,281	2,188,601	312,461	(608,885)	763,799	58,083	29,466
Miscellaneous	1,632,635	906,259	1,769,810	635,369	552,211	1,123,647	1,277,611	1,617,857	3,842,149	1,106,038
<b>Total General Revenues</b>	<b>30,729,413</b>	<b>33,877,280</b>	<b>35,511,051</b>	<b>37,551,389</b>	<b>39,196,964</b>	<b>41,086,402</b>	<b>39,998,373</b>	<b>41,609,525</b>	<b>42,109,771</b>	<b>40,464,388</b>
<b>Change in Net Assets</b>	<b>\$ 10,455,009</b>	<b>\$ 13,949,700</b>	<b>\$ 10,339,087</b>	<b>\$ 9,749,223</b>	<b>\$ 11,829,133</b>	<b>\$ 2,067,227</b>	<b>\$ 7,906,754</b>	<b>\$ 4,067,398</b>	<b>\$ 6,642,190</b>	<b>\$ 2,627,894</b>

(continued)

**Notes:**

- <sup>1</sup> In fiscal years 2003 and 2004, the County recognized contributions from Callaway Foundation, Inc. totaling \$2 million and \$3 million for financing the operation and maintenance costs of parks and recreation facilities.
- <sup>2</sup> The increase in expenses from 2007 to 2008 for the general government function relates to the payment of SPLOST to the cities within the County.
- <sup>3</sup> During fiscal years 2009 and 2008, the County completed a substantial higher amount of road paving and transportation materials as compared to fiscal year 2007.
- <sup>4</sup> During fiscal year 2009, the County reported a loss on investments due to the investment of endowment funds into a diversified portfolio of stocks and bonds which have deteriorated rapidly during the 2009 recession.
- <sup>5</sup> During fiscal year 2009, the County recognized reimbursement from the Georgia Department of Transportation for right-of-ways purchased by the county for the South Loop Road Project.
- <sup>6</sup> During fiscal year 2009, State Court fines have decreased substantially due to a decline in traffic citations, much related to fewer state patrol officers on duty because of state budget reductions.

**Data Source:**

Applicable years' comprehensive annual financial report.

**Troup County, Georgia**  
**Changes in Net Assets - Governmental Activities - Percentage of Total (Unaudited)**  
*Last Ten Fiscal Years*  
*(accrual basis of accounting)*

	For The Fiscal Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Expenses:</b>										
General government <sup>2</sup>	10.05%	9.78%	9.99%	10.80%	9.64%	14.88%	9.51%	9.12%	10.25%	9.34%
Judicial	10.64%	10.73%	10.83%	10.51%	10.88%	8.96%	10.12%	9.77%	10.30%	10.57%
Public safety	51.78%	50.17%	50.41%	50.40%	51.19%	41.90%	46.19%	46.21%	48.05%	45.87%
Highways and streets <sup>3</sup>	9.86%	10.45%	9.47%	10.83%	12.02%	19.85%	18.90%	20.08%	15.91%	19.57%
Health and welfare	1.84%	1.96%	1.93%	1.74%	2.05%	2.27%	2.48%	2.45%	2.30%	2.17%
Culture and recreation	12.21%	12.67%	13.85%	13.23%	12.71%	11.34%	11.84%	11.56%	12.17%	11.56%
Other	1.57%	0.44%	0.46%	0.43%	0.41%	0.36%	0.35%	0.42%	0.45%	0.38%
Interest and fiscal charges	2.04%	3.80%	3.06%	2.06%	1.10%	0.44%	0.61%	0.39%	0.57%	0.54%
<b>Total Expenses</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
<b>Program Revenues:</b>										
Charges for services:										
Judicial fees	7.24%	5.61%	7.75%	7.92%	6.62%	6.87%	5.07%	6.30%	6.33%	6.13%
Sheriff fees	10.73%	10.00%	16.61%	15.63%	15.46%	23.27%	9.16%	12.62%	13.22%	11.99%
Fines <sup>6</sup>	12.30%	11.45%	19.67%	17.62%	15.55%	16.20%	11.53%	15.98%	14.48%	11.95%
Emergency telephone fees	4.79%	3.60%	5.12%	8.87%	2.64%	2.57%	5.75%	8.32%	8.64%	7.62%
Parks and recreation	7.14%	3.69%	5.74%	5.80%	5.34%	5.83%	3.95%	6.49%	5.34%	4.69%
Landfill	1.33%	1.24%	1.66%	3.43%	5.92%	3.43%	2.15%	2.22%	1.61%	2.86%
Licenses and permits	1.99%	1.71%	2.18%	2.29%	1.51%	1.60%	1.28%	1.35%	1.32%	1.75%
Other	0.93%	0.73%	0.99%	2.65%	7.67%	2.11%	1.38%	1.38%	1.08%	1.17%
Operating grants and contributions <sup>1</sup>	50.89%	49.13%	36.35%	35.22%	27.36%	27.65%	30.49%	35.26%	41.19%	34.97%
Capital grants and contributions <sup>5</sup>	2.66%	12.84%	3.94%	0.57%	11.93%	10.47%	29.24%	10.08%	6.82%	16.87%
<b>Total Program Revenues</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
<b>General Revenues:</b>										
Taxes:										
Property	47.37%	52.07%	52.10%	51.19%	50.81%	51.19%	54.88%	52.98%	52.60%	53.14%
Sales	39.16%	37.13%	36.08%	38.73%	37.34%	39.95%	38.67%	36.92%	33.85%	39.45%
Selective	4.41%	4.27%	4.34%	4.37%	4.48%	4.63%	4.76%	4.36%	4.27%	4.58%
Gain on sale of capital assets	0.06%	0.00%	0.00%	0.00%	0.38%	0.74%	0.02%	0.01%	0.02%	0.02%
Investment earnings <sup>4</sup>	3.69%	3.85%	2.49%	4.03%	5.58%	0.76%	-1.52%	1.84%	0.14%	0.07%
Miscellaneous	5.31%	2.68%	4.98%	1.69%	1.41%	2.73%	3.19%	3.89%	9.12%	2.74%
<b>Total General Revenues</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

(continued)

**Notes:**

<sup>1</sup> In fiscal years 2003 and 2004, the County recognized contributions from Callaway Foundation, Inc. totaling \$2 million and \$3 million for financing the operation and maintenance costs of parks and recreation facilities.

<sup>2</sup> The increase in expenses from 2007 to 2008 for the general government function relates to the payment of SPLOST to the cities within the County.

<sup>3</sup> During fiscal years 2009 and 2008, the County completed a substantial higher amount of road paving and transportation materials as compared to fiscal year 2007.

<sup>4</sup> During fiscal year 2009, the County reported a loss on investments due to the investment of endowment funds into a diversified portfolio of stocks and bonds which have deteriorated rapidly during the 2009 recession.

<sup>5</sup> During fiscal year 2009, the County recognized reimbursement from the Georgia Department of Transportation for right-of-ways purchased by the county for the South Loop Road Project.

<sup>6</sup> During fiscal year 2009, State Court fines have decreased substantially due to a decline in traffic citations, much related to fewer state patrol officers on duty because of state budget reductions.

**Data Source:**

Applicable years' comprehensive annual financial report.

**Troup County, Georgia**  
**Government-wide Net Assets by Component (Unaudited) <sup>1</sup>**  
*Last Ten Fiscal Years*  
*(accrual basis of accounting)*

	June 30, 2003	June 30, 2004	June 30, 2005	June 30, 2006	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012
<b>Amounts</b>										
<b>Governmental Activities</b>										
Invested in capital assets, net of related debt	\$ 46,863,245	\$ 59,073,849	\$ 66,834,441	\$ 76,569,003	\$ 89,391,413	\$ 94,741,900	\$ 101,765,619	\$ 105,144,535	\$ 111,309,882	\$ 119,476,570
Restricted	14,371,134	15,039,605	15,642,917	14,735,219	13,344,274	14,027,454	26,297,173	18,825,316	21,243,190	18,841,064
Unrestricted	9,226,885	10,297,510	12,272,693	13,195,052	13,592,720	9,626,280	8,239,596	6,399,935	4,458,904	1,322,236
<b>Total</b>	<b>\$ 70,461,264</b>	<b>\$ 84,410,964</b>	<b>\$ 94,750,051</b>	<b>\$ 104,499,274</b>	<b>\$ 116,328,407</b>	<b>\$ 118,395,634</b>	<b>\$ 136,302,388</b>	<b>\$ 130,369,786</b>	<b>\$ 137,011,976</b>	<b>\$ 139,639,870</b>
<b>Total Percentage Increase From Prior Year</b>	0.0%	19.8%	12.2%	10.3%	11.3%	1.8%	15.1%	-4.4%	5.1%	1.9%
<b>Percentage of Total</b>										
<b>Governmental Activities</b>										
Invested in capital assets, net of related debt <sup>2</sup>	66.51%	69.98%	70.54%	73.27%	76.84%	80.02%	74.66%	80.65%	81.24%	85.56%
Restricted	20.40%	17.82%	16.51%	14.10%	11.47%	11.85%	19.29%	14.44%	15.50%	13.49%
Unrestricted	13.09%	12.20%	12.95%	12.63%	11.69%	8.13%	6.05%	4.91%	3.25%	0.95%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

**Notes:**

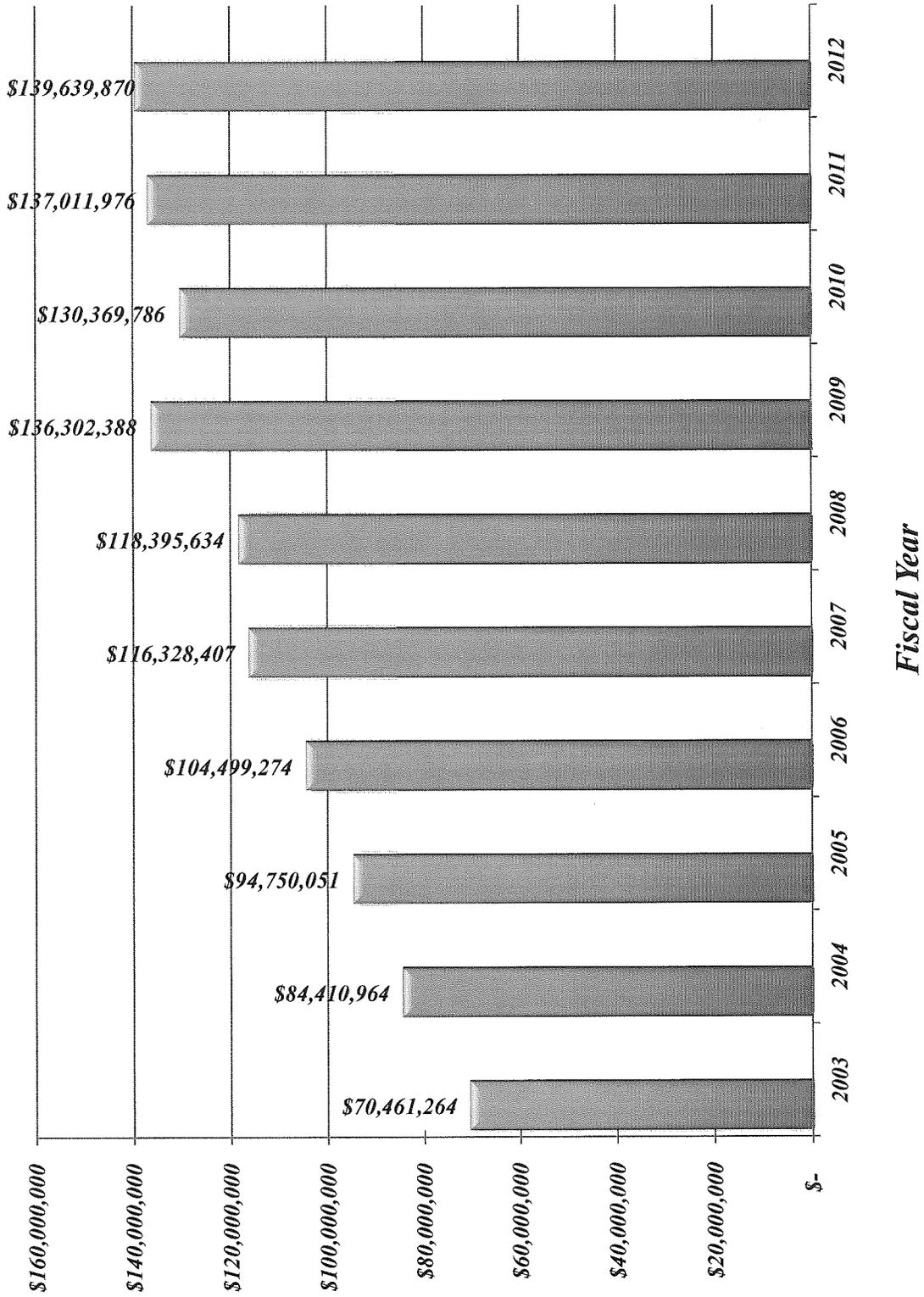
<sup>1</sup> Accounting standards require that net assets be reported in three components in the financial statements: invested in capital assets, net of related debt; restricted; and unrestricted. Net assets are considered restricted only when (1) an external party, such as the State of Georgia or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the County. There are no restrictions currently reported as a result of enabling legislation.

<sup>2</sup> The increase in "invested in capital assets, net of related debt" from fiscal years 2004 - 2009 relates to the capitalization of parks and recreation facilities and a government services center, which are being financed by debt secured by special purpose local option sales taxes, which is being repaid over five years or in a shorter time period than the capital assets are being depreciated.

**Data Source:**

Applicable years' comprehensive annual financial report.

**Troup County, Georgia**  
**Chart - Total Government-wide Net Assets**  
*Last Ten Fiscal Years*  
*(accrual basis of accounting)*



**Troup County, Georgia**  
**General Governmental Revenues by Source (Unaudited) <sup>1</sup>**  
*Last Ten Fiscal Years*  
*(modified accrual basis of accounting)*

Revenue Source	For the Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
	\$ 27,954,139	\$ 31,601,722	\$ 32,844,984	\$ 35,572,661	\$ 36,312,165	\$ 39,352,112	\$ 39,342,351	\$ 39,198,221	\$ 38,174,064	\$ 39,301,397
Intergovernmental	4,688,554	5,218,361	4,461,074	4,261,400	4,107,013	5,436,469	10,217,196	5,859,078	5,411,450	5,489,859
Licenses and permits	217,386	232,332	204,831	219,572	176,393	188,354	200,906	154,440	162,733	231,282
Fines and forfeitures	1,186,184	1,183,798	1,641,613	1,692,141	2,034,182	2,116,735	1,682,734	1,822,194	1,785,190	1,580,020
Charges for services	2,612,076	2,810,401	2,857,914	3,336,289	4,020,085	3,692,560	3,418,005	3,321,143	3,270,019	3,386,794
Contributions <sup>3</sup>	2,000,000	3,000,000	13,753	2,500	-	-	-	-	-	-
Investment earnings <sup>4</sup>	1,132,956	1,305,047	884,795	1,513,281	2,188,601	312,461	(608,885)	763,799	1,286,227	144,975
Miscellaneous	1,631,245	906,259	1,769,810	635,367	550,510	1,123,647	1,277,611	1,263,444	3,822,339	1,105,094
<b>Total revenues</b>	<b>\$ 41,422,540</b>	<b>\$ 46,257,920</b>	<b>\$ 44,678,774</b>	<b>\$ 47,233,211</b>	<b>\$ 49,388,949</b>	<b>\$ 52,222,338</b>	<b>\$ 55,529,918</b>	<b>\$ 52,382,319</b>	<b>\$ 53,912,022</b>	<b>\$ 51,239,421</b>
<b>% Change From Prior Year</b>	<b>17.5%</b>	<b>11.7%</b>	<b>-3.4%</b>	<b>5.7%</b>	<b>4.6%</b>	<b>5.7%</b>	<b>6.3%</b>	<b>-5.7%</b>	<b>2.9%</b>	<b>-5.0%</b>
	<b>Percentage of Total</b>									
Taxes	67.5%	68.3%	73.5%	75.3%	73.5%	75.4%	70.8%	74.8%	70.8%	76.7%
Intergovernmental	11.3%	11.3%	10.0%	9.0%	8.3%	10.4%	18.4%	11.2%	10.0%	10.7%
Licenses and permits	0.5%	0.5%	0.5%	0.5%	0.4%	0.4%	0.4%	0.3%	0.3%	0.5%
Fines and forfeitures	2.9%	2.6%	3.7%	3.6%	4.1%	4.1%	3.0%	3.5%	3.3%	3.1%
Charges for services	6.3%	6.1%	6.4%	7.1%	8.1%	7.1%	6.2%	6.3%	6.1%	6.6%
Contributions	4.8%	6.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Investment earnings	2.7%	2.8%	2.0%	3.2%	4.4%	0.6%	-1.1%	1.5%	2.4%	0.3%
Miscellaneous	4.0%	2.1%	4.1%	1.3%	1.1%	2.2%	2.3%	2.4%	7.1%	2.1%
<b>Total revenues</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

**Notes:**

<sup>1</sup> Includes all governmental fund types.

<sup>2</sup> For changes in the sources of taxes, see the "tax revenues by source - governmental funds" statistical table

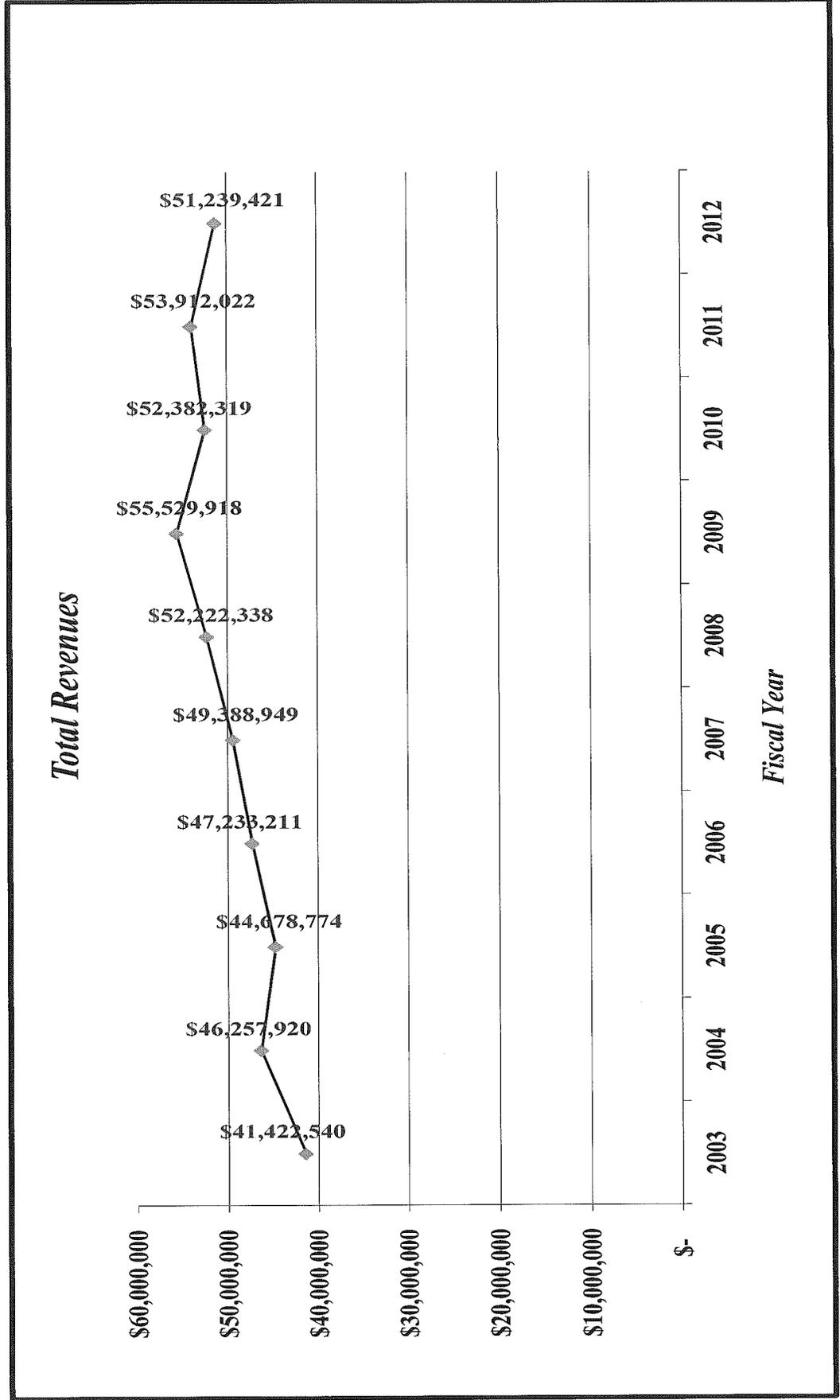
<sup>3</sup> For fiscal years 2003 - 2004, recognized contributions from Callaway Foundation, Inc. for financing the operation and maintenance costs for parks and recreation facilities.

<sup>4</sup> In fiscal year 2008, investment earnings were reduced significantly from fiscal 2007 primarily due to endowment earnings in equity securities.

**Data Source:**

Applicable years' comprehensive annual financial report.

**Troup County, Georgia**  
**Chart-Total General Governmental Revenues**  
*Last Ten Fiscal Years*  
*(modified accrual basis of accounting)*



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

For The Fiscal Year Ended June 30,	Property	Local Option Sales	Special Purpose Local Option Sales	Insurance Premium	Alcoholic Beverage	Other <sup>1</sup>	Total
<b>Amounts</b>							
2003	\$ 14,567,259	\$ 3,719,682	\$ 8,312,635	\$ 971,593	\$ 125,802	\$ 257,168	\$ 27,954,139
2004	17,576,731	3,950,525	8,627,563	1,041,983	151,172	253,748	31,601,722
2005	18,491,115	4,012,504	8,801,524	1,127,445	149,039	263,357	32,844,984
2006	19,391,328	4,536,174	10,005,747	1,203,973	150,901	284,538	35,572,661
2007	19,921,036	4,574,886	10,060,837	1,261,727	162,224	331,455	36,312,165
2008	21,039,063	5,097,402	11,315,230	1,326,722	193,091	380,604	39,352,112
2009	21,969,112	4,807,415	10,660,976	1,359,061	181,728	364,059	39,342,351
2010	22,018,261	4,772,849	10,591,175	1,339,574	162,491	313,871	39,198,221
2011	22,123,271	4,396,506	9,855,829	1,302,832	163,871	331,755	38,174,064
2012	21,485,229	4,903,202	11,059,854	1,328,916	163,067	361,129	39,301,397

**% Change in Dollars**

<b>Over 10 Years</b>	47.5%	31.8%	33.0%	36.8%	29.6%	40.4%	40.6%
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**Percentage of Total**

2003	52.1%	13.3%	29.7%	3.5%	0.5%	0.9%	100.0%
2004	55.6%	12.5%	27.3%	3.3%	0.5%	0.8%	100.0%
2005	56.3%	12.2%	26.8%	3.4%	0.5%	0.8%	100.0%
2006	54.5%	12.8%	28.1%	3.4%	0.4%	0.8%	100.0%
2007	54.9%	12.6%	27.7%	3.5%	0.4%	0.9%	100.0%
2008	53.5%	13.0%	28.8%	3.4%	0.5%	0.8%	100.0%
2009	55.8%	12.2%	27.1%	3.5%	0.5%	0.9%	100.0%
2010	56.2%	12.2%	27.0%	3.4%	0.4%	0.8%	100.0%
2011	58.0%	11.5%	25.8%	3.4%	0.4%	0.9%	100.0%
2012	54.7%	12.5%	28.1%	3.4%	0.4%	0.8%	100.0%

**Notes:**

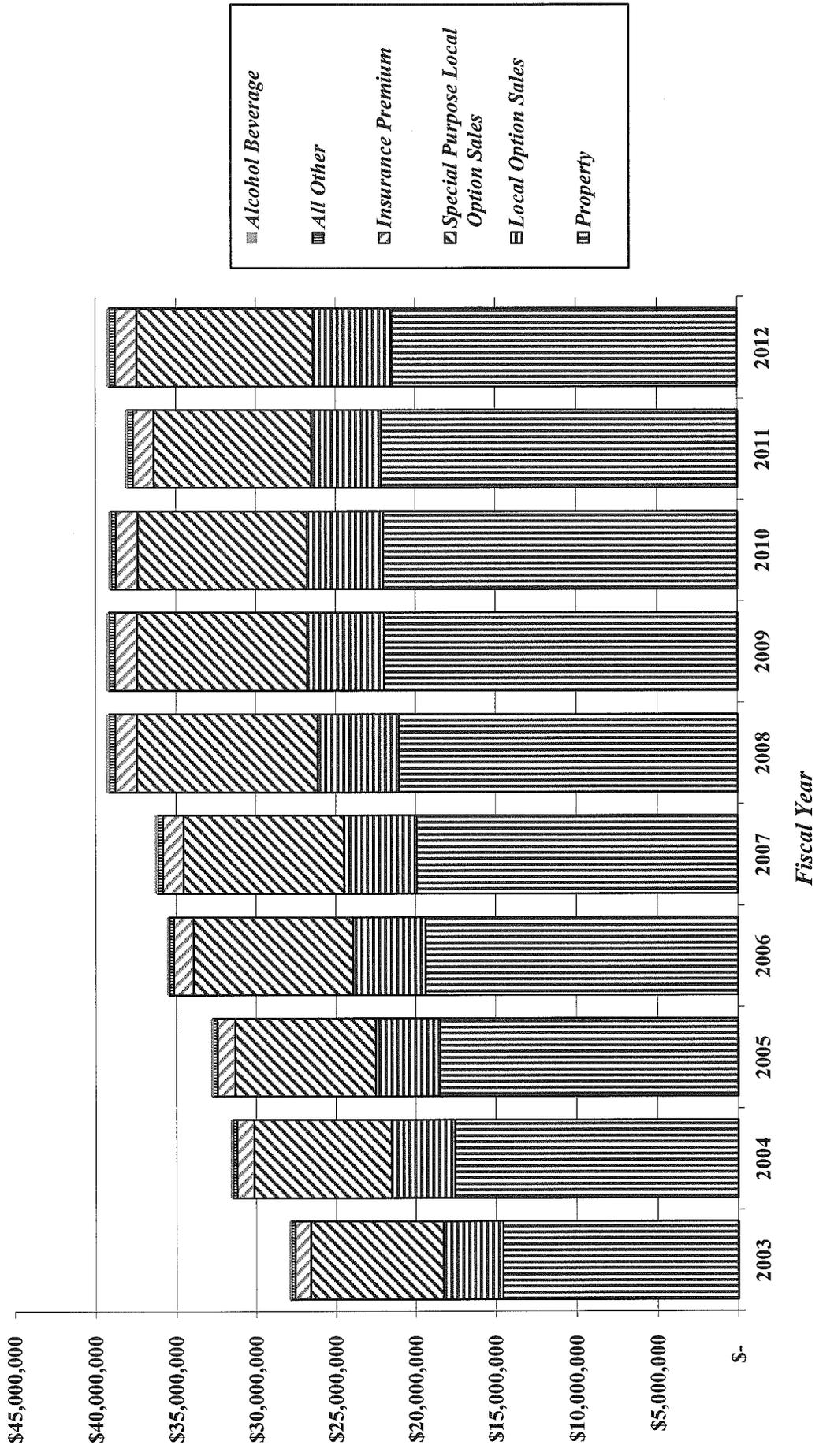
<sup>1</sup> Includes franchise taxes, railroad taxes and hotel/motel taxes.

<sup>2</sup> Special purpose local option sales taxes (SPLOST) that expired December 13, 2006 were approved for the construction of park and recreation facilities and a new government services center. A third SPLOST was approved and expired December 31, 2012 which funded a new County Health Department, infrastructure improvements, water and sewer system improvements and public safety equipment, primarily fire trucks. A fourth SPLOST, which became effective January 1, 2013, will fund Court Technology, park and facilities improvements, road improvements, and paving and public safety equipment. SPLOST IV expires December 31, 2018.

**Data Source:**

Applicable years' comprehensive annual financial report.

**Troup County, Georgia**  
**Chart - Tax Revenues by Source - Governmental Funds**  
*Last Ten Fiscal Years*  
*(modified accrual basis of accounting)*



**Troup County, Georgia**  
**Governmental Expenditures by Function (Unaudited) <sup>1</sup>**  
*Last Ten Fiscal Years*  
*(modified accrual basis of accounting)*

For the Year Ended June 30,

Function	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Current:</b>										
General government	\$ 3,181,509	\$ 2,960,646	\$ 2,903,232	\$ 3,676,841	\$ 3,380,368	\$ 3,726,264	\$ 3,732,820	\$ 3,737,014	\$ 4,050,139	\$ 4,124,943
Judicial	3,323,448	3,590,112	3,712,517	3,956,021	4,242,383	4,531,450	4,720,706	4,742,492	4,828,707	5,356,897
Public safety	15,425,696	16,188,265	16,719,086	18,480,260	19,457,423	20,535,725	20,860,425	21,442,063	21,164,566	21,794,406
Highways and streets <sup>4</sup>	2,571,379	2,922,271	2,643,544	3,470,784	4,092,685	9,515,697	8,231,614	4,967,060	2,946,723	2,721,270
Health and welfare	569,904	593,436	596,155	600,603	741,654	990,915	955,129	970,135	877,266	890,668
Culture and recreation	3,637,059	3,948,555	4,433,889	4,645,411	4,647,255	5,382,692	5,259,154	4,917,525	5,337,709	5,470,288
Other	533,123	142,972	153,783	154,291	154,809	183,108	167,530	207,231	215,431	193,032
Intergovernmental	-	-	-	-	-	-	-	4,036,826	3,756,550	4,215,462
<b>Total Current</b>	29,242,118	30,346,257	31,162,206	34,984,211	36,716,577	44,865,851	43,927,378	45,020,346	43,177,091	44,766,966
<b>% Change From Prior Year</b>	120.0%	3.8%	2.7%	12.3%	5.0%	22.2%	-2.1%	2.5%	-4.1%	3.7%
<b>Capital Outlay <sup>2</sup></b>	11,387,428	17,425,698	15,865,556	4,669,561	3,548,428	9,675,194	9,420,690	5,746,192	8,875,578	10,382,357
<b>% Change From Prior Year</b>	128.8%	53.0%	-9.0%	-70.6%	-24.0%	172.7%	-2.6%	-39.0%	54.5%	17.0%
<b>Debt Service <sup>3</sup></b>										
Principal	1,500,000	7,940,000	9,230,000	9,790,000	10,159,757	57,399	372,389	390,137	514,794	769,454
Interest and fees	810,506	1,235,459	1,081,755	801,050	463,550	135,908	292,467	188,121	269,623	276,612
<b>Total Debt Service</b>	2,310,506	9,175,459	10,311,755	10,591,050	10,623,307	193,307	664,856	578,258	784,417	1,046,066
<b>% Change From Prior Year</b>	100.0%	297.1%	12.4%	2.7%	0.3%	-98.2%	243.9%	-13.0%	35.7%	33.4%
<b>Total Expenditures</b>	\$ 42,940,052	\$ 56,947,414	\$ 57,339,517	\$ 50,244,822	\$ 50,888,312	\$ 54,734,352	\$ 54,012,924	\$ 51,344,796	\$ 52,837,086	\$ 56,195,389
<b>% Change From Prior Year</b>	26.8%	32.6%	0.7%	-12.4%	1.3%	7.6%	-1.3%	-4.9%	2.9%	6.4%
<b>Debt Service as a % of Noncapital Expenditures</b>	7.3%	23.2%	24.9%	23.2%	22.4%	0.4%	1.5%	1.3%	1.8%	2.3%

(continued)

**Notes:**

- <sup>1</sup> Includes all governmental fund types.
- <sup>2</sup> The capital outlay expenditure for fiscal years 2003 - 2005 included construction of parks and recreation facilities and the construction of a government services center.
- <sup>3</sup> Beginning in fiscal year 2003, the County began repaying \$18,010,000 in debt issued to construct park and recreation facilities. In fiscal year 2004, the County began repaying \$20,560,000 in debt issued to construct a government services center.
- <sup>4</sup> During fiscal year 2008, the County purchased a substantial higher amount of road paving and transportation materials as compared to fiscal year 2007.

**Data Source:**

Applicable years' comprehensive annual financial report.

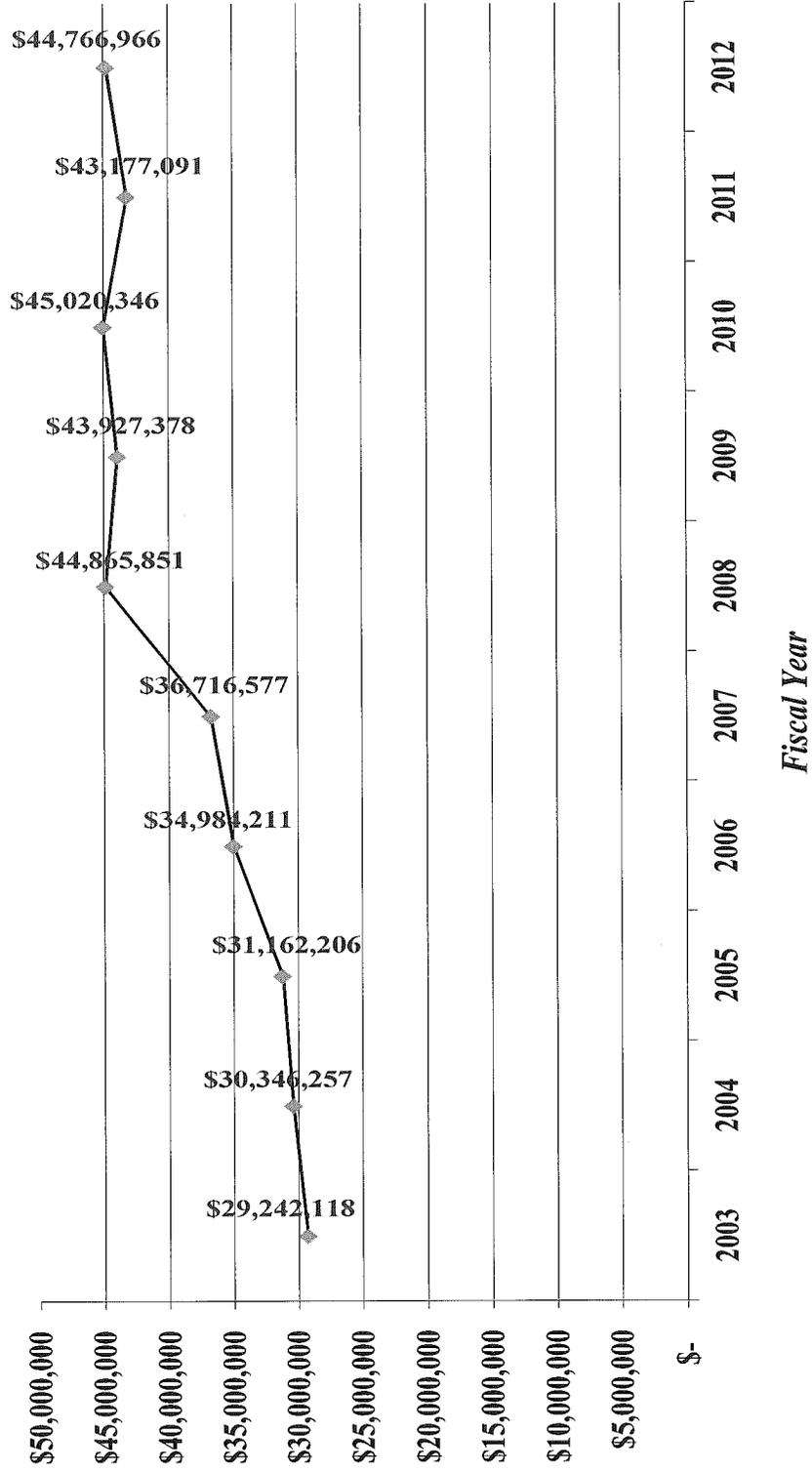


Troup County, Georgia  
Chart-Total Current Expenditures

Last Ten Fiscal Years

(modified accrual basis of accounting)

Total Current Expenditures



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

Source	For the Year Ended June 30,									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Total Revenues</b>	\$ 41,422,540	\$ 46,257,920	\$ 44,678,774	\$ 47,233,211	\$ 49,388,949	\$ 52,222,338	\$ 55,529,918	\$ 52,382,319	\$ 53,912,022	\$ 51,239,421
<b>Total Expenditures<sup>1</sup></b>	42,940,052	56,947,414	57,339,517	50,244,822	50,888,312	54,734,352	54,012,924	51,344,796	52,837,086	56,195,389
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures<sup>1</sup></b>	(1,517,512)	(10,689,494)	(2,660,743)	(3,011,611)	(1,499,363)	(2,512,014)	1,516,994	1,037,523	1,074,936	(4,955,968)
<b>Other Financing Sources (Uses)</b>										
Sale of capital assets	19,492	400	-	140	382,615	576,110	7,251	33,167	28,884	18,584
Inception of capital lease	-	-	-	-	274,987	1,987,396	-	-	62,134	-
Issuance of note	-	-	-	-	-	-	-	-	1,500,000	191,400
Inception of intergovernmental agreement <sup>2</sup>	-	21,338,789	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	546,104	482,673	1,418,568	439,880	654,106
Transfers out	-	-	-	-	-	(546,104)	(482,673)	(1,418,568)	(439,880)	(654,106)
<b>Total Other Financing Sources (Uses)</b>	19,492	21,339,189	-	140	657,602	2,563,506	7,251	33,167	1,591,018	209,984
<b>Net Change in Fund Balances</b>	(1,498,020)	10,649,695	(12,660,743)	(3,011,471)	(841,761)	51,492	1,524,245	1,070,690	2,665,954	(4,745,984)
<b>Fund Balances, Beginning of Year</b>	34,908,051	34,377,905	45,068,900	32,416,370	29,481,301	28,702,169	28,650,866	30,175,577	31,270,100	33,906,579
<b>Other Changes</b>	967,874	41,300	8,213	76,402	62,629	(102,795)	466	23,833	(29,478)	99,244
<b>Fund Balances, End of Year</b>	\$ 34,377,905	\$ 45,068,900	\$ 32,416,370	\$ 29,481,301	\$ 28,702,169	\$ 28,650,866	\$ 30,175,577	\$ 31,270,100	\$ 33,906,576	\$ 29,259,839

**Notes:**

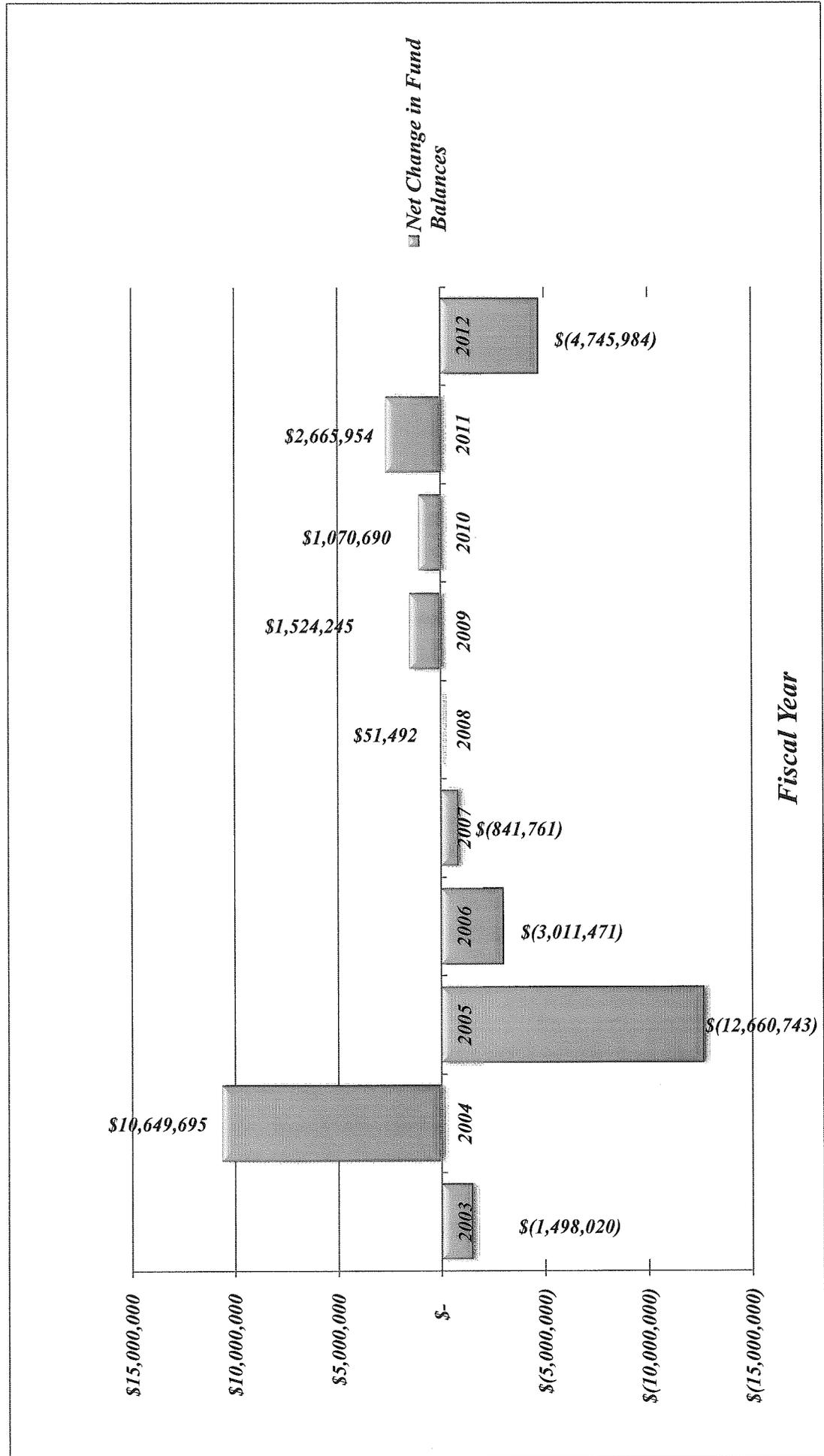
<sup>1</sup> During fiscal years 2003 - 2006, the County was expending loan proceeds to construct new park and recreation facilities and a new government services center, resulting in an increase in expenditures and a deficiency between revenues and expenditures. A special purpose local option sales tax was approved effective January 1, 2007 and expires December 31, 2012. This tax is being shared with the cities within the County and will fund a new County Health Department, infrastructure improvements, water and sewer system improvements and public safety equipment, primarily fire trucks.

<sup>2</sup> During fiscal year 2004 the County received loan proceeds to construct new park and recreation facilities and a new government services center.

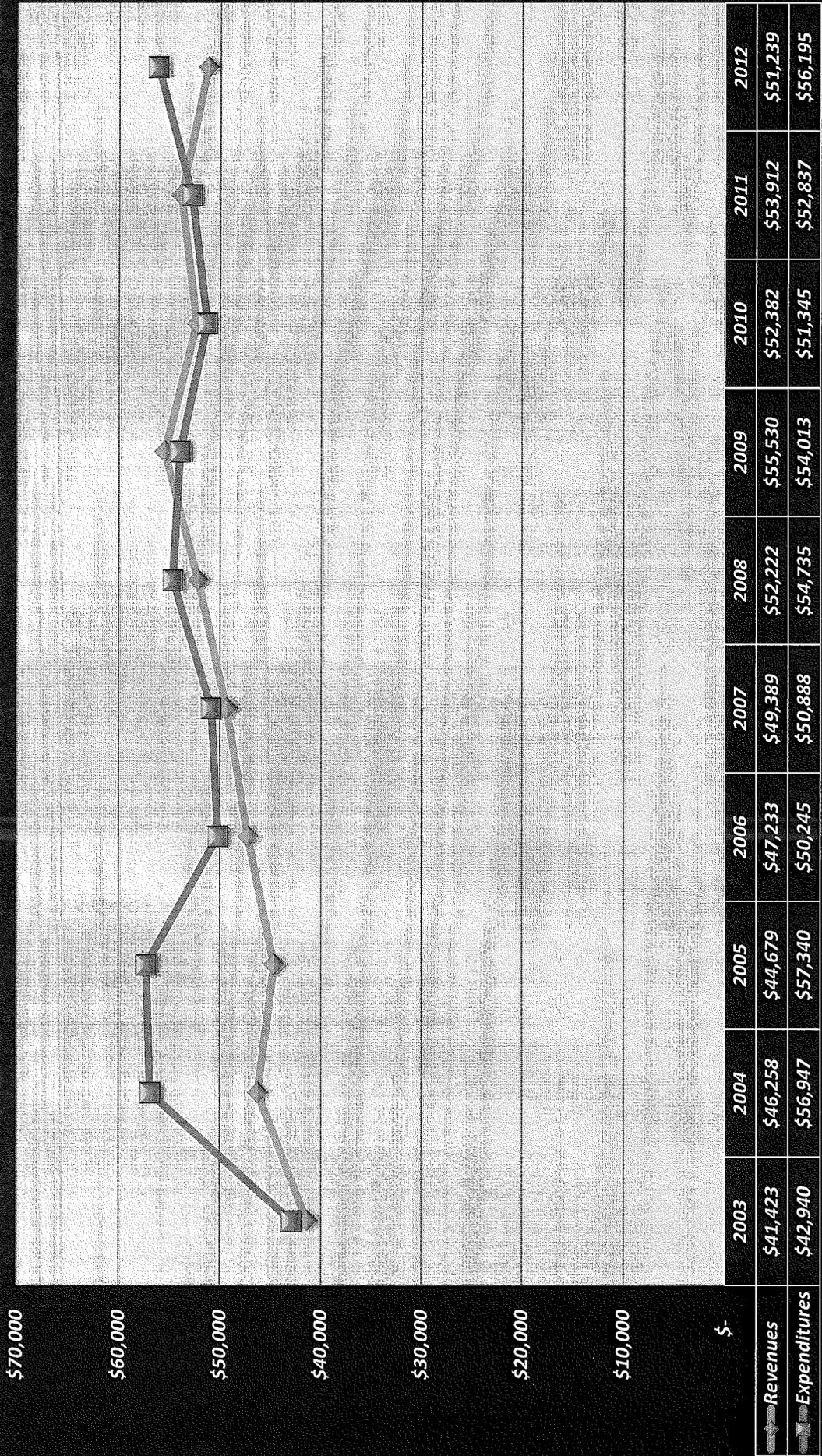
**Data Source:**

Applicable years' comprehensive annual financial report.

**Troup County, Georgia**  
**Chart - Changes in Fund Balances - Governmental Funds**  
*Last Ten Fiscal Years*  
*(modified accrual basis of accounting)*



**Troup County, Georgia**  
**Chart - Governmental Fund Revenues and Expenditures**  
*Last Ten Fiscal Years*  
*(in thousand dollars)*



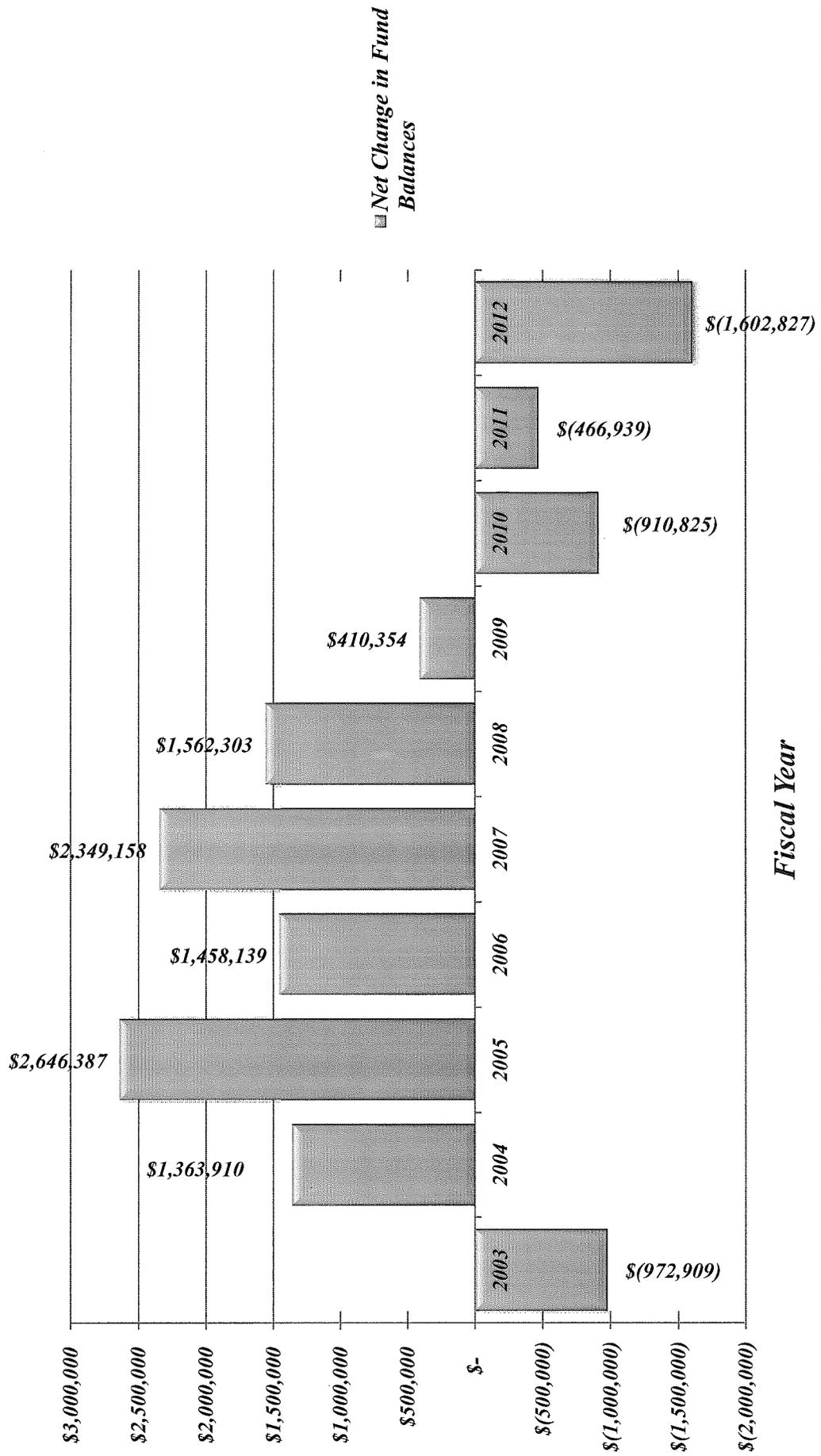
**Troup County, Georgia**  
**Changes in Fund Balances - General Fund (Unaudited)**  
*Last Ten Fiscal Years*  
*(modified accrual basis of accounting)*

For the Fiscal Year Ended June 30,

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Revenues:</b>										
Taxes and commissions	\$ 19,641,504	\$ 22,974,159	\$ 24,043,460	\$ 25,566,914	\$ 26,189,784	\$ 27,908,637	\$ 28,556,570	\$ 28,540,797	\$ 28,247,529	\$ 28,151,647
Licenses and permits	217,386	232,332	204,831	219,572	176,393	188,354	200,906	154,440	162,733	231,282
Courts and law enforcement	1,077,641	1,080,486	1,486,413	1,536,559	1,817,866	1,902,612	1,496,862	1,630,901	1,592,825	1,385,738
Intergovernmental	4,491,399	4,984,395	4,091,305	4,260,914	4,000,297	4,207,161	4,370,981	4,370,702	4,448,881	4,672,629
Other	3,397,957	3,362,572	3,592,725	3,423,696	4,181,931	4,323,529	3,606,356	3,035,238	3,175,660	3,478,921
<b>Total Revenues</b>	<b>\$ 28,825,887</b>	<b>\$ 32,633,944</b>	<b>\$ 33,418,734</b>	<b>\$ 35,007,655</b>	<b>\$ 36,366,271</b>	<b>\$ 38,530,293</b>	<b>\$ 38,231,675</b>	<b>\$ 37,732,078</b>	<b>\$ 37,627,628</b>	<b>\$ 37,920,217</b>
<b>Expenditures:</b>										
<b>Current:</b>										
General government	3,181,404	2,917,295	2,853,497	3,315,601	3,352,966	3,489,368	3,649,794	3,716,582	3,854,368	4,124,704
Judicial	3,323,448	3,590,112	3,712,517	3,956,021	4,242,383	4,531,450	4,720,706	4,742,492	4,828,707	5,356,897
Public safety	15,423,084	16,169,593	16,717,361	17,185,059	18,072,404	19,113,231	19,479,214	20,007,913	19,692,187	20,163,012
Highways and streets	2,448,156	2,909,933	2,643,544	3,470,784	2,920,433	2,886,017	2,828,385	2,924,301	2,828,151	2,713,945
Health and welfare	423,441	474,964	471,549	453,121	481,433	708,081	731,287	715,938	638,452	631,047
Culture and recreation	3,606,470	3,714,219	4,030,541	4,229,469	4,207,393	4,938,188	4,848,855	4,520,645	4,900,526	5,094,032
Other	533,123	142,972	153,783	154,291	154,809	167,567	167,530	207,229	215,431	193,032
Capital Outlay	859,670	1,350,946	189,555	341,818	498,274	3,082,487	393,307	86,153	202,640	64,192
Debt Service	-	-	-	-	-	125,950	597,500	510,901	651,749	608,081
<b>Total Expenditures</b>	<b>29,798,796</b>	<b>31,270,034</b>	<b>30,772,347</b>	<b>33,106,164</b>	<b>33,930,095</b>	<b>39,062,339</b>	<b>37,416,578</b>	<b>37,432,154</b>	<b>37,812,211</b>	<b>38,948,942</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(972,909)</b>	<b>1,363,910</b>	<b>2,646,387</b>	<b>1,901,491</b>	<b>2,436,176</b>	<b>(532,046)</b>	<b>815,097</b>	<b>299,924</b>	<b>(184,583)</b>	<b>(1,028,725)</b>
<b>Net Transfers In (Out)</b>	-	-	-	(443,352)	(469,633)	(469,157)	(411,994)	(1,243,916)	(373,374)	(592,686)
<b>Sale of Capital Assets</b>	-	-	-	382,615	382,615	576,110	7,251	33,167	28,884	18,584
<b>Inception of Capital Lease</b>	-	-	-	-	-	1,987,396	-	-	62,134	-
<b>Net Change in Fund Balances</b>	<b>(972,909)</b>	<b>1,363,910</b>	<b>2,646,387</b>	<b>1,458,139</b>	<b>2,349,158</b>	<b>1,562,303</b>	<b>410,354</b>	<b>(910,825)</b>	<b>(466,939)</b>	<b>(1,602,827)</b>
<b>Fund Balance Beginning of Year</b>	<b>11,581,213</b>	<b>11,576,181</b>	<b>12,981,391</b>	<b>15,635,991</b>	<b>17,170,529</b>	<b>19,582,316</b>	<b>21,041,824</b>	<b>21,452,643</b>	<b>20,565,651</b>	<b>20,069,236</b>
<b>Changes in Reserves Restatements</b>	<b>284,280</b>	<b>41,300</b>	<b>8,213</b>	<b>76,399</b>	<b>62,629</b>	<b>(102,795)</b>	<b>465</b>	<b>23,833</b>	<b>(29,476)</b>	<b>99,244</b>
<b>Fund Balance End of Year</b>	<b>\$ 11,576,181</b>	<b>\$ 12,981,391</b>	<b>\$ 15,635,991</b>	<b>\$ 17,170,529</b>	<b>\$ 19,582,316</b>	<b>\$ 21,041,824</b>	<b>\$ 21,452,643</b>	<b>\$ 20,565,651</b>	<b>\$ 20,069,236</b>	<b>\$ 20,383,068</b>

Data Source:

**Troup County, Georgia**  
**Chart-Changes in Fund Balances - General Fund**  
*Last Ten Fiscal Years*  
*(Modified Accrual Basis of Accounting)*



**Troup County, Georgia**  
**Fund Balances - Governmental Funds (Unaudited)**  
**Fiscal Years 2002 - 2010**<sup>3</sup>  
*(modified accrual basis of accounting)*

	At June 30,									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	
<b>General Fund</b>										
Reserved	\$ 320,561	\$ 604,840	\$ 646,140	\$ 704,860	\$ 781,259	\$ 843,888	\$ 741,093	\$ 1,017,273	\$ 767,456	
Unreserved	11,260,652	10,971,341	12,335,251	14,931,131	16,389,270	18,738,428	20,300,731	20,435,370	19,798,195	
<b>Subtotal General Fund</b>	<b>11,581,213</b>	<b>11,576,181</b>	<b>12,981,391</b>	<b>15,635,991</b>	<b>17,170,529</b>	<b>19,582,316</b>	<b>21,041,824</b>	<b>21,452,643</b>	<b>20,565,651</b>	
<b>General Fund Percentage Change</b>	<b>-3.6%</b>	<b>0.0%</b>	<b>12.1%</b>	<b>20.4%</b>	<b>9.8%</b>	<b>14.0%</b>	<b>7.5%</b>	<b>2.0%</b>	<b>-4.1%</b>	
<b>All Other Governmental Funds</b> <sup>1</sup>										
Reserved <sup>2</sup>	23,527,758	24,359,543	34,110,371	19,030,468	14,989,843	13,325,775	13,977,024	17,394,646	19,611,764	
Unreserved	(200,920)	(1,557,816)	(2,022,859)	(2,199,579)	(2,679,071)	(4,205,922)	(6,367,982)	(8,671,713)	(8,907,315)	
<b>Subtotal All Other Governmental Funds</b>	<b>23,326,838</b>	<b>22,801,727</b>	<b>32,087,512</b>	<b>16,830,889</b>	<b>12,310,772</b>	<b>9,119,853</b>	<b>7,609,042</b>	<b>8,722,933</b>	<b>10,704,449</b>	
<b>All Other Governmental Funds Percentage Change</b>	<b>667.8%</b>	<b>-2.3%</b>	<b>40.7%</b>	<b>-47.5%</b>	<b>-26.9%</b>	<b>-25.9%</b>	<b>-16.6%</b>	<b>14.6%</b>	<b>22.7%</b>	
<b>Total Governmental Funds</b>										
Reserved <sup>2</sup>	23,848,319	24,964,383	34,756,511	19,735,328	15,771,102	14,169,663	14,718,117	18,411,919	20,379,220	
Unreserved	11,059,732	9,413,525	10,312,392	12,731,552	13,710,199	14,532,506	13,932,749	11,763,657	10,890,880	
<b>Total Governmental Funds</b>	<b>\$ 34,908,051</b>	<b>\$ 34,377,908</b>	<b>\$ 45,068,903</b>	<b>\$ 32,466,880</b>	<b>\$ 29,481,301</b>	<b>\$ 28,702,169</b>	<b>\$ 28,650,866</b>	<b>\$ 30,175,576</b>	<b>\$ 31,270,100</b>	
<b>All Governmental Funds Percentage Change</b>	<b>131.8%</b>	<b>-1.5%</b>	<b>31.1%</b>	<b>-28.0%</b>	<b>-9.2%</b>	<b>-2.6%</b>	<b>-0.2%</b>	<b>5.3%</b>	<b>3.6%</b>	

**Notes:**

<sup>1</sup> For consistency, certain amounts have been reclassified between reserved and unreserved fund balances.

<sup>2</sup> Two special purpose local option sales taxes were approved for the construction of parks and recreation facilities and a new government services center, each of which were effective January 1, 2002 and expired December 31, 2006.

<sup>3</sup> The City implemented GASB Statement No. 54 in fiscal year 2011, therefore the fund balances for 2011 and 2012 are presented on a subsequent table.

**Data Source:**

Applicable years' comprehensive annual financial report.

**Troup County, Georgia**  
**Fund Balances - Governmental Funds**  
**Last Two Fiscal Years**  
*(modified accrual basis of accounting)*

	June 30,	
	2011	2012
<b>General Fund</b>		
Nonspendable	\$ 687,473	\$ 786,717
Restricted	50,507	50,507
Assigned	-	282,237
Unassigned	19,331,256	19,263,607
<b>Total General Fund</b>	<u>20,069,236</u>	<u>20,383,068</u>
<b>General Fund Percentage Change</b>	<u>-2.4%</u>	<u>1.6%</u>
<b>All Other Governmental Funds</b>		
Restricted		
Special Revenue Funds	614,706	645,706
Capital Projects Funds	13,755,039	11,942,190
Permanent Fund	6,822,938	6,530,156
Unassigned		
Capital Projects Funds	(7,355,340)	(10,241,281)
<b>Subtotal All Other Governmental Funds</b>	<u>13,837,343</u>	<u>8,876,771</u>
<b>All Other Governmental Funds Percentage Change</b>	<u>29.3%</u>	<u>-35.8%</u>
<b>Total Governmental Funds</b>		
Nonspendable	687,473	786,717
Restricted	13,887,850	8,927,278
Assigned	-	282,237
Unassigned	19,331,256	19,263,607
<b>Total Governmental Funds</b>	<u>\$ 33,906,579</u>	<u>\$ 29,259,839</u>
<b>All Governmental Funds Percentage Change</b>	<u>8.4%</u>	<u>-13.7%</u>

**Notes:**

The County implemented GASB Statement No. 54 in fiscal year 2011.

**Data Source:**

Applicable years' comprehensive annual financial report.

**Troup County, Georgia**  
**Taxable Assessed Value<sup>1</sup> and Estimated Actual Value of Property By Type (Unaudited)<sup>2</sup>**  
**Last Ten Fiscal Years**

Amounts

Fiscal <sup>5</sup> Year	Amounts										Total Direct Tax Rate <sup>4</sup>	Estimated Actual Value	Annual Percentage Change
	Residential Property	Commercial Property	Industrial Property <sup>6</sup>	Agricultural Property	Preferential & Conservation Use Property	Utility Property	Motor Vehicles and Mobile Homes	Other Property <sup>3</sup>	Less: Tax Exempt Property <sup>6</sup>	Total Taxable Assessed Value <sup>7</sup>			
2003	\$ 599,333,762	\$ 311,471,873	\$ 424,290,129	\$ 70,062,280	\$ 26,496,772	\$ 41,009,624	\$ 146,904,567	\$ 3,652,767	\$ 142,132,287	\$ 1,481,089,487	8.830	\$ 3,702,723,718	4.1%
2004	652,153,559	302,430,375	419,754,169	75,530,460	32,631,756	45,379,443	144,836,172	1,984,347	143,102,779	1,531,597,502	10.830	3,828,993,755	3.4%
2005	696,137,617	290,387,917	450,895,319	100,625,156	55,798,944	45,388,386	145,372,098	5,325,924	185,135,007	1,604,796,354	10.560	4,011,990,885	4.8%
2006	749,051,155	298,667,525	443,691,072	102,547,284	60,941,772	44,300,578	151,221,183	5,443,890	202,331,861	1,653,532,598	10.560	4,133,831,495	3.0%
2007	811,585,473	306,166,848	444,130,115	109,504,208	66,221,472	44,203,834	144,743,802	3,646,654	198,211,639	1,731,990,767	10.560	4,329,976,918	4.7%
2008	872,468,473	320,674,955	442,280,944	124,522,588	83,356,396	43,547,414	135,813,394	2,918,449	220,979,172	1,804,603,441	10.560	4,511,508,603	4.2%
2009	946,047,411	346,802,645	460,100,637	132,010,296	97,138,960	39,771,528	140,912,911	3,106,190	325,018,232	1,840,872,346	10.560	4,602,180,865	2.0%
2010	958,261,127	371,958,260	477,933,773	115,024,741	111,260,028	46,495,351	147,535,103	3,460,984	291,042,138	1,940,887,229	10.560	4,852,218,073	5.4%
2011	950,116,737	376,754,089	791,709,478	123,314,770	119,237,925	45,336,564	131,328,251	2,646,944	621,413,611	1,919,031,147	10.560	4,797,577,868	-1.1%
2012	889,752,981	392,066,316	427,571,946	112,856,833	123,308,719	48,329,522	131,737,852	3,648,060	448,997,880	1,680,274,349	10.203	4,200,685,873	-12.4%
*	\$ 812,490,830	\$ 331,738,080	\$ 478,235,758	\$ 106,599,862	\$ 77,639,274	\$ 44,376,224	\$ 142,040,533	\$ 3,583,421	\$ 277,836,461	\$ 1,718,867,522		\$ 4,297,168,805	
**	48.5%	25.9%	0.8%	61.1%	365.4%	17.8%	-10.3%	-0.1%	215.9%	13.4%			

Percentage of Total

Fiscal <sup>5</sup> Year	Residential Property	Commercial Property	Industrial Property <sup>6</sup>	Agricultural Property	Preferential & Conservation Use Property	Utility Property	Motor Vehicles and Mobile Homes	Other Property <sup>3</sup>	Less: Tax Exempt Property <sup>6</sup>	Total Taxable Assessed Value <sup>7</sup>	Total Direct Tax Rate <sup>4</sup>	Estimated Actual Value	Annual Percentage Change
2003	36.9%	19.2%	26.1%	4.3%	1.6%	2.5%	9.1%	0.2%	9.6%	90.4%	8.830	\$ 3,702,723,718	4.1%
2004	38.9%	18.1%	25.1%	4.5%	1.9%	2.7%	8.6%	0.1%	9.3%	90.7%	10.830	3,828,993,755	3.4%
2005	38.9%	16.2%	25.2%	5.6%	3.1%	2.5%	8.1%	0.3%	11.5%	88.5%	10.560	4,011,990,885	4.8%
2006	40.4%	16.1%	23.9%	5.5%	3.3%	2.4%	8.1%	0.3%	12.2%	87.8%	10.560	4,133,831,495	3.0%
2007	42.0%	15.9%	23.0%	5.7%	3.4%	2.3%	7.5%	0.2%	11.4%	88.6%	10.560	4,329,976,918	4.7%
2008	43.1%	15.8%	21.8%	6.1%	4.1%	2.1%	6.7%	0.1%	12.2%	87.8%	10.560	4,511,508,603	4.2%
2009	43.7%	16.0%	21.2%	6.1%	4.5%	1.8%	6.5%	0.1%	17.7%	82.3%	10.560	4,602,180,865	2.0%
2010	42.9%	16.7%	21.4%	5.2%	5.0%	2.1%	6.6%	0.2%	15.0%	85.0%	10.560	4,852,218,073	5.4%
2011	37.4%	14.8%	31.2%	4.9%	4.7%	1.8%	5.2%	0.1%	32.4%	67.6%	10.560	4,797,577,868	-1.1%
2012	41.8%	18.4%	20.1%	5.3%	5.8%	2.3%	6.2%	0.2%	26.7%	73.3%	10.203	4,200,685,873	-12.4%

\* Dollar Average For Ten Years.

\*\* Percentage Change in Dollars Over Ten Years.

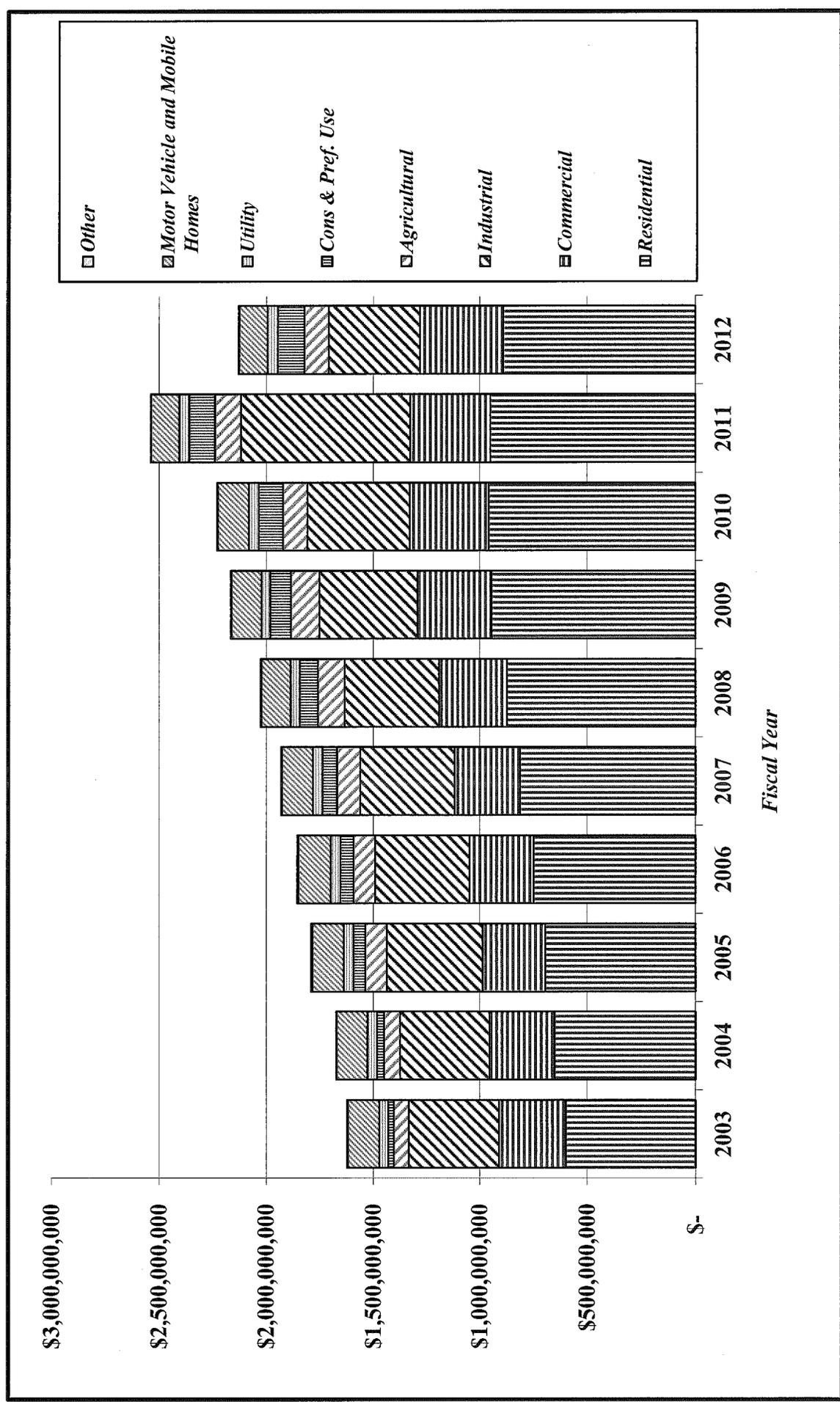
**Notes:**

- <sup>1</sup> All property is assessed at 40% of fair market value.
- <sup>2</sup> Gross digest before homestead or freoport exemptions.
- <sup>3</sup> Generally includes timber and heavy equipment.
- <sup>4</sup> Tax rates expressed in rate per \$1,000.
- <sup>5</sup> The fiscal year indicated above reports the tax digest from the prior calendar year.
- <sup>6</sup> In fiscal year 2011, the KIA corporation was added to both the industrial property and tax abatement concessions are reflected in tax exempt property.

**Data Source:**

Georgia Department of Revenue, Tax Digest Consolidation Summary, <http://www.ctax.dor.ga.gov/PTD/cds/csheets/index.aspx>

**Troup County, Georgia**  
**Chart - Taxable Assessed Value**  
*Last Ten Fiscal Years*  
*(modified accrual basis of accounting)*



**Troup County, Georgia**  
*Direct, Overlapping and Underlying Property Tax Rates (Unaudited)*  
*Last Ten Fiscal Years*  
*(rate per \$1,000 of assessed taxable value)*

Tax Year	Fiscal Year	Underlying Rate <sup>2</sup>					
		Direct County Rate	Overlapping <sup>1</sup> State of Georgia <sup>3</sup>	LaGrange Downtown Development Authority	City of Hogansville	City of West Point	Troup County Schools
2002	2003	8.830	0.250	4.000	10.150	10.000	17.780
2003	2004	10.830	0.250	4.000	9.950	9.740	19.280
2004	2005	10.560	0.250	-	7.950	10.500	18.500
2005	2006	10.560	0.250	4.000	7.950	10.400	18.850
2006	2007	10.560	0.250	4.000	7.950	10.354	18.850
2007	2008	10.560	0.250	4.000	7.950	10.354	18.850
2008	2009	10.560	0.250	4.000	7.950	9.781	18.850
2009	2010	10.560	0.250	4.000	7.950	9.781	18.850
2010	2011	10.560	0.250	4.000	7.950	9.781	18.850
2011	2012	10.203	0.250	4.000	7.950	9.582	18.850

**Notes:**

<sup>1</sup> Overlapping rates are those of governments that overlap the County's geographic boundaries.

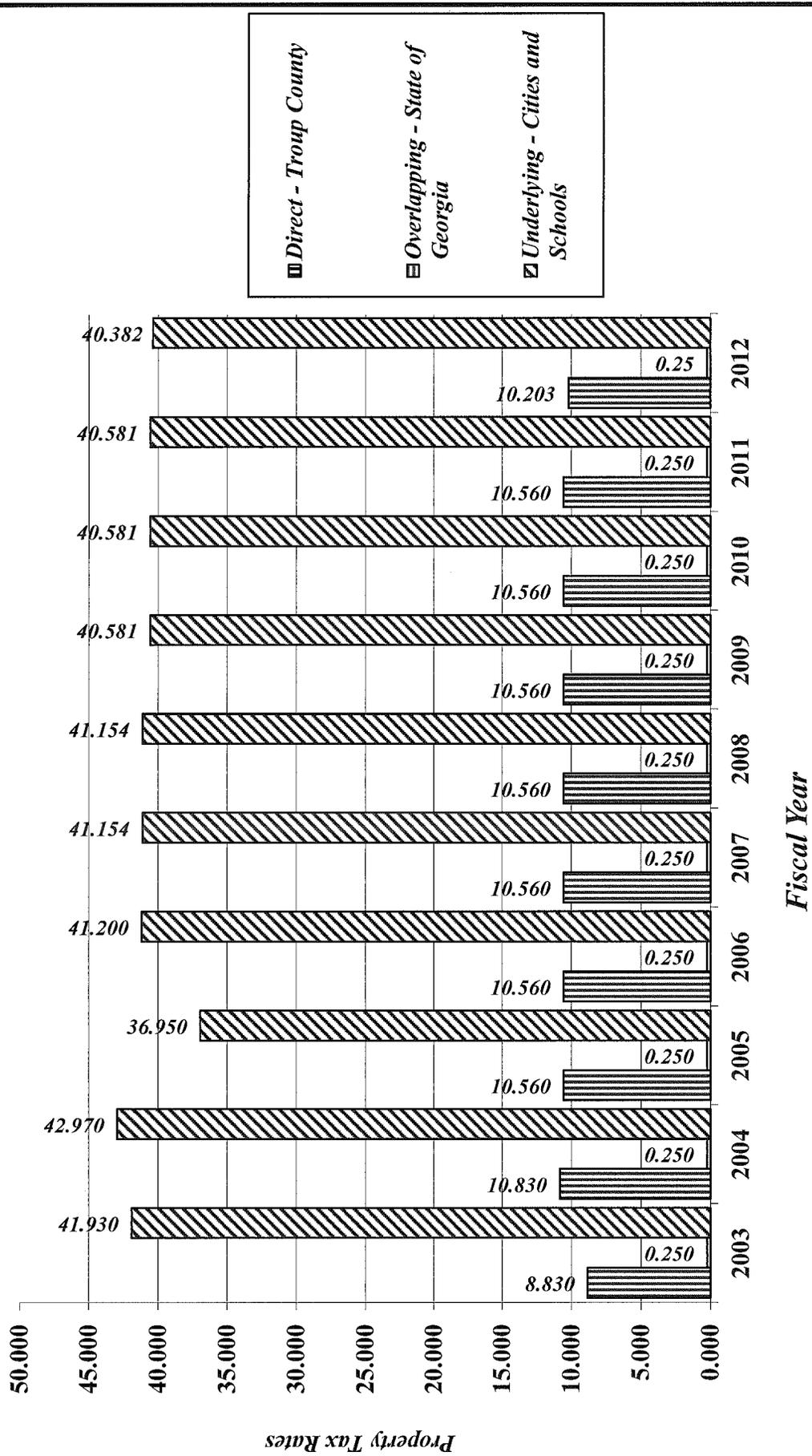
<sup>2</sup> Underlying rates are those of the LaGrange Downtown Development Authority, City of Hogansville, City of West Point and Troup County Schools that apply to property owners located within Troup County. Although an underlying city, the City of LaGrange has not levied a property tax in the last ten fiscal years.

<sup>3</sup> The State of Georgia levies one quarter of one mill on each county's taxable property to help finance their certification of each Georgia county's tax digest.

**Data Source:**

Georgia Department of Revenue, Property Tax Division,  
<http://www.etax.dor.ga.gov/PTD/cds/csheets/millrate.aspx>

**Troup County, Georgia**  
**Chart-Direct, Overlapping and Underlying Property Tax Rates**  
**Last Ten Fiscal Years**  
*(rate per \$1,000 of assessed taxable value)*



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

For The Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year <sup>2</sup>	Collected Within the		Collections in Subsequent Year By Year of Levy	Total Collections to Date		Total Uncollected Taxes <sup>1, 3</sup> Percentage of Levy	
		Fiscal Year of The Levy	Percentage of Levy		Amount	Percentage of Levy	Amount	Amount
2003	\$ 10,954,021	\$ 10,747,267	98.11%	\$ 269,625	\$ 11,016,892	100.57%	\$ (62,871)	-0.57%
2004	13,972,211	13,559,567	97.05%	101,829	13,661,396	97.78%	310,815	2.22%
2005	14,312,113	14,147,104	98.85%	91,589	14,238,693	99.49%	73,420	0.51%
2006	14,850,673	14,706,303	99.03%	60,165	14,766,468	99.43%	84,205	0.57%
2007	15,631,393	15,292,881	97.83%	42,384	15,335,265	98.11%	296,128	1.89%
2008	16,484,627	16,381,046	99.37%	77,736	16,458,782	99.84%	25,845	0.16%
2009	17,628,513	17,509,137	99.32%	50,303	17,559,440	99.61%	69,073	0.39%
2010	18,902,523	18,707,151	98.97%	40,393	18,747,544	99.18%	154,979	0.82%
2011	18,720,129	18,587,045	99.29%	-	18,587,045	99.29%	133,084	0.71%
2012	18,131,478	17,846,663	98.43%	-	17,846,663	98.43%	284,815	1.57%

**Notes:**

- <sup>1</sup> The amounts reported in the total uncollected taxes column are the uncollected taxes for each tax levy.
- <sup>2</sup> The information presented in this table relates to the County's own property tax levies, and does not include those in which it collects on behalf of other governments.
- <sup>3</sup> In fiscal year 2003, the County reports more than 100% of the tax levy collected. Adjustments were made to the tax digests in these years with "not-on-digest" amounts added to the tax digests and errors deducted from the tax digest. The net effect results in increased tax collections beyond the amounts levied. Although the table has been restated to reflect the requirements of GASB Statement No. 44, restating the excess collections to the appropriate year was not practical.

**Data Source:**  
Troup County Tax Commissioner's Office

**Troup County, Georgia**  
**Principal Property Taxpayers (Unaudited)**  
**For The Fiscal Years Ended June 30, 2012 and 2001**

		2012			2001				
		Percentage of Total Taxable Assessed Value			Taxable Assessed Value <sup>1</sup>			Percentage of Total Taxable Assessed Value	
Principal Taxpayer	Rank	Value	Value	Value	Principal Taxpayer	Rank	Value	Value	
KIA Motors Manufacturing of GA	1	\$ 310,809,206	16.16%	\$ 108,016,606	Milliken and Company	1	\$ 108,016,606	9.84%	
Milliken and Company	2	86,210,040	4.48%	32,222,966	Mobil Chemical Company	2	32,222,966	2.93%	
Wal-Mart	3	36,522,985	1.90%	20,763,864	Shorewood Packaging Corp of GA	3	20,763,864	1.89%	
Kimberly-Clark Corporation	4	29,840,765	1.55%	20,262,321	West Point Stevens, Inc.	4	20,262,321	1.84%	
Duracell, Inc.	5	29,838,534	1.55%	18,580,654	Kimberly-Clark Corporation	5	18,580,654	1.69%	
Interface Flooring Systems, Inc.	6	27,593,240	1.43%	18,121,291	Duracell, Inc.	6	18,121,291	1.65%	
Exxon-Mobil Corporation	7	24,876,085	1.29%	17,666,400	Interface Flooring Systems, Inc.	7	17,666,400	1.61%	
Diverse Power	8	16,267,113	0.85%	14,650,025	Inflation Systems, Inc.	8	14,650,025	1.33%	
BellSouth Telecommunications	9	7,833,899	0.41%	10,606,723	Automotive Moulding Co., Inc.	9	10,606,723	0.97%	
Callaway Foundation, Inc.	10	6,029,306	0.31%	10,436,160	William Carter Co.	10	10,436,160	0.95%	
<b>Total Principal Taxpayers</b>		<b>575,821,173</b>	<b>29.93%</b>	<b>271,327,010</b>	<b>Total Principal Taxpayers</b>		<b>271,327,010</b>	<b>24.70%</b>	
<b>All Other Taxpayers</b>		<b>1,347,847,295</b>	<b>70.07%</b>	<b>826,959,031</b>	<b>All Other Taxpayers</b>		<b>826,959,031</b>	<b>75.30%</b>	
<b>Total</b>		<b>\$ 1,923,668,468</b>	<b>100.00%</b>	<b>\$ 1,098,286,041</b>	<b>Total</b>		<b>\$ 1,098,286,041</b>	<b>100.00%</b>	

**Notes:**

<sup>1</sup> Net of freepport exemptions.

**Data Source:**

Troup County Tax Commissioner's Office

**Troup County, Georgia**  
*Direct, Overlapping and Underlying Sales Tax Rates (Unaudited)*  
*Last Ten Fiscal Years*

For The Fiscal Year Ended June 30,	Direct		Overlapping	Underlying	Total Direct, Overlapping and Underlying Rates
	Troup County		State of	Troup County	
	LOST <sup>1</sup>	SPLOST <sup>2</sup>	Georgia	Schools <sup>3</sup>	
2003	1.00%	1.00%	4.00%	1.00%	7.00%
2004	1.00%	1.00%	4.00%	1.00%	7.00%
2005	1.00%	1.00%	4.00%	1.00%	7.00%
2006	1.00%	1.00%	4.00%	1.00%	7.00%
2007	1.00%	1.00%	4.00%	1.00%	7.00%
2008	1.00%	1.00%	4.00%	1.00%	7.00%
2009	1.00%	1.00%	4.00%	1.00%	7.00%
2010	1.00%	1.00%	4.00%	1.00%	7.00%
2011	1.00%	1.00%	4.00%	1.00%	7.00%
2012	1.00%	1.00%	4.00%	1.00%	7.00%

**Notes:**

<sup>1</sup> The local option sales tax was approved by referendum October 1, 1979 and is effective indefinitely. The County is required to reduce their property tax millage rate in the current year by the amount of these taxes collected in the prior year.

<sup>2</sup> A special purpose local option sales tax was approved effective January 1, 2002 and expired December 31, 2006. The current special purpose local option sales tax was approved effective January 1, 2007 and expires December 31, 2012. This latter tax will be shared with the cities and will be used to fund a new County Health Department facility, infrastructure improvements, water and sewer system improvements and public safety equipment, primarily fire trucks.

<sup>3</sup> An education special purpose local option sales tax was approved effective July 1, 2002 and expired June 30, 2007. The current special purpose local option sales tax was approved effective July 1, 2007 and expires June 30, 2012. The latter tax is being used to construct new school buildings and renovate existing school buildings.

**Data Source:**

Georgia Department of Revenue, Sales and Use Tax Division,  
[http://www.etax.dor.ga.gov/IndTax\\_SalesTax.aspx](http://www.etax.dor.ga.gov/IndTax_SalesTax.aspx)

**Troup County, Georgia**  
**Taxable Sales by Category (Unaudited)**  
**Calendar Years 2005 - 2011**<sup>1</sup>

By Category:	2005		2006		2007		2008		2009 <sup>2</sup>		2010		2011	
	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage
Food	\$ 216,670,821	23.68%	\$ 234,360,002	23.28%	\$ 250,899,537	16.12%	\$ 222,737,636	19.84%	\$ 190,740,798	18.52%	\$ 173,370,515	16.12%	\$ 177,570,568	16.12%
Automotive	169,928,817	18.57%	210,461,594	20.91%	221,939,638	8.53%	219,717,547	19.57%	124,598,606	12.10%	91,761,425	8.53%	112,785,243	8.53%
General	130,339,648	14.25%	143,702,244	14.28%	144,776,814	12.60%	144,966,753	12.91%	143,155,050	13.90%	135,524,874	12.60%	139,677,548	12.60%
Utilities	114,013,541	12.46%	119,084,420	11.83%	123,171,486	11.56%	125,184,361	11.15%	122,026,930	11.85%	124,321,165	11.56%	123,703,211	11.56%
Lumber	70,196,305	7.67%	78,729,366	7.82%	77,625,590	0.00%	79,963,893	7.12%	19,217,883	1.87%	-	0.00%	-	0.00%
Home	49,820,555	5.45%	52,912,980	5.26%	53,653,320	3.87%	52,275,503	4.66%	66,532,996	6.46%	41,571,648	3.87%	40,475,277	3.87%
Miscellaneous	57,557,056	6.27%	62,226,949	6.18%	59,390,222	0.00%	97,580,535	8.69%	41,236,847	4.00%	-	0.00%	-	0.00%
Manufacturing	55,094,222	6.02%	58,193,844	5.78%	68,254,164	5.71%	93,997,441	8.37%	73,626,840	7.15%	61,407,292	5.71%	52,233,511	5.71%
Miscellaneous Service	39,942,205	4.37%	46,923,006	4.66%	46,286,283	8.60%	73,135,810	6.52%	81,609,319	7.92%	92,478,255	8.60%	81,777,877	8.60%
Apparel	11,500,015	1.26%	-	0.00%	13,305,827	0.00%	12,926,993	1.17%	5,771,174	0.56%	-	0.00%	-	0.00%
Accommodations	-	0.00%	-	0.00%	-	0.91%	-	0.00%	6,690,800	0.65%	9,818,618	0.91%	8,523,653	0.91%
Construction	-	0.00%	-	0.00%	-	0.37%	-	0.00%	4,487,533	0.44%	4,003,631	0.37%	3,530,289	0.37%
Other Retail	-	0.00%	-	0.00%	-	11.12%	-	0.00%	73,642,627	7.15%	119,533,473	11.12%	177,051,398	11.12%
Wholesale	-	0.00%	-	0.00%	-	19.01%	-	0.00%	76,627,878	7.43%	204,384,461	19.01%	176,108,005	19.01%
Other Service	-	0.00%	-	0.00%	-	1.59%	-	0.00%	-	0.00%	17,079,301	1.59%	27,138,459	1.59%
<b>Total Taxable Sales</b>	<b>\$ 914,863,185</b>	<b>100.00%</b>	<b>\$ 1,006,594,405</b>	<b>100.00%</b>	<b>\$ 1,059,302,881</b>	<b>100.00%</b>	<b>\$ 1,122,486,472</b>	<b>100.00%</b>	<b>\$ 1,029,965,281</b>	<b>100.00%</b>	<b>\$ 1,075,254,658</b>	<b>100.00%</b>	<b>\$ 1,120,575,037</b>	<b>100.00%</b>
<b>Total Percentage Increase</b>	N/A		10.0%		5.2%	6.0%	-8.2%	4.4%	4.2%					

**Notes:**

<sup>1</sup> Only seven years of data is available.

<sup>2</sup> The Georgia Department of Revenue restructured the categories in mid-2009.

**Data Source:**

Georgia Department of Revenue

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

June 30,	Governmental Activities <sup>3</sup>				Percentage of Personal Income	Estimated <sup>4</sup> Population	Per Capita
	Capital Leases	Intergovernmental Agreements	Notes Payable	Total			
2003	\$ -	\$ 16,510,000	\$ -	\$ 16,510,000	0.010%	60,162	\$ 274
2004 <sup>1</sup>	-	29,130,000	-	29,130,000	0.018%	61,205	476
2005	-	19,900,000	-	19,900,000	0.011%	62,245	320
2006	-	10,110,000	-	10,110,000	0.006%	62,656	161
2007	225,230	-	-	225,230	0.000%	63,398	4
2008 <sup>2</sup>	2,155,228	3,425,000	-	5,580,228	0.003%	64,119	87
2009	1,875,338	3,332,500	-	5,207,838	0.003%	64,653	81
2010	1,582,701	3,235,000	-	4,817,701	0.002%	65,189	74
2011	1,352,048	3,132,500	2,206,512	6,691,060	0.003%	67,044	100
2012	1,090,024	3,022,500	1,997,482	6,110,006	0.003%	67,764	90

**Notes:**

<sup>1</sup> In fiscal year 2004, the County incurred debt to construct a new government services center.

<sup>2</sup> County entered into a capital lease in the amount of \$1,987,396 for machinery and equipment and entered into an intergovernmental agreement with the LaGrange Development Authority and the Troup County Development Authority in the amount of \$6,850,000, of which the County is repaying 50%.

**Data Sources:**

<sup>3</sup> Applicable years' comprehensive annual financial report.

<sup>4</sup> Demographic and economic statistics table.

**Troup County, Georgia**  
*Underlying and Direct Governmental Activities Debt (Unaudited)*  
 June 30, 2012

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable <sup>1</sup>	Estimated Share of Overlapping Debt
<b>Underlying Debt<sup>2</sup></b>			
Cities <sup>3</sup>			
LaGrange:			
Intergovernmental agreements	\$ 5,647,500	100.0%	\$ 5,647,500
Notes	2,155,000	100.0%	2,155,000
Capital leases	1,787,282	100.0%	1,787,282
West Point:			
Capital leases	1,215,127	100.0%	1,215,127
Revenue Bonds	14,084,542	100.0%	14,084,542
Hogansville:			
Capital leases	102,436	100.0%	<u>102,436</u>
<b>Total Underlying Debt</b>			<u>24,991,887</u>
<b>County Direct Debt</b>			
Loans	1,997,482	100.0%	1,997,482
Intergovernmental agreement:			
LaGrange - industrial park revenue bonds	3,022,500	100.0%	3,022,500
Capital leases	1,093,024	100.0%	<u>1,093,024</u>
<b>Total County Direct Debt</b>			<u>6,113,006</u>
<b>Total Underlying and Direct Debt</b>			<u><u>\$ 31,104,893</u></u>

**Notes:**

<sup>1</sup> Applicable percentages were estimated by determining the portion of another government unit's assessed value that is within the County's geographic boundaries and dividing it by each government's total assessed valuation.

<sup>2</sup> Underlying governments are those that coincide, at least in part, with the geographic boundaries of the County.

**Data Source:**

<sup>3</sup> Each specific government.

**Troup County, Georgia**  
**Legal Debt Margin (Unaudited)**  
*Last Ten Fiscal Years*

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Assessed Value</b> <sup>1</sup>	\$ 1,481,089,487	\$ 1,531,597,502	\$ 1,604,796,354	\$ 1,653,532,598	\$ 1,731,990,767	\$ 1,804,603,441	\$ 1,840,872,346	\$ 1,940,887,229	\$ 1,919,031,147	\$ 1,680,274,349
<b>Legal Debt Margin</b>										
Debt limit (10% of assessed value) <sup>2</sup>	\$ 148,108,949	\$ 153,159,750	\$ 160,479,635	\$ 165,353,260	\$ 173,199,077	\$ 180,460,344	\$ 184,087,235	\$ 194,088,723	\$ 191,903,115	\$ 168,027,435
Debt applicable to limit: <sup>2</sup>										
General obligation bonds	-	-	-	-	-	-	-	-	-	-
Less: Amount reserved for repayment of general obligation debt	-	-	-	-	-	-	-	-	-	-
Total debt applicable to limit	-	-	-	-	-	-	-	-	-	-
<b>Legal Debt Margin</b>	\$ 148,108,949	\$ 153,159,750	\$ 160,479,635	\$ 165,353,260	\$ 173,199,077	\$ 180,460,344	\$ 184,087,235	\$ 194,088,723	\$ 191,903,115	\$ 168,027,435
Total net debt applicable to the limit as a % of the debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Notes:**

<sup>2</sup> Under Article 9, Section 5, Paragraph 1 of the State of Georgia Constitution, the County's outstanding general obligation debt should not exceed 10% of the assessed value of the taxable property located within the County.

**Data Source:**

<sup>1</sup> Statistical table of "Taxable Assessed Value and Estimated Actual Value of Property - By Type."

**Troup County, Georgia**  
**Demographic and Economic Statistics (Unaudited)**  
**Last Ten Years**

Year	Population <sup>1</sup>	Personal Income <sup>2</sup>	Per Capita Personal Income <sup>3</sup>	Per Capita Personal Income % of U.S. <sup>3</sup>	Median Age <sup>4</sup>	School Enrollment <sup>5</sup>	Unemployment Rate <sup>9</sup>			
							County <sup>6</sup>	State of Georgia <sup>6</sup>	United States <sup>7</sup>	County Employment <sup>8</sup>
2003	60,162	\$ 1,595,035	\$ 26,551	82%	N/A	11,737	5.3%	4.7%	6.3%	28,380
2004	61,205	1,656,552	27,105	80%	N/A	11,885	5.6%	4.7%	5.6%	28,312
2005	62,245	1,748,797	28,095	79%	N/A	11,943	6.7%	5.2%	5.0%	28,347
2006	62,656	1,808,613	28,866	77%	N/A	12,102	5.9%	4.7%	4.6%	28,645
2007	63,398	1,875,335	29,580	75%	N/A	12,273	5.8%	4.7%	4.6%	28,488
2008	64,119	1,971,709	30,751	76%	N/A	12,386	8.3%	6.3%	5.5%	27,750
2009	64,653	1,895,950	29,325	76%	35.0	12,465	12.6%	9.7%	9.5%	26,859
2010	65,189	2,026,903	31,093	76%	N/A	12,648	11.5%	10.3%	9.5%	27,782
2011	67,044	2,196,202	32,758	76%	N/A	12,575	11.8%	10.5%	9.2%	28,740
2012	67,764	2,380,683	35,132	76%	N/A	12,709	12.2%	9.5%	8.2%	30,668

**Notes:**

<sup>9</sup> The substantial increase in the unemployment rates in 2009 relates to the nationwide recession.

**Data Sources:**

- <sup>1</sup> <http://recenter.tamu.edu/data/pop/popces13.html>, 2010 & 2011 based upon management's estimates.
- <sup>2</sup> 2003 - 2010 - U.S. Bureau of Economic Analysis - <http://www.bea.gov/regional/reis/default.cfm?seTable=CA1-3&section=2>, 2012 estimated by management
- <sup>3</sup> 2003 - 2011 Bureau of Economic Analysis - <http://www.bea.gov/bea/regional/reis/drill.cfm>, 2010 & 2011 estimated by management
- <sup>4</sup> U.S. Census Bureau - <http://usgovinfo.about.com/gi/dynamic/offsite.htm?site=http://factfinder.census.gov/>
- <sup>5</sup> GA Department of Education, March count - [http://app.doe.k12.ga.us/ows-bin/owa/fe\\_pack\\_ethnicsex.entry\\_form](http://app.doe.k12.ga.us/ows-bin/owa/fe_pack_ethnicsex.entry_form)
- <sup>6</sup> Real Estate Center, <http://recenter.tamu.edu/data/emp/empe/cttycn132850.asp>
- <sup>7</sup> U.S. Department of Labor, Bureau of Labor Statistics, [http://data.bls.gov/PDQ/servlet/SurveyOutputServlet?data\\_tool=latest\\_numbers&series\\_id=LNS1400000](http://data.bls.gov/PDQ/servlet/SurveyOutputServlet?data_tool=latest_numbers&series_id=LNS1400000)
- <sup>8</sup> Real Estate Center, <http://recenter.tamu.edu/data/emp/emp/cttycn132850.htm>
- N/A - Not Available

**Troup County, Georgia**  
**Principal Employers (Unaudited)**  
For the Fiscal Years Ended June 30, 2012 and 2006 <sup>1</sup>

Employer	Type of Business	2012		
		Number of Employees	Rank	Percentage of Major County Employers
Troup County School System	Education K-12	1,838	1	5.73%
West Georgia Health System	Healthcare	1,442	2	4.49%
KIA Motors Manufacturing of GA <sup>2</sup>	Automobile assembly	1,232	3	3.84%
Interfaceflor	Carpet tiles	1,181	4	3.68%
Milliken and Company	Floor covering, etc.	1,130	5	3.52%
Wal-Mart & Wal-Mart DC	Retail, logistics/warehousing	1,039	6	3.24%
Sewon America, Inc.	Automotive metal stamping	699	7	2.18%
Duracell	Batteries	685	8	2.14%
Mobis	Automotive module assembly	684	9	2.13%
Intercall	Web conferencing technology	644	10	2.01%
<b>Total Principal Employers</b>		<b>10,574</b>		<b>32.96%</b>
<b>Other Employers - Estimated</b>		<b>21,510</b>		<b>67.04%</b>
<b>Total Employers</b>		<b>32,084</b>		<b>100.00%</b>

Employer	Type of Business	2006		
		Number of Employees	Rank	Percentage of Major County Employers
Troup County School System	Education K-12	2,381	1	7.94%
Milliken and Company	Floor covering, etc.	1,756	2	5.85%
West Georgia Health System	Healthcare	1,405	3	4.68%
Interfaceflor	Carpet tiles	1,115	4	3.72%
Wal-Mart Distribution Center	General merchandise	1,012	5	3.37%
Troup County Government	County government	543	6	1.81%
Duracell	Batteries	475	7	1.58%
City of LaGrange Government	Municipal government	430	8	1.43%
Emerson Network Power	Telephone communications	400	9	1.33%
Kleen-Tex Industries	Dust control mats	365	10	1.22%
<b>Total Principal Employers</b>		<b>9,882</b>		<b>32.95%</b>
<b>Other Employers</b>		<b>20,112</b>		<b>67.05%</b>
<b>Total Employers</b>		<b>29,994</b>		<b>100.00%</b>

**Notes:**

<sup>1</sup> Information prior to June 30, 2006 is not available.

<sup>2</sup> KMMG contracts for approximately 1,800 non-permanent employees.

**Data Source:**

LaGrange/Troup County Chamber of Commerce, <http://www.lagrangechamber.com>  
Specific local governments.

**Troup County, Georgia**  
**County Employees by Function/Program (Unaudited)**  
**Last Nine Fiscal Years <sup>1</sup>**

Function/program	Fiscal Year								
	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>General Government</b>									
Board of commissioners	5	5	5	5	5	5	5	5	5
Administration	3	3	3	3	3	3	3	4	3
County clerk	1	1	1	1	1	1	1	1	1
Human resources	2	2	2	2	2	2	2	2	3
Finance	4	4	4	4	4	4	4	4	2
Information technology <sup>2</sup>	3	-	-	-	-	-	-	-	-
Voter registration	2	2	3	3	3	3	3	3	2
Tax commissioner	10	10	10	10	10	10	10	9	9
Tax assessor	7	9	9	9	9	10	9	10	9
Buildings and grounds	7	5	5	5	5	5	5	4	4
Purchasing	2	3	3	3	3	3	3	3	2
<b>Total General Government</b>	<b>46</b>	<b>44</b>	<b>45</b>	<b>45</b>	<b>45</b>	<b>46</b>	<b>45</b>	<b>45</b>	<b>40</b>
<b>Judicial</b>									
Court administration	4	4	6	6	6	6	6	6	8
Victim/witness advocacy	3	1	1	1	1	1	1	1	1
Probate court	4	4	4	4	4	4	4	4	4
Juvenile court	9	9	11	10	11	11	11	10	9
State court	2	2	2	2	2	2	2	2	2
Magistrate court	12	12	9	10	11	11	11	9	5
Clerk of superior court	13	13	13	13	13	12	13	14	14
Solicitor	6	6	5	6	7	6	7	6	6
District attorney <sup>3</sup>	2	-	-	-	-	-	-	-	-
<b>Total Judicial</b>	<b>55</b>	<b>51</b>	<b>51</b>	<b>52</b>	<b>55</b>	<b>53</b>	<b>55</b>	<b>52</b>	<b>49</b>
<b>Public Safety</b>									
Police protection	119	125	132	140	143	145	147	131	87
Fire protection	59	59	59	61	61	63	62	56	56
Protective inspection	7	6	6	6	8	9	9	9	6
Corrections	91	93	94	97	99	99	89	87	150
E-911	27	24	24	24	25	26	27	26	24
Emergency management	1	1	1	1	1	1	1	1	1
<b>Total Public Safety</b>	<b>304</b>	<b>308</b>	<b>316</b>	<b>329</b>	<b>337</b>	<b>343</b>	<b>335</b>	<b>310</b>	<b>324</b>
<b>Highways and Streets</b>									
Highways and streets	24	23	23	29	32	30	30	23	23
County shop	10	10	10	10	9	9	9	7	8
Sanitation	28	28	28	28	31	30	31	19	4
<b>Total Highways and Streets</b>	<b>62</b>	<b>61</b>	<b>61</b>	<b>67</b>	<b>72</b>	<b>69</b>	<b>70</b>	<b>49</b>	<b>35</b>
<b>Culture and Recreation</b>									
Recreation <sup>4</sup>	22	28	30	31	31	29	29	26	29
Parks <sup>4</sup>	11	11	12	12	12	11	11	10	18
Senior citizens center	11	10	10	13	14	12	13	8	8
Transportation	14	16	15	16	17	14	12	14	7
<b>Total Culture and Recreation</b>	<b>58</b>	<b>65</b>	<b>67</b>	<b>72</b>	<b>74</b>	<b>66</b>	<b>65</b>	<b>58</b>	<b>62</b>
<b>Conservation of Natural Resources</b>									
County extension service	4	2	2	2	2	2	2	2	2
Land and water conservation	2	2	1	1	1	1	1	1	1
<b>Total Conservation of Natural Resources</b>	<b>6</b>	<b>4</b>	<b>3</b>						
<b>Total</b>	<b>531</b>	<b>533</b>	<b>543</b>	<b>568</b>	<b>586</b>	<b>580</b>	<b>573</b>	<b>517</b>	<b>513</b>
<b>Percentage Change From Prior Year</b>	-	0.4%	1.9%	4.6%	3.2%	-1.0%	-1.2%	-9.8%	-0.8%

**Notes:**

<sup>1</sup> Only nine years of information available.

<sup>2</sup> Service has been contracted out effective fiscal

<sup>3</sup> All employees of this office are state employees effective fiscal year 2005, though partially funded by Troup County.

<sup>4</sup> Additional facilities were placed in service in fiscal year 2005.

**Data Source:**

Troup County Human Resources Department

**Troup County, Georgia**  
**Operating Statistics by Function/Program (Unaudited)**  
**Last Six Fiscal Years <sup>1</sup>**

<b>Function/program</b>	<b>Fiscal Year</b>						
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>Fire <sup>2</sup></b>							
Emergency responses	2,214	2,293	2,214	2,379	2,450	2,913	-
Fire responses	-	-	-	-	-	-	922
Medical responses	-	-	-	-	-	-	1,942
Fires extinguished	358	384	359	262	262	378	293
Inspections	1,040	530	501	360	331	412	156
<b>Refuse collection</b>							
Refuse collected (tons per day)	21.1	23.0	42.5	34.3	29.2	20.6	39.0
Household refuse collected, convenience centers (tons per day)	-	-	-	-	-	-	20.5
<b>Library</b>							
Volumes in collection	135,164	145,714	143,619	152,287	149,527	157,140	170,274
Total volumes borrowed	163,217	154,389	136,671	164,084	173,113	147,116	157,540

**Notes:**

<sup>1</sup> Information prior to fiscal year 2006 is unavailable.

<sup>2</sup> Emergency responses detailed by Fire & Medical beginning in 2012.

**Data Source :**

Various County Departments.

**Troup County, Georgia**  
**Capital Asset Statistics by Function/Program (Unaudited)**  
*Last Six Fiscal Years*<sup>1</sup>

<b>Function/Program</b>	<b>Fiscal Year</b>						
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
Fire stations	12	12	12	12	12	12	12
Refuse collection							
Collection trucks	3	3	3	3	3	3	2
Streets and highways							
Traffic signals	1	1	1	1	1	1	1
Parks and recreation							
Acreage	920	922	922	922	922	922	922

**Notes:**

<sup>1</sup> Information prior to fiscal year 2006 is unavailable.

**Data Source:**

Various County Departments.

## **COMPLIANCE SECTION**



15 North Lafayette Square LaGrange, Georgia 30240  
P.O. Box 1107 LaGrange, Georgia 30241  
Phone: 706-884-4605 Fax: 706-845-0057

May 6, 2013

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  
Troup County, Georgia

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Troup County, Georgia, as of and for the year ended June 30, 2012, which collectively comprise the County's basic financial statements and have issued our report thereon dated May 6, 2013. 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.

Internal Control Over Financial Reporting

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

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.

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Troup County, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material

effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2012-1.

We noted certain matters that we reported to management of Troup County, Georgia, in a separate letter dated May 6, 2013.

Troup County, Georgia's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Troup County's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Board of Commissioners, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Yours truly,



J. K. BOATWRIGHT & CO., P. C.  
Certified Public Accountants

15 North Lafayette Square LaGrange, Georgia 30240  
P.O. Box 1107 LaGrange, Georgia 30241  
Phone: 706-884-4605 Fax: 706-845-0057

May 6, 2013

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

To the Board of Commissioners  
Troup County, Georgia

Compliance

We have audited Troup County, Georgia's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Troup County, Georgia's major federal programs for the year ended June 30, 2012. Troup County, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Troup County, Georgia's management. Our responsibility is to express an opinion on Troup County, Georgia's compliance based on our audit.

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 program occurred. An audit includes examining, on a test basis, evidence about Troup County, Georgia's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Troup County, Georgia's compliance with those requirements.

In our opinion, Troup County, Georgia, complied, in all material respects, with the 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, 2012.

Internal Control over Compliance

Management of Troup County, Georgia is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Troup County, Georgia's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB 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 Troup County, Georgia's internal control over compliance.

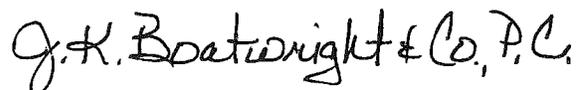
*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 2012-2. *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.

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

This report is intended solely for the information and use of management, the Board of Commissioners, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Yours truly,



J. K. BOATWRIGHT & CO., P. C.  
Certified Public Accountants

**Troup County, Georgia**  
**Schedule of Expenditures of Federal Awards**  
**For The Year Ended June 30, 2012**

<u>Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U. S. Department of Agriculture</u>			
Passed through State of Georgia			
Department of Early Care and Learning:			
Summer Food Service Program for Children			
June 6, 2011 - July 22, 2011	10.559	S11-08016	\$ 18,873
Passed through State of Georgia			
Department of Early Care and Learning:			
Summer Food Service Program for Children			
June 4, 2012 - July 20, 2012	10.559	S12-08016	<u>38,495</u>
	Subtotal CFDA # 10.559		<u>57,368</u>
<u>U. S. Department of Justice</u>			
Office of Justice Programs:			
Bulletproof Vest Partnership Program			
July 1, 2011 - June 30, 2012	16.607		16,793
Office of Justice Programs:			
Passed through the Office of the Governor,			
Criminal Justice Coordinating Council:			
ARRA - Edward Byrne Memorial			
Justice Assistance Grant (JAG)			
January 1, 2010 - December 31, 2012	16.803	B82-8-102	229,957
Criminal Division:			
Asset Forfeiture and Money Laundering Section:			
Equitable Sharing for State and Local Law			
Enforcement Agencies Program			
July 1, 2011 - June 30, 2012	16.922		1,132,956

**Troup County, Georgia**  
**Schedule of Expenditures of Federal Awards**  
**For The Year Ended June 30, 2012**

<u>Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U. S. Department of Transportation</u>			
Passed through State of Georgia			
Department of Transportation:			
Airport Improvement Program			
March 17, 2011 - August 31, 2013	20.106	AP011-9014-31(285)	\$ 31,798
Passed through State of Georgia			
Department of Transportation:			
Airport Improvement Program			
December 22, 2011 - December 31, 2013	20.106	AP012-9014-32(285)	47,665
Passed through State of Georgia			
Department of Transportation:			
Airport Improvement Program			
June 11, 2012 - December 31, 2014	20.106	AP012-9014-33(285)	<u>1,288,267</u>
	Subtotal CFDA # 20.106		<u>1,367,730</u>
Passed through State of Georgia			
Department of Transportation:			
ARRA - Capital Improvement Assistance			
May 7, 2010 - June 30, 2012	20.509	GA-86-X001	5,090
Passed through State of Georgia			
Department of Transportation:			
Formula Grants for Other Than Urbanized Areas			
July 1, 2011 - June 30, 2012	20.509	GA-18-4032	<u>88,717</u>
	Subtotal CFDA # 20.509		<u>93,807</u>

**Troup County, Georgia**  
*Schedule of Expenditures of Federal Awards*  
*For The Year Ended June 30, 2012*

Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<u>U. S. Department of Transportation (continued)</u>			
<u>Transit Services Programs Cluster</u>			
Passed through Georgia Department of Human Services:			
Passed through Three Rivers Regional Commission:			
Coordinated Transportation Program:			
Job Access - Reverse Commute			
July 1, 2011 - June 30, 2012	20.516	TRRC #R4	\$ 44,762
Passed through Georgia Department of Human Services:			
Passed through Three Rivers Regional Commission:			
Coordinated Transportation Program:			
New Freedom Program			
July 1, 2011 - June 30, 2012	20.521	TRRC #R4	<u>20,912</u>
Subtotal Transit Services Programs Cluster			<u>65,674</u>
National Highway Traffic Safety Administration:			
Passed through State of Georgia			
Governor's Office of Highway Safety:			
State and Community Highway Safety			
October 1, 2010 - September 30, 2011	20.600	GA-2011-00-00410	9,903
National Highway Traffic Safety Administration:			
Passed through State of Georgia			
Governor's Office of Highway Safety:			
State and Community Highway Safety			
October 1, 2011 - September 30, 2012	20.600	GA-2012-00-00330	<u>28,966</u>
Subtotal CFDA # 20.600			<u>38,869</u>
<u>U. S. Department of Energy</u>			
Passed through Georgia Environmental Facilities Authority:			
ARRA - Energy Efficiency and Conservation Block Grant Program (EECBG)			
May 1, 2010 - June 30, 2012	81.128	DE-EE0000806	3,862

**Troup County, Georgia**  
*Schedule of Expenditures of Federal Awards*  
*For The Year Ended June 30, 2012*

<u>Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Education</u>			
Passed through Georgia Department of Human Services:			
Passed through Three Rivers Regional Commission:			
Coordinated Transportation Program:			
Rehabilitation Services, Vocational Rehabilitation Grants to States			
July 1, 2011 - June 30, 2012	84.126	TRRC #R4	\$ 50,461
Passed through Georgia Department of Labor:			
Vocational Rehabilitation Program:			
Rehabilitation Services, Vocational Rehabilitation Grants to States			
June 1, 2012 - June 30, 2012	84.126	GDOL/VRP 2012	<u>6,899</u>
	Subtotal CFDA # 84.126		<u>57,360</u>
<u>U.S. Department of Health and Human Services</u>			
<u>Aging Cluster</u>			
Passed through Georgia Department of Human Services:			
Passed through Three Rivers Regional Commission:			
Coordinated Transportation Program:			
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers			
July 1, 2011 - June 30, 2012	93.044	TRRC #R4	12,465

**Troup County, Georgia**  
**Schedule of Expenditures of Federal Awards**  
**For The Year Ended June 30, 2012**

<u>Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Health and Human Services (continued)</u>			
Passed through Georgia Department of Human Services:			
Passed through Three Rivers Regional Commission:			
Special Programs for the Aging-			
Title III, Part C - Nutrition Services			
July 1, 2011 - June 30, 2012	93.045	04-171-12	\$ 147,741
Passed through Georgia Department of Human Services:			
Passed through Three Rivers Regional Commission:			
Nutritional Services Incentive Program			
July 1, 2010 - June 30, 2011	93.053	04-171-12	<u>12,292</u>
Subtotal Aging Cluster			<u>172,498</u>
Passed through Georgia Department of Human Services:			
Passed through Three Rivers Regional Commission:			
Coordinated Transportation Program:			
U.S. Department of Health and Human Services			
Temporary Assistance for Needy Families			
July 1, 2011 - June 30, 2012	93.558	TRRC #R4	24,849
Passed through Georgia Department of Human Services:			
Passed through Three Rivers Regional Commission:			
Coordinated Transportation Program:			
Social Services Block Grants			
July 1, 2011 - June 30, 2012	93.667	TRRC #R4	54,623

**Troup County, Georgia**  
**Schedule of Expenditures of Federal Awards**  
**For The Year Ended June 30, 2012**

<u>Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U. S. Department Homeland Security</u>			
Passed through Georgia Emergency Management Agency:			
Emergency Management Performance Grant July 1, 2011 - June 30, 2012	97.042	OEM11-143	\$ 43,349
Passed through Georgia Emergency Management Agency:			
State Homeland Security Program (SHSP): August 21, 2009 - July 31, 2012	97.073	2009-SS-T9-0047	<u>4,110</u>
	Total		<u>\$ 3,363,805</u>

Note 1 - Basis of Presentation

This schedule of expenditures of federal awards includes the federal grant activity of Troup County, Georgia and is prepared on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Note 2 - Coordinated Transportation

This program includes awards from three federal agencies and is passed through the Georgia Department of Human Resources and Three Rivers Regional Commission under one transportation contract.

Note 3 - Program Cluster

Awards under Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers (93.044), Special Programs for the Aging, Title III, Part C - Nutrition Services (93.045) and Nutrition Services Incentive Program (93.053) are within the Aging cluster.

Awards under Job Access - Reverse Commute Program (20.516) and New Freedom Program (20.521) are within the transit services program cluster.

**Troup County, Georgia**  
*Schedule of Findings and Questioned Costs*  
*For The Year Ended June 30, 2012*

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**Section I - Summary of Auditors' Results**

Financial Statements

Type of Auditors' report issued	Unqualified
Internal control over financial reporting:	
Material Weakness(es) identified?	No
Significant deficiencies identified not considered to be material weaknesses?	No
Noncompliance material to the financial statements noted?	No

Federal Awards

Internal Control over major programs:	
Material Weakness(es) identified?	No
Significant deficiencies identified not considered to be material weaknesses?	Yes
Type of auditors' report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section .501(a)?	No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
16.922	Department of Justice Equitable Sharing for State and Local Law Enforcement Agencies
20.106	Airport Improvement Program

Dollar threshold used to distinguish between Type A and Type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes

**Troup County, Georgia**  
***Schedule of Findings and Questioned Costs***  
***For The Year Ended June 30, 2012***

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**Section II - Financial Statement Findings**

***2012-1 Official Code of Georgia Annotated (OCGA) – Revenue and Taxation***

***Compliance with State Law***

***Use of SPLOST Proceeds***

*Criteria:* OCGA requires proceeds from special local option sales taxes received by the county and qualified municipalities within the special district to be used exclusively for the purpose or purposes specified in the resolution or ordinance calling for the imposition of tax.

*Condition:* For the fiscal year ending June 30, 2012, Troup County used SPLOST III proceeds to purchase items for another governmental entity (a development authority) which were not specified in the resolution or ordinance. That entity has reimbursed SPLOST III for the proceeds used.

*Cause:* All infrastructure related expenditures were paid from SPLOST III without regard to whether the expenditure was an approved SPLOST III expenditure or if it was to be reimbursed by another entity.

*Effect:* The condition above resulted in unauthorized use of SPLOST funds; however, it was reimbursed in a timely manner.

*Management Response:* We concur. SPLOST III funds will not be used for inter-agency projects. In the future, management will require that outside entities purchase the materials directly, or that expenditures will be made from (and reimbursements received by) a non-SPLOST fund.

**Section III - Federal Award Findings and Questioned Costs**

***2012-2 Department of Justice – Equitable Sharing for State and Local Governments Program***

***Significant Deficiency in Internal Control over Compliance***

***Purchasing Policies and Procedures***

*Criteria:* The Guide to Equitable Sharing for State and Local Law Enforcement Agencies (the Guide) requires all program funds to be used by law enforcement agencies for only law enforcement purposes. Furthermore, the Guide establishes standard accounting procedures and internal controls which require, among other things, the use of purchase orders to document authorization of and disbursement of program assets for goods and services.

*Condition:* During the testing of disbursements and examination of underlying invoices, we noted that the use of purchase orders for the procurement of goods and services began mid-year.

*Cause:* This is a repeat finding from the prior year audit. Since the audit was completed mid-year, the corrective action did not begin until mid-year.

**Troup County, Georgia**  
***Schedule of Findings and Questioned Costs***  
***For The Year Ended June 30, 2012***

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**Section III - Federal Award Findings and Questioned Costs (Continued)**

*Effect:* The disbursements tested were for appropriate items and our understanding is that a review of, and authorization was provided by the Sheriff. However, written documentation in the form of a purchase order was not implemented until mid-year.

*Recommendation:* We recommend the TCSO continue the existing approval process and supplement with the use of purchase orders, which will provide documentation of proper authorizations by members of management and approval of the overall expenditure for appropriateness as outlined in the Guide.

*Management Response:* We concur. The TCSO has modified existing purchasing policies and procedures to require a purchase order for all expenditures. The purchase order will be initiated by the division head, with approvals on all expenditures provided by either the Chief Deputy *or* the Sheriff. All expenditures over \$2,000 will require approval of both the Chief Deputy *and* the Sheriff. The recommendation was received based on a prior year audit and implemented mid-year.

**Troup County, Georgia**  
**Schedule of Prior Year Findings**  
**For The Year Ended June 30, 2012**

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***2011-1 Department of Justice – Equitable Sharing for State and Local Governments Program***

***Significant Deficiency in Internal Control over Compliance***

***Segregation of Duties – Troup County Sheriff's Office (TCSO)***

*Criteria:* The County, along with the respective departments, is required to have effective internal controls that are designed and in place to detect and prevent errors in a timely manner.

*Condition:* For the fiscal year ending June 30, 2011, primarily one employee was responsible for processing daily transactions including receipts and disbursements, recording transactions in the accounting records of the program, making journal entries as needed and performing the monthly bank reconciliations. In addition, this employee was responsible for processing daily mail and maintaining security of checks.

*Status:* Through outsourcing the accounting function to a local CPA firm, which provides separation of duties, this finding is closed.

***2011-2 Department of Justice – Equitable Sharing for State and Local Governments Program***

***Significant Deficiency in Internal Control over Compliance***

***Purchasing Policies and Procedures***

*Criteria:* The Guide to Equitable Sharing for State and Local Law Enforcement Agencies (the Guide) requires all program funds to be used by law enforcement agencies for only law enforcement purposes. Furthermore, the Guide establishes standard accounting procedures and internal controls which require, among other things, the use of purchase orders to document authorization of and disbursement of program assets for goods and services.

*Condition:* During the testing of disbursements and examination of underlying invoices, we noted no evidence of the use of purchase orders for the procurement of goods and services.

*Status:* The corrective action plan was submitted and received during fiscal year 2012. A repeat finding in fiscal year 2012 noted noncompliance prior to the implementation of the corrective action plan. The current year finding 2012-2 will be followed up on in future periods.



