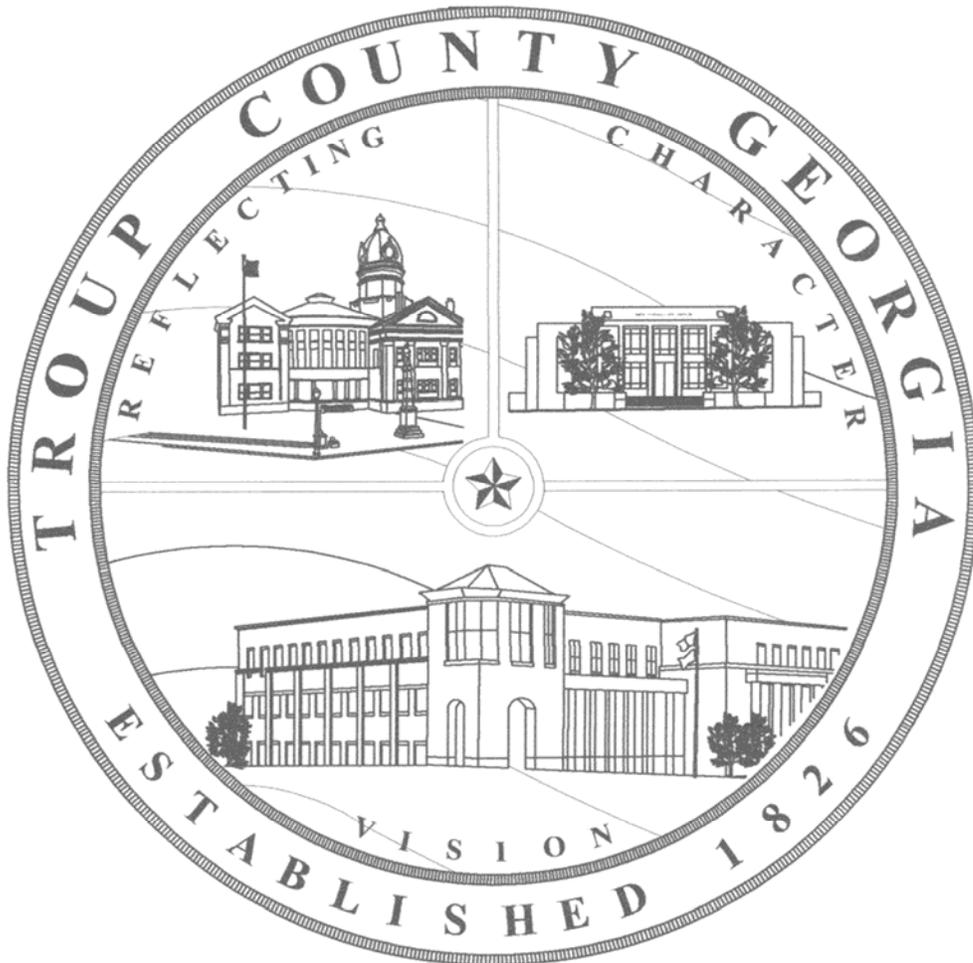


COMPREHENSIVE ANNUAL FINANCIAL REPORT



**FISCAL YEAR ENDED
JUNE 30, 2011**

**Troup County, Georgia
Comprehensive Annual Financial Report
For the Fiscal Year Ended
June 30, 2011**

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

Troup County, Georgia
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2011

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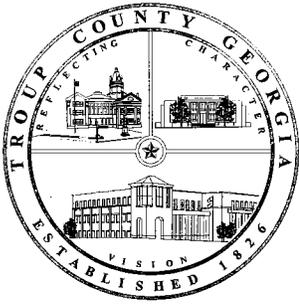
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INTRODUCTORY SECTION



TRUMP COUNTY BOARD OF COMMISSIONERS

RICHARD C. WOLFE, CHAIRMAN, DISTRICT 1
BUCK DAVIS, DISTRICT 2
KEN SMITH, SR., DISTRICT 3
MORRIS JONES, DISTRICT 4
RICHARD ENGLISH, JR., DISTRICT 5

January 15, 2012

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, 2011.

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, 2011 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, 2011 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 67,044. 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 the western border of Georgia. 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 State of 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; parks 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

Troup County received exciting news in late 2006 when the State of Georgia and Kia Motor Company announced an agreement had been signed for the Korean automaker to build an automobile assembly and manufacturing plant in the City of West Point. At \$1.2 billion, Kia's West Point facility is the single largest corporate investment ever made in the State of Georgia, and when fully staffed will have created more than 3,000 jobs, a significant boost to the local economy. The landmark business deal included commitments for supplier companies to locate in Georgia and Alabama, bringing an additional 7,500 jobs to the local area. Troup County has had the inside track in wooing these suppliers to locate near the Kia site to fit into Kia's "just-in-time" inventory strategy. The "just-in-time" strategy seeks to streamline production time and costs by locating parts and materials suppliers in close proximity to the assembly plant. Construction of Kia's new, two-million-sq.-ft. assembly plant, located on a portion of a 2,200-acre site, was completed and production began on schedule in November 2009. Initially, it built the Kia Sorento

SUV for the 2011 model year. It has since expanded its production to include the Kia Optima sedan and the Hyundai Santa Fe SUV. (Hyundai is Kia's parent company.) The Kia plant facility includes a stamping plant, welding shop (with 244 robots), a paint facility, three assembly lines, two co-located supplier facilities, and a staging area leading to a 2-mile test track. Due to the recent expansion, the facility is expected to produce 360,000 vehicles per year at maximum capacity.

Prior to the Kia announcement, Troup County helped fund a Georgia Department of Transportation (GDOT) study to develop a Multi-Modal Transportation Plan, a study to serve as a long-term planning tool through the year 2035. The Transportation Plan provides a mechanism for guiding infrastructure decision-making well into the future. Ultimately the study will help to identify multi-modal improvements and prioritize project implementation in the form of a Long Range Transportation Plan (LRTP). Certainly, the growth spawned by Kia has focused much attention on infrastructure issues.

To address those infrastructure needs, the 1% Special Local Option Sales Tax (SPLOST) was renewed by voter referendum in Fall 2006. SPLOST III collections began January 1, 2007 and will span 6 years through December 31, 2012. Revenues are being shared jointly by the County and the three municipalities. It is estimated SPLOST III will generate approximately \$65 million in revenue, the majority earmarked for infrastructure (roads, street and bridge improvements) with the balance spent on a County public health facility, public safety equipment and water/sewer system improvements.

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. 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, 2011 balance of \$19,331,256 or approximately 49% 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.

Cash Management. Troup County is responsible for careful accounting of public funds, for managing County finances wisely, and for planning and provisioning of public services. The process is complex because unlike private businesses, Troup County has a broader scope of responsibilities. The County is expected to address the community’s social issues, protect the citizens’ interest, provide public safety, and enforce laws and regulations. The key values of the County’s financial management include fiscal integrity, prudence, planning, honesty, and openness. Specifically, it is the county’s intent to maximize the level of public services offered while minimizing cost and the level of debt. To that end, the County has contracted with various banks and financial institutions to provide for its cash management needs. Cash temporarily idle during fiscal year 2011 was invested in the State of Georgia Local Government Investment Pool, certificates of deposits, money market accounts, and interest-bearing checking accounts. The County’s investment policy is to minimize credit and market risk while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized. Deposit collateral was held by a financial institution’s trust department in the County’s name. Fiscal year 2011 investment earnings as compared to prior year were as follows:

Fund Type	2011 Earnings	2010 Earnings	Increase (Decrease)
General	\$ 58,083	\$ 47,390	\$ 10,693
Special revenue	1,192,401	680,092	512,309
Capital projects	35,743	36,317	(574)
Total	\$ 1,286,227	\$ 763,799	\$ 522,428

Fiscal year 2011 investment earnings increased by \$522,428 compared to fiscal year 2010 due to a significant gain in fair market value of Recreation Endowment Fund investments. Even during these stressful economic times, Troup County has attained an A1 credit rating from Moody’s Investor Services and an A+ credit rating from Standard & Poor’s. These excellent ratings can produce significant savings in interest expense and are solid evidence of the County’s financial strength and stability.

Risk Management. Troup County provides “self insured” medical and dental coverage for its full-time employees. This means the County directly assumes most of the liability for insurance claims; however, its liability is capped from catastrophic and aggregate losses through the purchase of excess (“stop loss”) insurance coverage. The County has third-party coverage for claims and losses associated with general liability, law enforcement liability, vehicle liability, building & property liability, workers’ compensation liability, and bonds fidelity. In addition, there is an in-house safety and accident prevention program in place to minimize accident-related losses and injury claims occurring on the job. An integral part of that program is a work safety committee composed of county employees that investigates accidents and recommends corrective action to preclude recurrence.

Additional information on Troup County’s risk management activity can be found in Note 4-A of the notes to the financial statements.

Pension and Other Post-employment Benefits. Troup County sponsors a defined benefit pension plan for its full-time employees. The pension plan is affiliated with the Association County Commissioners of Georgia (ACCG) and administered by GEBCorp of Atlanta, Georgia. Each year an independent actuary engaged by the pension plan

calculates the amount of the annual contribution Troup County must make to the pension plan to ensure that the plan will be able to fully meet its obligations to retired employees on a timely basis. As a matter of policy, Troup County fully funds the annual required contribution to the pension plan as determined by the actuary. As a result of Troup County's conservative funding policy, Troup County has achieved a 92.1% funding ratio (actuarial value of assets as a percentage of the present value of accumulated plan benefits.) The remaining unfunded liability is being systemically amortized over a 15-year period and included in the annual required contribution calculated by the actuary.

Troup County also provides postretirement health care benefits for qualified retirees and their dependents under the County's self-insurance plan. At the end of the most recent fiscal year, thirteen (13) retired employees plus spouses were receiving these benefits, which are financed on a pay-as-you-go basis.

Additional information on Troup County's pension arrangements and post-employment benefits can be found in Notes 3-H and 4-B to the financial statements.

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, 2010. This was the twenty-fifth 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,

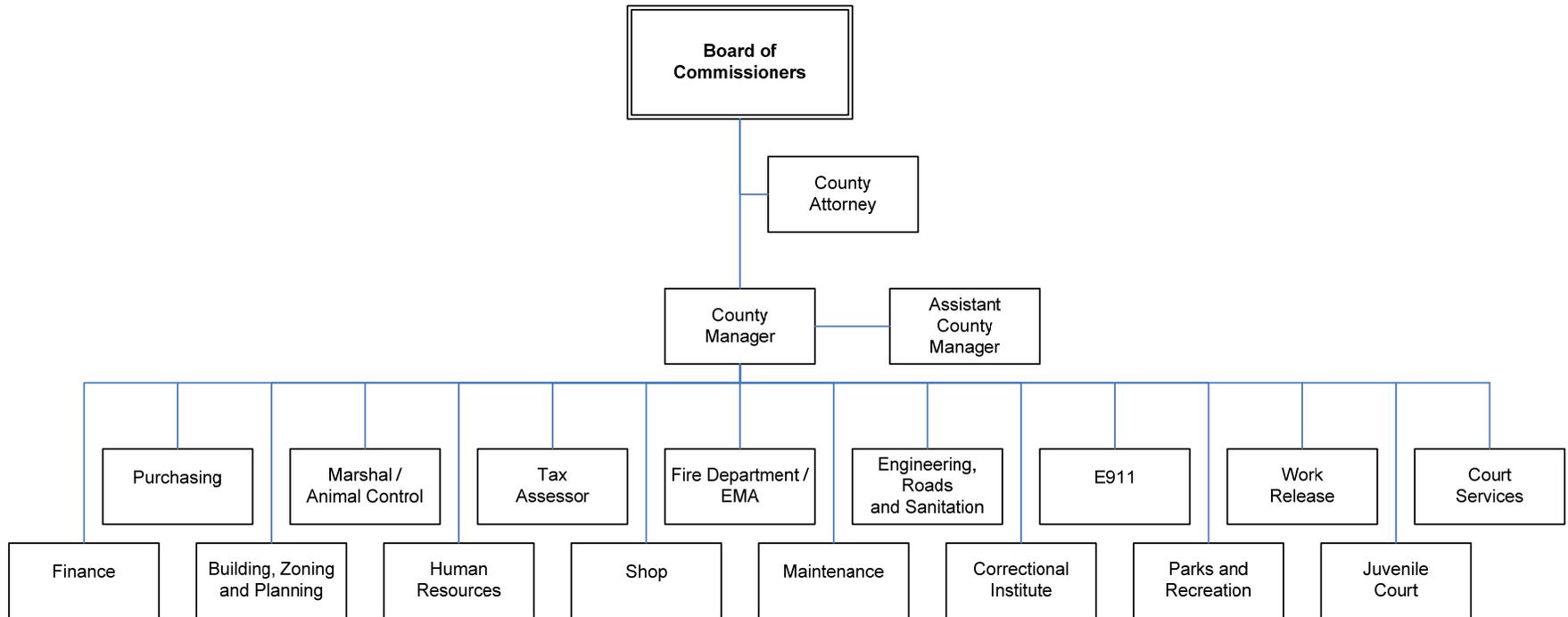
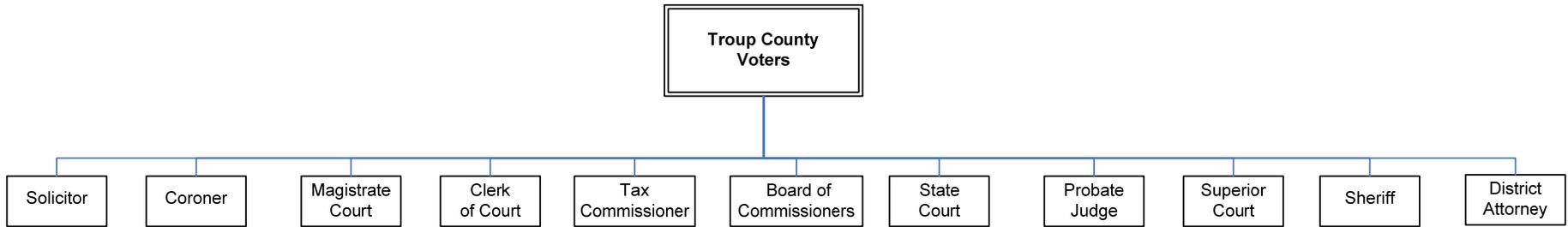


Michael J. Dobbs
County Manager



Stewart P. Mills
Finance Officer / County Clerk

Troup County Board of Commissioners Organizational Chart



Troup County, Georgia
List of Principal Officials
June 30, 2011

Richard C. Wolfe, Chairman

Richard English, Jr.

Buck Davis

Morris Jones

Ken Smith, Sr.

COUNTY MANAGER

Michael J. Dobbs

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, 2010

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.



Linda C. Danison

President

Jeffrey R. Emer

Executive Director

FINANCIAL SECTION

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

January 15, 2012

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, 2011, 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, 2011, 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.

As discussed in Note 1, the County implemented Government Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as of July 1, 2010.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 15, 2012, 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 11 through 20 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,

A handwritten signature in blue ink that reads "JK Boatwright & Co., PC". The signature is written in a cursive, slightly slanted style.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

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, 2011. 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 2011

- The County's assets exceeded its liabilities by \$137,011,976 (total net assets) for the fiscal year reported.
- Total net assets are comprised of the following:
 - (1) Capital assets, net of related debt, of \$111,309,882 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 \$21,243,190 are restricted by constraints imposed from outside the County such as debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted net assets of \$4,458,904 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 \$33,906,579 this year. In comparison to the prior year ending fund balance of \$31,270,101, there was an increase of \$2,636,478 or 8.3%.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$19,331,256 or 51.1% of total General Fund expenditures.
- The Kia Motors automobile assembly plant was completed and full-scale production commenced on schedule in November 2009. Production began with the Sorento SUV model. The plant recently expanded its production to include the Optima sedan. It also produces the Santa Fe SUV for Hyundai Motors, its parent company.
- 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 2011 data to fiscal year 2010 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. 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 21 & 22 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 23 - 30 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 31 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 32 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 \$137,011,976 as compared to \$130,369,786 for prior year, an increase of \$6,642,190 or 5.1%. The following table provides a summary of the County's net assets:

Summary of Net Assets

	June 30, 2011		June 30, 2010	
	Governmental Activities	Percentage of Total	Governmental Activities	Percentage of Total
Assets:				
Current assets	\$ 36,167,277	24%	\$ 33,688,121	24%
Capital assets	112,661,931	76%	106,727,237	76%
Total assets	148,829,208	100%	140,415,358	100%
Liabilities:				
Current liabilities	3,836,714	32%	3,230,795	32%
Long-term liabilities	7,980,518	68%	6,814,777	68%
Total liabilities	11,817,232	100%	10,045,572	100%
Net assets:				
Invested in capital assets, net of related debt	111,309,882	81%	105,144,535	81%
Restricted	21,243,190	16%	18,825,316	14%
Unrestricted	4,458,904	3%	6,399,935	5%
Total net assets	\$ 137,011,976	100%	\$ 130,369,786	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, 2011 is 9.4 to 1 as compared to 10.4 to 1 at June 30, 2010. The decrease in the ratio is driven by increasing current liabilities, specifically a rise in employee healthcare claims along with the County assuming the current portion of a note payable for energy-savings equipment.

The County reported positive balances in net assets. Net assets increased \$6,642,190 during fiscal year 2011 primarily due to local grant funding received for "brick and mortar" capital improvement programs benefitting public safety and parks and recreation.

Note that approximately 81.2% 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.

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

	<u>For the Year Ended June 30, 2011</u>		<u>For the Year Ended June 30, 2010</u>	
	<u>Governmental Activities</u>	<u>Percentage of Total</u>	<u>Governmental Activities</u>	<u>Percentage of Total</u>
Revenues:				
Program:				
Charges for services	\$ 6,411,996	12%	\$ 6,233,070	12%
Operating grants	5,077,982	9%	4,021,011	8%
Capital grants	837,919	2%	1,150,355	2%
General:				
Taxes	38,202,306	70%	39,223,207	74%
Investment earnings	58,083	0%	763,799	1%
Other	3,849,382	7%	1,622,519	3%
Total revenues	<u>54,437,668</u>	<u>100%</u>	<u>53,013,961</u>	<u>100%</u>
Program Expenses:				
General government	4,899,031	10%	4,465,143	9%
Judicial	4,923,787	10%	4,780,381	10%
Public safety	22,964,252	48%	22,617,970	46%
Highways and streets	7,606,312	16%	9,829,715	20%
Health and welfare	1,102,444	2%	1,202,372	3%
Culture and recreation	5,816,189	12%	5,658,112	12%
Conservation	215,431	0%	207,231	0%
Interest	268,032	1%	185,639	0%
Total expenses	<u>47,795,478</u>	<u>100%</u>	<u>48,946,563</u>	<u>100%</u>
Change in net assets	6,642,190		4,067,398	
Beginning net assets	<u>130,369,786</u>		<u>126,302,388</u>	
Ending net assets	<u>\$ 137,011,976</u>		<u>\$ 130,369,786</u>	

GOVERNMENTAL REVENUES

The County relies heavily on property taxes to support governmental operations. Property taxes provided 40.7% of the County's total revenues as compared to 41.5% in fiscal year 2010. Sales taxes equal 26.2% of total revenues for governmental activities as compared to 29.0% in fiscal year 2010. Also, note that program revenues cover 23.3% of governmental operating expenses, the same as in fiscal year 2010. 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 48% of the County's total expenses. All other functional areas combined including general government, judicial, highways and streets, culture and recreation, etc., comprised 52% of total expenses.

Included in these functional expenses is depreciation expense, which makes up \$3,394,603 or 7.1% 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							
	2011		2010		2010			
	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	\$ 4,899,031	10%	\$ 4,516,549	13%	\$ 4,465,143	9%	\$ 4,046,431	11%
Judicial	4,923,787	10%	3,953,686	11%	4,780,381	10%	3,897,527	10%
Public safety	22,964,252	48%	16,002,557	45%	22,617,970	46%	15,338,787	41%
Highways and streets	7,606,312	16%	6,449,405	18%	9,829,715	20%	8,550,052	23%
Health and welfare	1,102,444	2%	1,026,600	3%	1,202,372	2%	1,144,819	3%
Culture and recreation	5,816,189	12%	3,035,321	9%	5,658,112	12%	4,171,641	11%
Conservation	215,431	0%	215,431	1%	207,231	0%	207,231	1%
Interest	268,032	1%	268,032	1%	185,639	0%	185,639	0%
Total	<u>\$ 47,795,478</u>	<u>100%</u>	<u>\$ 35,467,581</u>	<u>100%</u>	<u>\$ 48,946,563</u>	<u>100%</u>	<u>\$ 37,542,127</u>	<u>100%</u>

The net cost is the gross cost of operations less charges for services, fines, operating grants and capital grants. Note that over 60% 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 \$33,906,579. Of this year-end total, \$11,975,916 is unassigned indicating its availability for continuing County service requirements. Legally restricted fund balances include: \$13,755,039 committed to SPLOST III capital projects; \$6,822,938 in the Parks and Recreation Endowment Fund committed to operations and maintenance expenses; and other amounts totaling \$665,213 for culture and recreation, and health and welfare.

The total ending fund balance of governmental funds reflects an increase of \$2,636,478 compared to prior year.

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 decreased by \$496,415 as the General Fund subsidized various projects in the Capital Improvement Fund. Total unassigned fund balance is now \$19,331,256, which is approximately 49% of total annual budget and is considered very adequate.

Total General Fund revenues decreased \$104,450 over fiscal year 2010, or .3%. The decrease occurred in sales taxes, as retail spending was lower due to the weakened economy.

Total General Fund expenditures decreased \$380,057 or 1.0% versus the prior fiscal year primarily due to personnel spending decreases resulting from a hiring freeze which left many vacant budgeted positions unfilled.

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 31st fair market value averaged over the last five-years.

During fiscal year 2011, the fair market value of fund investments continued to rebound and reported a gain of \$1,188,114. The fund also expended \$368,142 based on the formula above.

Capital Improvement Fund – In fiscal year 2011, this fund reported \$3.6 million in intergovernmental and miscellaneous revenues and expended approximately \$4.3 million primarily on various parks and recreation projects. This fund reported a fund balance deficit of approximately \$7.3 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 2011, over \$9.8 million of SPLOST taxes were recognized as revenue and approximately \$8.6 million was expended on capital projects and payments to the cities within the County. At June 30, 2011, the ending fund balance was \$13.8 million.

BUDGETARY HIGHLIGHTS – GENERAL FUND

Revenues

The final revenue budget was increased \$614,652 or 1.6% over the original budget.

In total, revenues realized of \$37,751,899 were \$1,410,420 or 3.6% below the final amended budget of \$39,162,319.

Motor vehicle taxes were \$98,705 below budget as fewer car and truck owners traded up to newer vehicles.

Selective taxes such as local option sales tax and insurance premium tax were \$468,195 below budget primarily due to a decrease in taxable transactions at the retail level.

Intergovernmental revenue from local governments was \$128,065 below the final budget primarily due to the cities housing fewer inmates in the County jail.

License and permit revenues were \$44,467 below budget by due to the volume of bank/business licenses and building permits issued being lower due to the weakened economy.

Charges for services were \$322,233 below budget, primarily due to lower than anticipated revenues for superior court fees, inmate payphone commissions, landfill dumping fees, work release fees, and parks and recreation fees.

Investment earnings were \$51,917 below budget due to low interest rates yielding less return on investments.

Expenditures

The expenditure budget was amended upward by \$614,652 or 1.6% above the original budget.

In total, expenditures (net of transfers out) were \$943,481 or 2.4% below the final amended budget of \$39,162,319.

All departments were under budget primarily due to savings in personnel expenses resulting from a hiring freeze and a delay in implementing a salary merit increase. General government (including legislative, executive, financial, and elections) was \$308,884 favorable to a budget of \$4,163,252; public safety was \$227,058 favorable to a budget of \$19,919,245; judicial was \$282,263 favorable to a budget of \$5,111,330; and highways and streets was \$196,324 favorable to a budget of \$3,024,475. All remaining departments were favorable by amounts less than \$100,000.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets (net of accumulated depreciation) was \$112.7 million for governmental activities as of June 30, 2011. The total increase in net capital assets was \$5.9 million or 5%. This was primarily due to capitalization of buildings, machinery, equipment, and infrastructure related to Special Purpose Local Option Sales Tax (SPLOST) funded projects.

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

The following table provides a summary of capital asset activity:

	Capital Assets			
	Governmental Activities		Percentage of Total	
	June 30, 2011	June 30, 2010	June 30, 2011	June 30, 2010
Non-depreciable assets:				
Land	\$ 17,325,865	\$ 16,827,715	98%	93%
Construction in progress	267,389	1,305,018	2%	7%
Total non-depreciable assets	17,593,254	18,132,733	100%	100%
Depreciable assets:				
Buildings	70,776,003	66,151,919	54%	55%
Machinery and equipment	24,333,987	23,486,728	19%	19%
Infrastructure	35,795,723	31,516,551	27%	26%
Total depreciable assets	130,905,713	121,155,198	100%	100%
Less accumulated depreciation	35,837,036	32,560,694		
Book value - depreciable assets	\$ 95,068,677	\$ 88,594,504		
Percentage depreciated	27%	27%		
Total capital assets, net	\$ 112,661,931	\$ 106,727,237		

At June 30, 2011, the depreciable capital assets for governmental activities were 27% depreciated. This compares exactly with the 27% at June 30, 2010. The comparison indicates that the County is replacing its assets at the same rate they are depreciating--a positive financial indicator.

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, 2011, the County's balance remaining on the Series 2007A bonds was \$782,500 and \$2,350,000 on the Series 2007B bonds.

In November 2007 (and augmented in July 2010), 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, 2011, the remaining balance on the lease/purchase program was \$1,352,048.

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, 2011, the remaining balance on the note payable was \$1,381,512.

The changes in long-term debt are as follows
 :

	Long-term Debt		Percentage Change
	2011	2010	
Intergovernmental agreement (2007A)	\$ 782,500	\$ 782,500	0.0%
Intergovernmental agreement (2007B)	2,350,000	2,452,500	-4.2%
Compensated absences	1,021,352	1,031,266	-1.0%
Claims	586,275	390,184	50.3%
Capital lease (2011)	52,721	-	100.0%
Capital lease (2007)	-	44,074	-100.0%
Capital lease (2008)	1,299,327	1,538,627	-15.6%
Note Payable	1,381,512	-	100.0%
Landfill closure costs	<u>248,889</u>	<u>224,167</u>	11.0%
Total	<u>\$ 7,722,576</u>	<u>\$ 6,463,318</u>	19.5%

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 were adversely affected by the recent economic downturn. In fiscal year 2011, the County property tax base decreased by 1.1% due to stagnation in reassessment values of existing residential properties and virtually no new home construction. Also, the motor vehicles tax base decreased as vehicle owners elected to keep their present cars and trucks

rather than trade up to newer vehicles. Local option sales tax revenues decreased by 7.9% due to cutbacks in taxable retail purchases. For the future, however, the new Kia Motor Company automobile assembly plant and the Kia suppliers that have located in Troup County will serve as a cornerstone for local economic growth and expansion. Kia and its local suppliers are filling the void created when textile manufacturing plants located in the County either shutdown completely or moved their operations offshore.

Historically, the County's unemployment rate has unfortunately been above state and nationwide rates. In the month of June 2011, the County's unemployment rate was 11.8%. During the same timeframe, state and national rates were 10.5% and 9.2% respectively. There is a County 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.

Recently Troup voters approved a referendum for Tax Allocation Districts (TADs) to address economic redevelopment within the County. Responding to that referendum, a developer has proposed a \$332 million, mixed-use redevelopment project on 370 acres adjacent to I-85. The centerpiece would be an outlet shopping mall with over a million square feet of retail space rivaling existing outlet malls in the Atlanta metropolitan area. It would fill the need for that type of facility in this area of the state. In addition, the project would have two hotels, multi-family living space (apartment buildings and retirement community), grocery shopping and restaurants, commercial offices and medical clinics. Green spaces would be located throughout with parks and walking trails. Retail sales generated by the project are estimated to be \$410 million annually and nearly 1,800 jobs would be created. This planned project when completed would have a dramatic economic impact on Troup County.

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, 2011

	Primary Governmental Activities	Component Unit
Assets		
Current Assets:		
Cash and cash equivalents	\$ 26,521,668	\$ 1,135,672
Investments	6,822,938	-
Receivables:		
Accounts	212,523	41,705
Sales taxes	1,349,767	-
Other taxes	97,469	-
Intergovernmental	475,439	2,458,319
Inventory	193,794	-
Prepaid items	493,679	-
Total Current Assets	36,167,277	3,635,696
Capital Assets:		
Nondepreciable capital assets	17,593,254	-
Depreciable capital assets, net	95,068,677	265,471
Total Capital Assets	112,661,931	265,471
Total Assets	148,829,208	3,901,167
Liabilities		
Current Liabilities:		
Accounts payable	1,001,889	828,531
Accrued expenses	839,524	-
Accrued interest	75,053	-
Intergovernmental	354,765	720,113
Compensated absences payable	398,304	260,922
Claims payable	568,299	-
Capital lease obligations	248,495	-
Note payable	240,385	-
Intergovernmental agreement payable	110,000	-
Total Current Liabilities	3,836,714	1,809,566
Long-Term Liabilities:		
Compensated absences payable (net of current portion)	623,048	454,757
Claims payable (net of current portion)	17,976	-
Capital lease obligations (net of current portion)	1,103,553	-
Note payable	1,141,127	-
Intergovernmental agreement payable (net of current portion)	3,022,500	-
Landfill closure and postclosure care costs payable	248,889	-
Net pension obligation	2,690	-
Net OPEB obligation	1,820,735	-
Total Long-Term Liabilities	7,980,518	454,757
Total Liabilities	11,817,232	2,264,323
Net Assets		
Invested in capital assets, net of related debt	111,309,882	265,471
Restricted for:		
Capital projects	13,755,039	-
Program purposes	614,706	-
Endowment - expendable	6,822,938	-
Culture and recreation	50,507	-
Prior year program income		1,030,550
Unrestricted	4,458,904	340,823
Total Net Assets	\$ 137,011,976	\$ 1,636,844

See accompanying notes to the basic financial statements

Troup County, Georgia
Statement of Activities
For the Year Ended June 30, 2011

Function	Primary Government				Net (Expense) Revenues and Changes in Net Assets	
	Expenses	Program Revenues		Capital Grants, Contributions and Interest	Governmental Activities	Component Unit
		Charges for Services and Sales	Operating Grants, Contributions and Interest			
Primary Government:						
General government	\$ 4,899,031	\$ 214,451	\$ 168,031	\$ -	\$ (4,516,549)	\$ -
Judicial	4,923,787	779,805	160,296	30,000	(3,953,686)	-
Public safety	22,964,252	4,448,649	2,513,046	-	(16,002,557)	-
Highways and streets	7,606,312	239,266	370,299	547,342	(6,449,405)	-
Health and welfare	1,102,444	71,557	4,287	-	(1,026,600)	-
Culture and recreation	5,816,189	658,268	1,862,023	260,577	(3,035,321)	-
Conservation	215,431	-	-	-	(215,431)	-
Interest	268,032	-	-	-	(268,032)	-
Total Governmental Activities	\$ 47,795,478	\$ 6,411,996	\$ 5,077,982	\$ 837,919	\$ (35,467,581)	\$ -
Component Unit:						
Troup County Board of Health	\$ 15,299,974	\$ 2,846,940	\$ 12,815,600	\$ -	\$ -	\$ 362,566
		General Revenues:				
		Property taxes levies for general purposes		\$ 22,151,513	\$ -	
		Sales taxes		14,252,335	-	
		Selective taxes		1,798,458	-	
		Unrestricted investment earnings		58,083		8,313
		Gain on sale of capital assets		7,233		-
		Miscellaneous		3,842,149		-
		Total General Revenues		42,109,771		8,313
		Change in Net Assets		6,642,190		370,879
		Net Assets Beginning of Year		130,369,786		1,265,965
		Net Assets End of Year		\$ 137,011,976		\$ 1,636,844

See accompanying notes to the basic financial statements

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Troup County, Georgia
Balance Sheet
Governmental Funds
June 30, 2011

	<u>General</u>	<u>Parks and Recreation Endowment</u>	<u>Capital Improvements</u>	<u>SPLOST III</u>
Assets				
Cash and cash equivalents	\$ 12,444,463	\$ -	\$ -	\$ 13,463,329
Investments	-	6,822,938	-	-
Receivables:				
Accounts	212,523	-	-	-
Sales taxes	418,994	-	-	930,773
Other taxes	97,469	-	-	-
Intergovernmental	470,242	-	-	-
Interfund	7,226,182	-	-	-
Inventory	193,794	-	-	-
Prepaid items	493,679	-	-	-
Total Assets	<u>\$ 21,557,346</u>	<u>\$ 6,822,938</u>	<u>\$ -</u>	<u>\$ 14,394,102</u>
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 584,066	\$ -	131,948	\$ 281,508
Accrued expenditures	839,524	-	-	-
Intergovernmental payable	-	-	-	354,765
Interfund payable	-	-	7,223,392	2,790
Deferred revenue	64,520	-	-	-
Total Liabilities	<u>1,488,110</u>	<u>-</u>	<u>7,355,340</u>	<u>639,063</u>
Fund Balances				
Nonspendable:				
Inventory	193,794	-	-	-
Prepaid items	493,679	-	-	-
Restricted for:				
Culture and recreation	50,507	-	-	-
Endowment	-	6,822,938	-	-
Capital outlay	-	-	-	13,755,039
Program purposes	-	-	-	-
Unassigned	19,331,256	-	(7,355,340)	-
Total Fund Balances (Deficits)	<u>20,069,236</u>	<u>6,822,938</u>	<u>(7,355,340)</u>	<u>13,755,039</u>
Total Liabilities and Fund Balances	<u>\$ 21,557,346</u>	<u>\$ 6,822,938</u>	<u>\$ -</u>	<u>\$ 14,394,102</u>

See accompanying notes to the basic financial statements

Other Governmental Funds	Total Governmental Funds
\$ 613,876	\$ 26,521,668
-	6,822,938
-	212,523
-	1,349,767
-	97,469
5,197	475,439
-	7,226,182
-	193,794
-	493,679
<u>\$ 619,073</u>	<u>\$ 43,393,459</u>

\$ 4,367	\$ 1,001,889
-	839,524
-	354,765
-	7,226,182
-	64,520
<u>4,367</u>	<u>9,486,880</u>

-	193,794
-	493,679
-	50,507
-	6,822,938
-	13,755,039
614,706	614,706
-	11,975,916
<u>614,706</u>	<u>33,906,579</u>
<u>\$ 619,073</u>	<u>\$ 43,393,459</u>

Troup County, Georgia
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Assets
June 30, 2011

Total Governmental Fund Balances	\$	33,906,579
 Amounts Reported for Governmental Activities in the Statement of Net Assets Are Different Because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		
Cost	\$ 148,498,968	
Less accumulated depreciation	<u>(35,837,037)</u>	112,661,931
 Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Property taxes		64,520
 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	(7,226,182)	
Interfund payables	<u>7,226,182</u>	-
 Liabilities not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences payable	(1,021,352)	
Claims payable	(586,275)	
Accrued interest	(75,053)	
Capital leases payable	(1,352,048)	
Intergovernmental agreement payable	(3,132,500)	
Notes payable	(1,381,512)	
Landfill closure and postclosure care costs payable	(248,889)	
Net pension obligation	(2,690)	
Net OPEB obligation	<u>(1,820,735)</u>	<u>(9,621,054)</u>
 Net Assets of Governmental Activities	 \$	 <u>137,011,976</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, 2011

	<u>General</u>	<u>Parks and Recreation Endowment</u>	<u>Capital Improvements</u>	<u>SPLOST III</u>
Revenues				
Property taxes	\$ 22,123,271	\$ -	\$ -	\$ -
Sales taxes	4,396,506	-	-	9,855,829
Other taxes	1,727,752	-	-	-
Intergovernmental	4,448,881	-	690,073	272,496
Licenses and permits	162,733	-	-	-
Charges for services	2,166,142	-	-	-
Fines and forfeitures	1,592,825	-	-	-
Investment earnings	58,083	1,188,114	-	35,743
Miscellaneous	951,435	-	2,870,904	-
Total Revenues	<u>37,627,628</u>	<u>1,188,114</u>	<u>3,560,977</u>	<u>10,164,068</u>
Expenditures				
Current:				
General government	3,854,368	-	195,757	14
Judicial	4,828,707	-	-	-
Public safety	19,692,187	-	804	-
Highways and streets	2,828,151	-	2,491	116,081
Health and welfare	638,452	-	-	954
Culture and recreation	4,900,526	368,142	63,483	5,558
Conservation	215,431	-	-	-
Intergovernmental	-	-	-	3,756,550
Capital Outlay	202,640	-	3,950,755	4,722,183
Debt Service:				
Principal retirement	396,306	-	118,488	-
Interest and fiscal charges	255,443	-	14,180	-
Total Expenditures	<u>37,812,211</u>	<u>368,142</u>	<u>4,345,958</u>	<u>8,601,340</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(184,583)	819,972	(784,981)	1,562,728
Other Financing Sources (Uses):				
Sale of capital assets	28,884	-	-	-
Capital lease	62,134	-	-	-
Note payable	-	-	1,500,000	-
Transfers in	33,253	-	-	-
Transfers out	(406,627)	-	-	-
Total Other Financing Sources (Uses)	<u>(282,356)</u>	<u>-</u>	<u>1,500,000</u>	<u>-</u>
Net change in fund balances	(466,939)	819,972	715,019	1,562,728
Fund Balances (Deficits)				
Beginning of Year	20,565,651	6,002,966	(8,070,359)	12,192,311
Decrease in Reserves for Inventory and Prepaid Items	<u>(29,476)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances (Deficits) End of Year	<u>\$ 20,069,236</u>	<u>\$ 6,822,938</u>	<u>\$ (7,355,340)</u>	<u>\$ 13,755,039</u>

See accompanying notes to the basic financial statements

Other Governmental Funds	Total Governmental Funds
\$ -	\$ 22,123,271
-	14,252,335
70,706	1,798,458
-	5,411,450
-	162,733
1,103,877	3,270,019
192,365	1,785,190
4,287	1,286,227
-	3,822,339
1,371,235	53,912,022
-	4,050,139
-	4,828,707
1,471,575	21,164,566
-	2,946,723
237,860	877,266
-	5,337,709
-	215,431
-	3,756,550
-	8,875,578
-	514,794
-	269,623
1,709,435	52,837,086
(338,200)	1,074,936
-	28,884
-	62,134
-	1,500,000
406,627	439,880
(33,253)	(439,880)
373,374	1,591,018
35,174	2,665,954
579,532	31,270,101
-	(29,476)
\$ 614,706	\$ 33,906,579

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, 2011

Net Changes In Fund Balances - Total Governmental Funds		\$ 2,665,954
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.		
Depreciation expense	\$ (3,394,603)	
Capital outlay	<u>8,875,578</u>	5,480,975
Governmental funds do not report donated capital assets. Donated capital assets increase net assets.		
		470,361
Governmental funds report proceeds from the disposal of capital assets. Proceeds must be adjusted to reflect gain/loss on the transactions.		
		(16,642)
Property tax revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Deferred @ 6/30/11	64,520	
Deferred @ 6/30/10	<u>(36,278)</u>	28,242
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.		
		(1,562,134)
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.		
		292,788
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.		
		102,500
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.		
		118,488
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 @ 6/30/11	(75,053)	
Deferred @ 6/30/10	<u>77,663</u>	2,610
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 @ 6/30/11	(1,021,352)	
Deferred @ 6/30/10	<u>1,031,266</u>	9,914
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 @ 6/30/11	(586,275)	
Deferred @ 6/30/10	<u>390,184</u>	(196,091)
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 @ 6/30/11	(248,889)	
Deferred @ 6/30/10	<u>224,167</u>	(24,722)
Net pension obligation in the statement of activities does not require the use of current financial resources and therefore is not reported as expenditures in governmental funds.		
		(2,690)
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 @ 6/30/11	(1,820,735)	
Deferred @ 6/30/10	<u>1,122,848</u>	(697,887)
The decrease 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>(29,476)</u>
Change In Net Assets of Governmental Activities		<u>\$ 6,642,190</u>

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, 2011

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Property taxes	\$ 22,107,426	\$ 22,107,426	\$ 22,123,271	\$ 15,845
Sales taxes and other	6,592,453	6,592,453	6,124,258	(468,195)
Intergovernmental	4,374,763	4,426,763	4,448,881	22,118
Licenses and permits	207,200	207,200	162,733	(44,467)
Charges for services	2,488,375	2,488,375	2,166,142	(322,233)
Fines and forfeitures	1,401,732	1,401,732	1,592,825	191,093
Investment earnings	110,000	110,000	58,083	(51,917)
Miscellaneous	1,213,718	1,713,370	951,435	(761,935)
Total Revenues	38,495,667	39,047,319	37,627,628	(1,419,691)
Expenditures				
Current:				
General government	4,155,197	4,163,252	3,854,368	308,884
Judicial	4,987,665	5,111,330	4,828,707	282,623
Public safety	19,575,920	19,919,245	19,692,187	227,058
Highways and streets	2,987,867	3,024,475	2,828,151	196,324
Health and welfare	559,201	643,201	638,452	4,749
Culture and recreation	4,889,740	4,930,119	4,900,526	29,593
Conservation	228,972	222,009	215,431	6,578
Capital Outlay	250,225	234,808	202,640	32,168
Debt Service:				
Principal retirement	396,400	396,400	396,306	94
Interest and fiscal charges	255,480	255,480	255,443	37
Total Expenditures	38,286,667	38,900,319	37,812,211	1,088,108
Excess (Deficiency) of Revenues Over (Under) Expenditures	209,000	147,000	(184,583)	(331,583)
Other Financing Sources (Uses):				
Sale of capital assets	8,000	8,000	28,884	20,884
Capital lease	-	63,000	62,134	(866)
Transfers in	44,000	44,000	33,253	(10,747)
Transfers out	(262,000)	(262,000)	(406,627)	(144,627)
Total Other Financing Sources (Uses)	(210,000)	(147,000)	(282,356)	(135,356)
Net Change in Fund Balances	\$ (1,000)	\$ -	(466,939)	\$ (466,939)
Fund Balances Beginning of Year			20,565,651	
Decrease in Reserves for Inventory and Prepaid Items			(29,476)	
Fund Balances End of Year			\$ 20,069,236	

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, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Investment earnings	\$ 500,000	\$ 500,000	\$ 1,188,114	\$ 688,114
Total Revenues	<u>500,000</u>	<u>500,000</u>	<u>1,188,114</u>	<u>688,114</u>
Expenditures				
Current:				
Culture and recreation	<u>500,000</u>	<u>500,000</u>	<u>368,142</u>	<u>131,858</u>
Total Expenditures	<u>500,000</u>	<u>500,000</u>	<u>368,142</u>	<u>131,858</u>
Excess of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	819,972	<u>\$ 819,972</u>
Fund Balances Beginning of Year			<u>6,002,966</u>	
Fund Balances End of Year			<u>\$ 6,822,938</u>	

See accompanying notes to the basic financial statements

Troup County, Georgia
Comparative Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Assets		
Cash	\$ 4,925,058	\$ 3,980,202
Taxes receivable	224,790	192,638
Other receivables	47,584	5,702
Total Assets	<u>\$ 5,197,432</u>	<u>\$ 4,178,542</u>
Liabilities		
Due to other entities	\$ 1,467,644	\$ 1,433,143
Due to other taxing units	585,040	485,823
Escrow bond deposits	213,558	187,040
Federal forfeiture funds	2,341,603	1,389,058
Confiscated funds	58,687	162,864
Inmate funds	89,422	108,345
Deferred liabilities	441,478	411,582
D.A.R.E. program	-	687
Total Liabilities	<u>\$ 5,197,432</u>	<u>\$ 4,178,542</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, 2011

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Troup County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

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, 2011

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, 2011

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, 2011

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, 2011

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, 2011, 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, 2011

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:

<u>Asset Class</u>	<u>Governmental Activities Estimated Lives</u>
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, 2011

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-9 Fund Equity

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

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.

Troup County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 1 - Summary of Significant Accounting Policies (Continued)

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

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, 2011

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, 2011:

Capital Improvements Fund	\$ 7,355,340
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The deficit fund balances will be liquidated through general fund revenues appropriated for completion of the projects.

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, 2011, \$19,168,334 of the County’s bank balance of \$36,501,448 was exposed to custodial credit risk as follows:

Uninsured and Collateral held by Pledging Bank's Trust Department in the County's Name	<u>\$ 19,168,334</u>
Total	<u><u>\$ 19,168,334</u></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, 2011 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.

(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, 2011

Note 3 - Detailed Notes on All Funds (Continued)

Investments – Credit Risk

As of June 30, 2011, the County had the following investments:

Investment Types	<u>Maturities</u>	<u>Fair Value</u>
Endowment:		
Income Cash	Daily	\$ 1,416
Federated Money Market Funds	Daily	270,193
Equity Securities	Daily	3,110,238
Mutual Funds	Daily	3,128,298
Ridgeworth Fund Midcap Value Equity	Daily	<u>312,793</u>
Total		<u><u>\$ 6,822,938</u></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, 2011 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, 2011, 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, 2011

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, 2011

Note 3 - Detailed Notes on All Funds (Continued)

3-D. Capital Assets

Capital asset activity for the year ended June 30, 2011, was as follows:

	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 16,827,715	\$ 498,150	\$ -	\$ 17,325,865
Construction in progress	1,305,018	251,458	1,289,087	267,389
Total non-depreciable assets	<u>18,132,733</u>	<u>749,608</u>	<u>1,289,087</u>	<u>17,593,254</u>
Other capital assets:				
Buildings	66,151,919	4,624,087	-	70,776,006
Machinery and equipment	23,486,728	982,160	134,903	24,333,985
Infrastructure	31,516,551	4,279,172	-	35,795,723
Total other capital assets	<u>121,155,198</u>	<u>9,885,419</u>	<u>134,903</u>	<u>130,905,714</u>
Total cost	<u>139,287,931</u>	<u>10,635,027</u>	<u>1,423,990</u>	<u>148,498,968</u>
Accumulated depreciation:				
Buildings	8,860,634	1,516,777	-	10,377,411
Machinery and equipment	13,356,772	1,406,922	118,260	14,645,434
Infrastructure	10,343,288	470,904	-	10,814,192
Total accumulated depreciation	<u>32,560,694</u>	<u>3,394,603</u>	<u>118,260</u>	<u>35,837,037</u>
Governmental activities capital assets, net	<u>\$ 106,727,237</u>	<u>\$ 7,240,424</u>	<u>\$ 1,305,730</u>	<u>\$ 112,661,931</u>

Governmental activities depreciation expense

General government	\$ 724,311
Public safety	1,225,503
Highway and streets	805,627
Health and welfare	225,178
Culture and recreation	413,984
Total governmental activities depreciation expense	<u>\$ 3,394,603</u>

Troup County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Component unit				
Depreciable capital assets:				
Machinery and equipment	\$ 2,233,812	\$ 54,360	\$ -	\$ 2,288,172
Less accumulated depreciation	1,909,609	113,092	-	2,022,701
Component unit capital assets, net	<u>\$ 324,203</u>	<u>\$ (58,732)</u>	<u>\$ -</u>	<u>\$ 265,471</u>

3-E. - Interfund Balances and Transfers

Interfund balances at June 30, 2011, 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.

Payable to:	Payable from:		
	Capital Improvements	SPLOST III Fund	Total
General Fund	\$ 7,223,392	\$ 2,790	\$ 7,226,182
Total	<u>\$ 7,223,392</u>	<u>\$ 2,790</u>	<u>\$ 7,226,182</u>

Interfund transfers for the year ended June 30, 2011, consisted of the following:

Transfers out:	Transfers in:		
	General Fund	Other Governmental Funds	Total
General Fund	\$ -	\$ 406,627	\$ 406,627
Other Governmental Funds	33,253	-	33,253
Total	<u>\$ 33,253</u>	<u>\$ 406,627</u>	<u>\$ 439,880</u>

Interfund transfers in the General Fund totaled \$406,627 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, \$33,253 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, 2011

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
2012	\$ 110,000	\$ 180,128	\$ 290,128
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
2017-2021	840,000	613,469	1,453,469
2022-2026	1,135,000	322,175	1,457,175
2027-2028	<u>532,500</u>	<u>37,594</u>	<u>570,094</u>
Total	<u>\$ 3,132,500</u>	<u>\$ 1,802,084</u>	<u>\$ 4,934,584</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, 2011

Note 3 - Detailed Notes on All Funds (Continued)

Capital Leases – In March of 2006, the County entered into a capital lease obligation for telecommunication equipment and systems. The telecommunication equipment held under the capital lease at June 30, 2011 had a cost of \$274,987. The capital lease requires a monthly payment of \$5,613 including an interest rate of 5.0% for a term of sixty months. The lease was paid in full during 2011.

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, 2011 had a cost of \$1,987,396. The capital lease requires an annual payment of \$307,000, with 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, 2011 has a cost of \$62,134. The capital lease requires two payments (one in November 2010 and one in November 2011) of \$10,954 with 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 June 30,	Amount
2012	\$ 317,954
2013	1,139,631
Total	1,457,585
Less: amount representing interest	(105,537)
Present value of minimum lease payments	\$ 1,352,048

(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, 2011

Note 3 - Detailed Notes on All Funds (Continued)

Note Payable – During 2011 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 a an amount deposited in a certificate of deposit and included in cash and cash equivalents.

Note Payable requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2012	\$ 240,385	\$ 24,951	\$ 265,336
2013	245,116	20,220	265,336
2014	249,872	15,463	265,335
2015	254,720	10,615	265,335
2016	259,649	5,687	265,336
2017	<u>131,770</u>	<u>957</u>	<u>132,727</u>
Total	<u>\$ 1,381,512</u>	<u>\$ 77,893</u>	<u>\$ 1,459,405</u>

Changes in Long-term Debt - Changes in the County’s long-term obligations consisted of the following for the year ended June 30, 2011:

	Outstanding July 1, 2010	Additions	Reductions	Outstanding June 30, 2011	Amount Due in One Year
Governmental Activities					
Compensated absences	\$ 1,031,266	\$ 370,300	\$ 380,214	\$ 1,021,352	\$ 398,304
Capital Lease (2007)	44,074	-	44,074	-	-
Capital Lease (2008)	1,538,627	-	239,300	1,299,327	239,300
Capital Lease (2011)	-	63,153	10,432	52,721	9,195
Landfill closure and post-closure care	224,167	24,722	-	248,889	-
Intergovernmental Contract (2007A)	782,500	-	-	782,500	-
Intergovernmental Contract (2007B)	2,452,500	-	102,500	2,350,000	110,000
Note Payable	<u>-</u>	<u>1,500,000</u>	<u>118,488</u>	<u>1,381,512</u>	<u>240,385</u>
Total Governmental Activities	<u>\$ 6,073,134</u>	<u>\$ 1,958,175</u>	<u>\$ 895,008</u>	<u>\$ 7,136,301</u>	<u>\$ 997,184</u>
Component Unit					
Compensated absences	<u>\$ 638,159</u>	<u>\$ 77,520</u>	<u>\$ -</u>	<u>\$ 715,679</u>	<u>\$ -</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.

Troup County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

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 \$248,889 as of June 30, 2011, which is based on 54.25% usage (filled) of the landfill. It is estimated that an additional liability of \$209,893 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 (2020). The estimated total current cost of the landfill closure and postclosure care (\$458,782) 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, 2011. 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 \$20 million at June 30, 2011. No reserve is deemed necessary.

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. The most recent available information is presented.

The County's payroll for employees covered by the Plan as of January 1, 2010 (the most recent actuarial valuation date) was \$15,765,723 (based on covered earnings for the preceding year). The County's total payroll was \$18,227,886.

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.

Troup County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 3 - Detailed Notes on All Funds (Continued)

The following is the plan membership at January 1, 2010:

Category	
Active employees participating in the plan	445
Retirees, beneficiaries and disables currently receiving benefits	95
Terminated plan participants entitled to, but not yet receiving benefits	202
 Total	 742

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

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 2010, the County's actual contribution of \$1,635,919 exceeded the annual pension cost (and required contribution) of \$1,635,905. The actual contribution amounted to 10.2% of covered payroll. The required contribution was determined as part of the January 1, 2010 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, 2010, was 10 years.

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

Fiscal Year Ended December 31,	Annual Pension Cost	Annual Pension Contribution	Percentage Contributed	Net Pension Obligation (Asset)
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

Troup County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

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
12/31/2008	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%

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, 2010.

(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, 2011

Net Pension Assets – The County’s derivation of the annual required contribution, the annual pension cost and net pension obligation (asset) at January 1, 2010 (i.e., the most recent actuarial valuation) and 2009 are as follows:

	Actuarial valuation date January 1, 2010	Actuarial valuation date January 1, 2009
Derivation of the Annual Required Contribution:		
Normal Cost	\$ 1,051,864	\$ 982,254
Amortization of unfunded accrued actuarial liability (UAAL)	394,206	348,810
Pre-retirement death benefit expense	114,841	102,450
Post-retirement death benefit expense	3,828	18,531
Administrative expenses	71,180	68,896
	<u>1,635,919</u>	<u>1,520,941</u>
Annual required contribution (ARC)	<u>\$ 1,635,919</u>	<u>\$ 1,520,941</u>
Derivation of the Annual Pension Cost:		
Annual required contribution (ARC)	\$ 1,635,919	\$ 1,520,941
Interest on prior year net pension obligation	210	(2,411)
Adjustment to ARC	(224)	2,580
	<u>1,635,905</u>	<u>1,521,110</u>
Annual pension cost	<u>\$ 1,635,905</u>	<u>\$ 1,521,110</u>
Derivation of the Net Pension Obligation (Asset):		
Annual pension cost	\$ 1,635,905	\$ 1,521,110
Contributions made	1,635,919	1,487,297
Increase (decrease) in net pension obligation (asset)	(14)	33,813
Net pension obligation (asset), beginning of year	2,704	(31,109)
Net pension obligation, end of year	<u>\$ 2,690</u>	<u>\$ 2,704</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, 2011

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, 2011 are detailed as follows:

	Governmental Activities
Invested in capital assets, net of related debt:	
Cost of capital assets	\$ 148,498,968
Less capital lease related debt	(1,352,049)
Less accumulated depreciation	(35,837,037)
Invested in capital assets, net of related debt:	\$ 111,309,882
Restricted for program purposes:	
Drug abuse treatment and education	\$ 521,561
Victim/Witness assistance fund	8,761
Juvenile Supervision	84,384
	\$ 614,706

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:

Prepaid items	\$ 193,794
Inventories	493,679
	\$ 687,473

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

General Fund:

Culture and recreation	\$ 50,507

Parks & Recreation Endowment Fund:

Culture and recreation	\$ 6,822,938

SPLOST III Fund:

Capital outlay	\$ 13,755,039

Nonmajor special revenue funds:

Health and welfare	\$ 614,706

Troup County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

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, 2011 the County is self-insured for claims up to \$125,000 per employee for a maximum of approximately \$5,696,784 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, 2008 resulted from the following:

Date	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claims Payments	End of Fiscal Year Liability
2009	\$ 414,930	\$ 3,753,012	\$ 3,691,721	\$ 476,221
2010	476,221	4,122,896	4,208,933	390,184
2011	390,184	4,304,085	4,107,994	586,275

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 three years.

Troup County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

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, 2011

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, 2011</u>	<u>June 30, 2010</u>
Determination of Annual Required Contribution		
Normal Cost at year end	\$ 402,312	\$ 355,079
Amortization of UAAL	<u>431,487</u>	<u>325,687</u>
Annual Required Contribution (ARC)	833,799	680,766
Determination of Net OPEB Obligation		
Annual Required Contribution	833,799	680,766
Interest on prior year Net OPEB Obligation	44,914	21,940
Adjustments to ARC	<u>(64,934)</u>	<u>(31,720)</u>
Annual OPEB Cost	813,779	670,986
Contributions made*	<u>(115,892)</u>	<u>(96,645)</u>
Increase in Net OPEB Obligation	697,887	574,341
Net OPEB Obligation, beginning of year	<u>1,122,848</u>	<u>548,507</u>
Net OPEB Obligation, end of year **	<u><u>\$ 1,820,735</u></u>	<u><u>\$ 1,122,848</u></u>

* Employer contributions will be equal to the net expected employer benefit payments (gross benefit cost offset by the retiree's contributions) during the 2011 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 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, 2011

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, 2011 are as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2009	\$ 640,834	14.39%	\$ 548,507
6/30/2010	670,986	14.40%	1,122,848
6/30/2011	813,779	14.24%	1,820,735

D. Funded Status and Funding Progress

As of June 30, 2011, the most recent actuarial valuation date, the County's funding has been limited to participant contributions. The actuarial accrued liability (AAL) for benefits was \$7,461,289. This amount is also the unfunded actuarial accrued liability (UAAL). The covered payroll for June 30, 2011 was \$17,221,094 with the UAAL amounting to 43.33% 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, 2011, 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, 2011

Note 4 - Other Notes (Continued)

4-C. Commitments

The County has entered into various noncancellable scheduled maintenance lease agreements that expire on June 30, 2012. For the year ended June 30, 2011, expenditures under the lease agreements totaled \$54,000. Future minimum lease payments under the leases are \$1,350.

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:

<i>Encumbrances</i>	
Capital improvements fund	\$ 1,123,180
SPLOST III fund	<u>174,500</u>
	<u><u>\$ 1,297,680</u></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, 2011. 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, 2011, the County paid \$29,808 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

Troup County, Georgia
Notes to the Basic Financial Statements
For the Year Ended June 30, 2011

Note 4 - Other Notes (Continued)

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, 2011, the County collected \$70,706 in hotel/motel taxes. In accordance with OCGA 48-13-51, the County expended \$37,453. Expenditures meet the statutory requirement.

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.

REQUIRED SUPPLEMENTARY INFORMATION

Troup County, Georgia
Schedule of Funding Progress
Pension Plan
Year Ended June 30, 2011

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
12/31/2005	\$ 15,063,073	\$ 16,769,144	89.8%	\$ 1,706,071	\$ 11,751,350	14.5%
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%

Troup County, Georgia
Schedule of Employer Contributions
Pension Plan
Year Ended June 30, 2011

Fiscal Year Ended December 31,	Annual Pension Cost	Annual Pension Contribution	Percentage Contributed	Net Pension Obligation (Asset)
2005	\$ 990,421	\$ 990,417	100.0%	\$ (933)
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

Troup County, Georgia
Schedule of Funding Progress
Postemployment Healthcare Plan
Year Ended June 30, 2011

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, 2008	\$ -	\$ 5,177,427	\$ 5,177,427	0.00%	\$17,712,179	29.23%
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%

(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

GENERAL FUND

Troup County, Georgia
General Fund
Comparative Balance Sheet
June 30, 2011 and June 30, 2010

	<u>2011</u>	<u>2010</u>
Assets		
Cash and cash equivalents	\$ 12,444,463	\$ 11,042,991
Receivables:		
Accounts	212,523	544,497
Sales taxes	418,994	773,512
Other taxes	97,469	94,243
Intergovernmental	470,242	919,637
Interfund	7,226,182	7,964,277
Inventory	193,794	187,236
Prepaid items	493,679	529,713
Total Assets	<u>\$ 21,557,346</u>	<u>\$ 22,056,106</u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 584,066	\$ 681,675
Accrued expenditures	839,524	772,502
Deferred revenue	64,520	36,278
Total Liabilities	<u>1,488,110</u>	<u>1,490,455</u>
Fund Balances		
Nonspendable:		
Inventory	193,794	187,236
Prepaid items	493,679	529,713
Restricted for:		
Culture and recreation	50,507	50,507
Unassigned	19,331,256	19,798,195
Total Fund Balances	<u>20,069,236</u>	<u>20,565,651</u>
Total Liabilities and Fund Balances	<u>\$ 21,557,346</u>	<u>\$ 22,056,106</u>

Troup County, Georgia
General Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balances
For The Years Ended June 30, 2011 and June 30, 2010

	2011	2010
Revenues		
Property taxes	\$ 22,123,271	\$ 22,018,261
Sales taxes	4,396,506	4,772,849
Other taxes	1,727,752	1,749,687
Intergovernmental	4,448,881	4,370,702
Licenses and permits	162,733	154,440
Charges for services	2,166,142	2,336,563
Fines and forfeitures	1,592,825	1,630,901
Investment earnings	58,083	47,390
Miscellaneous	951,435	651,285
Total Revenues	37,627,628	37,732,078
Expenditures		
Current:		
General government	3,854,368	3,716,580
Judicial	4,828,707	4,742,492
Public safety	19,692,187	20,007,913
Highways and streets	2,828,151	2,924,301
Health and welfare	638,452	715,938
Culture and recreation	4,900,526	4,520,645
Conservation	215,431	207,231
Capital Outlay	202,640	86,153
Debt Service:		
Principal Retirement	396,306	326,715
Interest and fiscal charges	255,443	184,186
Total Expenditures	37,812,211	37,432,154
Excess (Deficiency) of Revenues Over (Under) Expenditures	(184,583)	299,924
Other Financing Sources (Uses):		
Sale of capital assets	28,884	33,167
Capital lease	62,134	-
Transfers in	33,253	38,590
Transfers out	(406,627)	(1,282,506)
Total Other Financing Sources (Uses)	(282,356)	(1,210,749)
Net Change in Fund Balances	(466,939)	(910,825)
Fund Balances Beginning of Year	20,565,651	21,452,643
(Decrease) Increase in Reserve in Inventory & Prepaids	(29,476)	23,833
Fund Balances End of Year	\$ 20,069,236	\$ 20,565,651

Troup County, Georgia
General Fund
Schedule of Revenues - Budget and Actual
For The Year Ended June 30, 2011
(With Actual Amounts For The Year Ended June 30, 2010)

	2011			2010	
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Property taxes:					
Real	\$ 20,272,207	\$ 20,272,207	\$ 20,489,924	\$ 217,717	\$ 20,463,890
Intangible	260,000	260,000	156,833	(103,167)	218,498
Motor vehicle	1,575,219	1,575,219	1,476,514	(98,705)	1,335,873
Total Property Taxes	22,107,426	22,107,426	22,123,271	15,845	22,018,261
Selective taxes:					
Local option sales tax	4,850,000	4,850,000	4,396,506	(453,494)	4,772,849
Railroad tax	26,000	26,000	26,029	29	25,642
Beverage tax	160,000	160,000	163,871	3,871	162,491
Franchise tax	216,880	216,880	235,020	18,140	221,980
Insurance premium tax	1,339,573	1,339,573	1,302,832	(36,741)	1,339,574
Total Selective Taxes	6,592,453	6,592,453	6,124,258	(468,195)	6,522,536
Intergovernmental-State of Georgia					
Department of Transportation:					
Highways	30,000	30,000	193,025	163,025	28,634
Parks and recreation	77,000	77,000	102,538	25,538	68,664
Inmate detail	42,182	42,182	-	(42,182)	42,182
Department of Corrections - inmate subsidy	2,454,600	2,454,600	2,440,184	(14,416)	2,553,020
Department of Administrative Services - flood control	28,000	28,000	25,899	(2,101)	27,989
Department of Revenue:					
Real estate transfer tax	55,000	55,000	27,259	(27,741)	47,058
Department of Defense - salary supplement - fire chief	17,634	17,634	17,634	-	17,634
Board of Pardon and Parole	10,000	10,000	4,350	(5,650)	10,995
Judicial Council of Georgia	-	-	-	-	24,000
Juvenile Court - administrative office of the courts	133,723	133,723	102,264	(31,459)	48,516
Georgia Association Emergency Medical Services	-	-	-	-	1,445
Georgia Pubic Defenders Standard Council	-	-	23,147	23,147	29,955
West Georgia Technical College	-	-	-	-	25,000
Department of Labor - Accounting Intern Program	-	-	2,519	2,519	-
Department of Human Resources:					
Troup senior center	208,000	208,000	205,447	(2,553)	208,275
Troup transit	300,000	300,000	303,634	3,634	293,374
Total Intergovernmental-State of Georgia	\$ 3,356,139	\$ 3,356,139	\$ 3,447,900	\$ 91,761	\$ 3,426,741

(Continued)

Troup County, Georgia
General Fund
Schedule of Revenues - Budget and Actual
For The Year Ended June 30, 2011
(With Actual Amounts For The Year Ended June 30, 2010)

(Continued)

	2011			2010	
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Intergovernmental-Federal Government					
US Department of Treasury:					
Two Rivers	\$ 57,487	\$ 57,487	\$ 32,457	\$ (25,030)	\$ 60,316
West Point Lake payment in lieu of taxes	58,000	58,000	95,880	37,880	95,093
West Point Lake patrol	40,000	40,000	46,200	6,200	46,400
US Department of Agriculture-summer lunch program	40,500	40,500	66,968	26,468	31,943
US Department of Justice:					
Council of Juvenile Court Judges of Georgia	7,000	7,000	-	(7,000)	11,151
Federal Emergency Management Agency:					
GEMA Tornado Disaster Recovery	-	52,000	71,904	19,904	-
Total Intergovernmental-Federal Government	202,987	254,987	313,409	58,422	244,903
Intergovernmental-Local Governments					
City of LaGrange, Georgia:					
Payment in lieu of taxes for housing authority	11,000	11,000	9,916	(1,084)	11,346
Inmate housing	455,000	455,000	326,934	(128,066)	339,462
City of Hogansville, Georgia:					
Inmate housing	45,000	45,000	13,457	(31,543)	25,280
Fire service	162,455	162,455	162,455	-	159,240
City of West Point, Georgia:					
Prison labor	42,182	42,182	42,182	-	42,182
Troup County DFACS	-	-	32,628	32,628	21,548
Troup County Board of Education - resource officer	100,000	100,000	100,000	-	100,000
Total Intergovernmental-Local Governments	815,637	815,637	687,572	(128,065)	699,058
Total Intergovernmental	4,374,763	4,426,763	4,448,881	22,118	4,370,702
Licenses and Permits:					
Alcoholic beverage licenses	10,500	10,500	8,387	(2,113)	10,803
Business licenses	40,000	40,000	28,641	(11,359)	32,849
Building/trailer permits	30,500	30,500	15,884	(14,616)	26,099
Bank licenses	125,000	125,000	109,067	(15,933)	83,579
Dangerous dog	-	-	-	-	25
Driveway/timber permits	1,200	1,200	754	(446)	1,085
Total Licenses and Permits	\$ 207,200	\$ 207,200	\$ 162,733	\$ (44,467)	\$ 154,440

(Continued)

Troup County, Georgia
General Fund
Schedule of Revenues - Budget and Actual
For The Year Ended June 30, 2011
(With Actual Amounts For The Year Ended June 30, 2010)

(Continued)

	2011			2010	
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Charges for Services:					
Magistrate court	\$ 295,000	\$ 295,000	\$ 318,763	\$ 23,763	\$ 279,897
Superior court	275,000	275,000	257,069	(17,931)	272,727
State court	75,000	75,000	87,611	12,611	74,737
Probate	110,000	110,000	116,362	6,362	91,094
Sheriff	10,000	10,000	33,141	23,141	7,094
Telephone commissions	220,000	220,000	86,299	(133,701)	217,191
Landfill	300,000	300,000	198,915	(101,085)	252,832
Recycling	40,000	40,000	40,351	351	51,777
E911 Cellular	-	-	25	25	-
Work release program	326,000	326,000	317,620	(8,380)	301,384
Parks and recreation	801,150	801,150	658,268	(142,882)	740,228
Miscellaneous	36,225	36,225	51,718	15,493	47,602
Total Charges for Services	2,488,375	2,488,375	2,166,142	(322,233)	2,336,563
Fines and forfeitures:					
State court	1,000,000	1,000,000	1,063,592	63,592	1,079,074
Superior court	140,000	140,000	125,963	(14,037)	157,263
Drug funds	-	-	122,313	122,313	121,150
Juvenile court	10,232	10,232	11,444	1,212	11,157
Jail 10% fine	240,000	240,000	236,233	(3,767)	246,783
Contempt	1,500	1,500	2,504	1,004	2,189
Attorney's indigent defense	10,000	10,000	30,776	20,776	13,285
Total Fines and forfeitures	1,401,732	1,401,732	1,592,825	191,093	1,630,901
Miscellaneous:					
Investment earnings	110,000	110,000	58,083	(51,917)	47,390
Parks and recreation fundraising/sponsors	279,825	279,825	237,831	(41,994)	248,835
Miscellaneous	933,893	1,433,545	713,604	(719,941)	402,450
Total Miscellaneous	1,323,718	1,823,370	1,009,518	(813,852)	698,675
Total Revenues	38,495,667	39,047,319	37,627,628	(1,419,691)	37,732,078
Other Financing Sources - sale of capital assets	8,000	8,000	28,884	20,884	33,167
Other Financing Sources - capital lease	-	63,000	62,134	(866)	-
Other Financing Sources - Transfers in	44,000	44,000	33,253	(10,747)	38,590
Total Revenues and Other Financing Sources	\$ 38,547,667	\$ 39,162,319	\$ 37,751,899	\$ (1,410,420)	\$37,803,835

Troup County, Georgia
General Fund
Schedule of Expenditures - Budget and Actual
For The Year Ended June 30, 2011
(With Actual Amounts For The Year Ended June 30, 2010)

	2011			Variance	2010
	Original Budget	Final Budget	Actual	Positive (Negative)	Actual
General Government					
Legislative	\$ 45,247	\$ 45,247	\$ 44,338	\$ 909	\$ 44,247
Executive	1,448,572	1,423,268	1,254,935	168,333	1,325,909
Elections	285,770	306,830	298,604	8,226	169,098
Financial Administration	1,950,875	1,944,238	1,854,117	90,121	1,776,614
Other	424,733	443,669	402,374	41,295	400,712
Total General Government	4,155,197	4,163,252	3,854,368	308,884	3,716,580
Judicial	4,987,665	5,111,330	4,828,707	282,623	4,742,492
Public Safety					
Police protection	9,585,079	9,739,003	9,728,593	10,410	9,721,257
Fire protection	3,716,142	3,816,096	3,801,912	14,184	3,885,070
Protective inspection	406,457	409,191	345,594	63,597	520,824
Correction	5,868,242	5,893,034	5,764,268	128,766	5,880,762
Other	-	61,921	51,820	10,101	-
Total Public Safety	19,575,920	19,919,245	19,692,187	227,058	20,007,913
Highway and Streets					
Highway and streets	1,767,500	1,798,406	1,695,392	103,014	1,615,465
County shop	503,600	506,220	435,335	70,885	428,529
Sanitation	716,767	719,849	697,424	22,425	880,307
Total Highway and Streets	2,987,867	3,024,475	2,828,151	196,324	2,924,301
Health and welfare	559,201	643,201	638,452	4,749	715,938
Culture and recreation	4,889,740	4,930,119	4,900,526	29,593	4,520,645
Conservation of natural resources	228,972	222,009	215,431	6,578	207,231
Capital Outlay	250,225	234,808	202,640	32,168	86,153
Debt Service					
Principal retirement	396,400	396,400	396,306	94	326,715
Interest and fiscal charges	255,480	255,480	255,443	37	184,186
Total Debt Service	651,880	651,880	651,749	131	510,901
Total Expenditures	38,286,667	38,900,319	37,812,211	1,088,108	37,432,154
Other Financing Uses - Transfers out	262,000	262,000	406,627	(144,627)	1,282,506
Total Expenditures and Other Financing Uses	\$ 38,548,667	\$ 39,162,319	\$ 38,218,838	\$ 943,481	\$ 38,714,660

MAJOR SPECIAL REVENUE FUND

Troup County, Georgia
Parks and Recreation Endowment Fund
Comparative Balance Sheet
June 30, 2011 and June 30, 2010

	<u>2011</u>	<u>2010</u>
Assets		
Investments	<u>\$ 6,822,938</u>	<u>\$ 6,002,966</u>
 Fund Balances		
Restricted for endowment	<u>\$ 6,822,938</u>	<u>\$ 6,002,966</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, 2011 and June 30, 2010

	<u>2011</u>	<u>2010</u>
Revenues		
Investment earnings	\$ 1,188,114	\$ 676,159
Total Revenues	<u>1,188,114</u>	<u>676,159</u>
Expenditures		
Current:		
Culture and recreation	<u>368,142</u>	<u>386,021</u>
Total Expenditures	<u>368,142</u>	<u>386,021</u>
Excess of Revenues Over Expenditures	819,972	290,138
Fund Balances Beginning of Year	<u>6,002,966</u>	<u>5,712,828</u>
Fund Balances End of Year	<u>\$ 6,822,938</u>	<u>\$ 6,002,966</u>

NONMAJOR SPECIAL REVENUE FUNDS

Troup County, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2011

	Drug Abuse Treatment and Education	Juvenile Supervision	Victim/ Witness Assistance	Emergency 9-1-1	Hotel/ Motel Tax	Total Nonmajor Special Revenue Funds
Assets						
Cash and cash equivalents	\$ 522,803	\$ 86,369	\$ 4,704	\$ -	\$ -	\$ 613,876
Intergovernmental receivable	1,140	-	4,057	-	-	5,197
Total Assets	\$ 523,943	\$ 86,369	\$ 8,761	\$ -	\$ -	\$ 619,073
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ 2,382	\$ 1,985	\$ -	\$ -	\$ -	\$ 4,367
Fund Balances						
Restricted for program purposes	521,561	84,384	8,761	-	-	614,706
Total Liabilities and Fund Balances	\$ 523,943	\$ 86,369	\$ 8,761	\$ -	\$ -	\$ 619,073

Troup County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For The Year Ended June 30, 2011

	Drug Abuse Treatment and Education	Juvenile Supervision	Victim/ Witness Assistance	Emergency 9-1-1	Hotel/ Motel Tax	Total Nonmajor Special Revenue Funds
Revenues						
Other Taxes	\$ -	\$ -	\$ -	\$ -	\$ 70,706	\$ 70,706
Charges for services	-	38,929	-	1,064,948	-	1,103,877
Fines and forfeitures	74,387	-	117,978	-	-	192,365
Investment earnings	3,857	219	211	-	-	4,287
Total Revenues	78,244	39,148	118,189	1,064,948	70,706	1,371,235
Expenditures						
Current:						
Public safety	-	-	-	1,471,575	-	1,471,575
Health and welfare	28,110	54,187	118,110	-	37,453	237,860
Total Expenditures	28,110	54,187	118,110	1,471,575	37,453	1,709,435
Excess (Deficiency) of Revenues Over (Under) Expenditures	50,134	(15,039)	79	(406,627)	33,253	(338,200)
Other Financing Sources (Uses):						
Transfers in	-	-	-	406,627	-	406,627
Transfers out	-	-	-	-	(33,253)	(33,253)
Total Other Financing Sources (Uses)	-	-	-	406,627	(33,253)	373,374
Net change in fund balances	50,134	(15,039)	79	-	-	35,174
Fund Balances Beginning of Year	471,427	99,423	8,682	-	-	579,532
Fund Balances End of Year	\$ 521,561	\$ 84,384	\$ 8,761	\$ -	\$ -	\$ 614,706

Troup County, Georgia
Drug Abuse Treatment and Education Fund
Comparative Balance Sheet
June 30, 2011 and June 30, 2010

	2011	2010
Assets		
Cash and cash equivalents	\$ 522,803	\$ 472,620
Intergovernmental receivable	1,140	343
Total Assets	\$ 523,943	\$ 472,963
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 2,382	\$ 1,536
Fund Balances		
Restricted for program purposes	521,561	471,427
Total Liabilities and Fund Balances	\$ 523,943	\$ 472,963

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, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	2011			Variance Positive (Negative)	2010
	Original Budget	Final Budget	Actual		Actual
Revenues					
Fines and forfeitures	\$ 84,000	\$ 84,000	\$ 74,387	\$ (9,613)	\$ 74,503
Investment earnings	4,000	4,000	3,857	(143)	3,062
Total Revenues	88,000	88,000	78,244	(9,756)	77,565
Expenditures					
Current:					
Health and welfare	488,000	488,000	28,110	459,890	25,407
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (400,000)	\$ (400,000)	50,134	\$ 450,134	52,158
Fund Balances Beginning of Year			471,427		419,269
Fund Balances End of Year			\$ 521,561		\$ 471,427

Troup County, Georgia
Juvenile Supervision Fund
Comparative Balance Sheet
June 30, 2011 and June 30, 2010

	<u>2011</u>	<u>2010</u>
Assets		
Cash and cash equivalents	<u>\$ 86,369</u>	<u>\$ 102,622</u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 1,985	\$ 3,199
Fund Balances		
Restricted for program purposes	<u>84,384</u>	<u>99,423</u>
Total Liabilities and Fund Balances	<u>\$ 86,369</u>	<u>\$ 102,622</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, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	2011			2010	
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues					
Charges for services	\$ 40,000	\$ 40,000	\$ 38,929	\$ (1,071)	\$ 36,005
Investment earnings	1,000	1,000	219	(781)	592
Total Revenues	41,000	41,000	39,148	(1,852)	36,597
Expenditures					
Current:					
Health and welfare	75,000	75,000	54,187	20,813	81,562
Contingency	86,000	86,000	-	86,000	-
Total Expenditures	161,000	161,000	54,187	106,813	81,562
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (120,000)	\$ (120,000)	(15,039)	\$ 104,961	(44,965)
Fund Balances Beginning of Year			99,423		144,388
Fund Balances End of Year			\$ 84,384		\$ 99,423

Troup County, Georgia
Victim/Witness Assistance Fund
Comparative Balance Sheet
June 30, 2011 and June 30, 2010

	2011	2010
Assets		
Cash and cash equivalents	\$ 4,704	\$ 5,118
Intergovernmental receivable	4,057	3,564
Total Assets	\$ 8,761	\$ 8,682
Liabilities and Fund Balances		
Fund Balances		
Restricted for program purposes	\$ 8,761	\$ 8,682
Total Liabilities and Fund Balances	\$ 8,761	\$ 8,682

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, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	2011			Variance Positive (Negative)	2010
	Original Budget	Final Budget	Actual		Actual
Revenues					
Fines and forfeitures	\$ 120,000	\$ 120,000	\$ 117,978	\$ (2,022)	\$ 116,790
Investment earnings	500	500	211	(289)	279
Total Revenues	120,500	120,500	118,189	(2,311)	117,069
Expenditures					
Current:					
Health and welfare	120,500	120,500	118,110	2,390	119,510
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	79	\$ 79	(2,441)
Fund Balances Beginning of Year			8,682		11,123
Fund Balances End of Year			\$ 8,761		\$ 8,682

Troup County, Georgia
Emergency 9-1-1 Fund
Comparative Balance Sheet
June 30, 2011 and June 30, 2010

	<u>2011</u>	<u>2010</u>
Assets		
Cash and cash equivalents	\$ -	\$ -
Intergovernmental receivable	-	-
Total Assets	<u>\$ -</u>	<u>\$ -</u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ -	\$ -
Interfund payable	-	-
Total Liabilities	-	-
Fund Balances		
Restricted for program purposes	-	-
Total Liabilities and Fund Balances	<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, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	<u>2011</u>			<u>2010</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
Revenues					
Charges for services	\$ 1,205,000	\$ 1,205,000	\$ 1,064,948	\$ (140,052)	\$ 948,575
Expenditures					
Current:					
Public safety	1,475,760	1,475,760	1,471,575	4,185	1,428,339
Total Expenditures	<u>1,475,760</u>	<u>1,475,760</u>	<u>1,471,575</u>	<u>4,185</u>	<u>1,428,339</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(270,760)	(270,760)	(406,627)	(135,867)	(479,764)
Other Financing Sources (Uses):					
Transfers in	<u>270,760</u>	<u>270,760</u>	<u>406,627</u>	<u>135,867</u>	<u>479,764</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			<u>\$ -</u>		<u>\$ -</u>

Troup County, Georgia
Hotel/Motel Tax Fund
Comparative Balance Sheet
June 30, 2011 and June 30, 2010

	2011	2010
Assets		
Cash and cash equivalents	\$ -	\$ -
Intergovernmental receivable	-	-
	-	-
Total Assets	\$ -	\$ -
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ -	\$ -
Interfund payable	-	-
	-	-
Total Liabilities	-	-
Fund Balances		
Restricted for program purposes	-	-
	-	-
Total Liabilities and Fund Balances	\$ -	\$ -

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, 2011
(With Comparative Actual Amounts for the Year Ended June 30, 2010)

	<u>2011</u>			<u>2010</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u> <u>Actual</u>
Revenues				
Other taxes	\$ 110,000	110,000	\$ 70,706	\$ (39,294)
Expenditures				
Current:				
Health and welfare	44,000	44,000	37,453	6,547
Excess (Deficiency) of Revenues Over (Under) Expenditures	66,000	66,000	33,253	(32,747)
Other Financing Sources (Uses):				
Transfers out	(66,000)	(66,000)	(33,253)	32,747
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balances Beginning of Year			-	-
Fund Balances End of Year			<u>\$ -</u>	<u>\$ -</u>

MAJOR CAPITAL PROJECTS FUNDS

Troup County, Georgia
Capital Improvements Fund
Comparative Balance Sheet
June 30, 2011 and June 30, 2010

	<u>2011</u>	<u>2010</u>
Assets		
Cash and cash equivalents	\$ -	\$ -
Receivables:		
Interfund	-	-
Total Assets	<u>\$ -</u>	<u>\$ -</u>
 Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 131,948	\$ 106,867
Interfund payable	<u>7,223,392</u>	<u>7,963,492</u>
Total Liabilities	<u>7,355,340</u>	<u>8,070,359</u>
 Fund Balances (Deficits)		
Unassigned (deficits)	<u>(7,355,340)</u>	<u>(8,070,359)</u>
Total Fund Balances (Deficits)	<u>(7,355,340)</u>	<u>(8,070,359)</u>
 Total Liabilities and Fund Balances	<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, 2011 and June 30, 2010

	2011	2010
Revenues		
Intergovernmental	\$ 690,073	\$ 724,879
Miscellaneous	2,870,904	603,054
Total Revenues	3,560,977	1,327,933
Expenditures		
Current:		
General government	195,757	16,792
Public safety	804	5,811
Highway and streets	2,491	-
Culture and recreation	63,483	735
Capital Outlay	3,950,755	3,435,916
Debt Service:		
Principal	118,488	-
Interest	14,180	-
Total Expenditures	4,345,958	3,459,254
(Deficiency) of Revenues (Under) Expenditures	(784,981)	(2,131,321)
Other Financing Sources (Uses):		
Note payable	1,500,000	-
Transfers out	-	(89,108)
Total Other Financing Sources (Uses)	1,500,000	(89,108)
Net change in fund balance	715,019	(2,220,429)
Fund Balances (Deficits) Beginning of Year	(8,070,359)	(5,849,930)
Fund Balances (Deficits) End of Year	\$ (7,355,340)	\$ (8,070,359)

Troup County, Georgia
SPLOST III Fund
Comparative Balance Sheet
June 30, 2011 and June 30, 2010

	<u>2011</u>	<u>2010</u>
Assets		
Cash and cash equivalents	\$ 13,463,329	\$ 11,290,963
Receivables:		
Sales taxes	<u>930,773</u>	<u>1,718,095</u>
Total Assets	<u><u>\$ 14,394,102</u></u>	<u><u>\$ 13,009,058</u></u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 281,508	\$ 161,112
Intergovernmental payable	354,765	654,852
Interfund payable	<u>2,790</u>	<u>784</u>
Total Liabilities	<u>639,063</u>	<u>816,748</u>
Fund Balances		
Restricted for:		
Capital outlay	<u>13,755,039</u>	<u>12,192,310</u>
Total Fund Balances	<u>13,755,039</u>	<u>12,192,310</u>
Total Liabilities and Fund Balances	<u><u>\$ 14,394,102</u></u>	<u><u>\$ 13,009,058</u></u>

Troup County, Georgia
SPLOST III Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balances
For The Years Ended June 30, 2011 and June 30, 2010

	2011	2010
Revenues		
Sales taxes	\$ 9,855,829	\$ 10,591,175
Intergovernmental	272,496	758,933
Investment earnings	35,743	35,782
Total Revenues	10,164,068	11,385,890
Expenditures		
Current:		
General government	14	3,642
Highways and streets	116,081	2,042,759
Health and welfare	954	-
Culture and Recreation	5,558	-
Intergovernmental	3,756,550	4,036,826
Capital Outlay	4,722,183	1,854,717
Total Expenditures	8,601,340	7,937,944
Excess of Revenues Over Expenditures	1,562,728	3,447,946
Other Financing Sources (Uses)		
Transfers out	-	(8,214)
Total Other Financing Sources (Uses)	-	(8,214)
Net change in fund balance	1,562,728	3,439,732
Fund Balances Beginning of Year	12,192,311	8,752,578
Fund Balances End of Year	\$ 13,755,039	\$ 12,192,310

FIDUCIARY FUNDS

Troup County, Georgia
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For The Year Ended June 30, 2011

Tax Commissioner	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Assets				
Cash	\$ 254,859	\$ 63,431,641	\$ 63,357,371	\$ 329,129
Taxes receivable	192,638	55,957,220	55,925,068	224,790
Total Assets	\$ 447,497	\$ 119,388,861	\$ 119,282,439	\$ 553,919
Liabilities				
Due to other taxing units	\$ 447,497	\$ 119,388,861	\$ 119,282,439	\$ 553,919
Special Escrow	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Assets				
Cash	\$ 147,835	\$ -	\$ -	\$ 147,835
Liabilities				
Due to others entities	\$ 147,835	\$ -	\$ -	\$ 147,835
Installment Fines	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Assets				
Cash	\$ 411,582	\$ -	\$ 13,819	\$ 397,763
Other receivables	-	43,715	-	43,715
Total Assets	\$ 411,582	\$ 43,715	\$ 13,819	\$ 441,478
Liabilities				
Deferred liabilities	\$ 411,582	\$ 43,715	\$ 13,819	\$ 441,478
Probate Judge	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Assets				
Cash	\$ 1,063,215	\$ -	\$ 14,832	\$ 1,048,383
Liabilities				
Due to other entities	\$ 1,063,215	\$ -	\$ 14,832	\$ 1,048,383

(Continued)

Troup County, Georgia
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For The Year Ended June 30, 2011

(Continued)

Sheriff	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Assets				
Cash	\$ 1,801,154	\$ 6,983,360	\$ 6,136,046	\$ 2,648,468
Liabilities				
Due to other entities	\$ 20,599	\$ 2,759,127	\$ 2,773,470	\$ 6,256
Escrow bond deposits	187,040	251,032	224,514	213,558
Federal forfeiture funds	1,389,058	3,224,605	2,272,060	2,341,603
Confiscated funds	162,864	88,210	192,387	58,687
Inmate funds	40,906	660,385	672,927	28,364
D.A.R.E. Program	687		687	-
Total Liabilities	\$ 1,801,154	\$ 6,983,359	\$ 6,136,045	\$ 2,648,468
Child Support	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Assets				
Cash	\$ -	\$ 76,918	\$ 76,918	\$ -
Liabilities				
Due to other entities	\$ -	\$ 76,918	\$ 76,918	\$ -
Magistrate Judge	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Assets				
Cash	\$ 20,389	\$ 721,047	\$ 717,516	\$ 23,920
Liabilities				
Due to other entities	\$ 20,389	\$ 721,047	\$ 717,516	\$ 23,920
Juvenile Court	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Assets				
Cash	\$ 4,141	\$ 33,118	\$ 25,193	\$ 12,066
Liabilities				
Due to other entities	\$ 4,141	\$ 33,118	\$ 25,193	\$ 12,066

(Continued)

Troup County, Georgia
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For The Year Ended June 30, 2011

(Continued)

Clerk of State Court	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Assets				
Cash	\$ 37,047	\$ 85,099	\$ 91,838	\$ 30,308
Liabilities				
Due to other entities	\$ 37,047	\$ 85,099	\$ 91,838	\$ 30,308
Clerk of Superior Court	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Assets				
Cash	\$ 121,546	\$ 325,206	\$ 304,621	\$ 142,131
Liabilities				
Due to other entities	\$ 121,546	\$ 325,206	\$ 304,621	\$ 142,131
Transfer Tax	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Assets				
Cash	\$ 9,898	\$ 50,325	\$ 55,136	\$ 5,087
Liabilities				
Due to other taxing units	\$ 9,898	\$ 50,325	\$ 55,136	\$ 5,087
Inmate Store	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Assets				
Cash	\$ 74,312	\$ 793	\$ 7,738	\$ 67,367
Other receivables	5,702	-	1,833	3,869
Total Assets	\$ 80,014	\$ 793	\$ 9,571	\$ 71,236
Liabilities				
Due to other entities	\$ 12,575	\$ -	\$ 2,397	\$ 10,178
Inmate funds	67,439	793	7,174	61,058
Total Liabilities	\$ 80,014	\$ 793	\$ 9,571	\$ 71,236

(Continued)

Troup County, Georgia
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For The Year Ended June 30, 2011

(Continued)

Intangible Recording Tax	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Assets				
Cash	\$ 28,428	\$ 362,804	\$ 365,198	\$ 26,034
Liabilities				
Due to other taxing units	\$ 28,428	\$ 362,804	\$ 365,198	\$ 26,034
Work Release				
Work Release	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Assets				
Cash	\$ 5,796	\$ 8,384	\$ 6,460	\$ 7,720
Liabilities				
Due to other entities	\$ 5,796	\$ 8,384	\$ 6,460	\$ 7,720
Cell Tower Escrow				
Cell Tower Escrow	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Assets				
Cash	\$ -	\$ 38,847	\$ -	\$ 38,847
Liabilities				
Due to other entities	\$ -	\$ 38,847	\$ -	\$ 38,847
Totals				
Totals	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
Assets				
Cash	\$ 3,980,202	\$ 72,117,542	\$ 71,172,686	\$ 4,925,058
Taxes receivable	192,638	55,957,220	55,925,068	224,790
Other receivables	5,702	43,715	1,833	47,584
Total Assets	\$ 4,178,542	\$ 128,118,477	\$ 127,099,587	\$ 5,197,432
Liabilities				
Due to other entities	\$ 1,433,143	\$ 4,047,746	\$ 4,013,245	\$ 1,467,644
Due to other taxing units	485,823	119,801,990	119,702,773	585,040
Escrow bond deposits	187,040	251,032	224,514	213,558
Federal forfeiture funds	1,389,058	3,224,605	2,272,060	2,341,603
Confiscated funds	162,864	88,210	192,387	58,687
Inmate funds	108,345	661,178	680,101	89,422
Deferred liabilities	411,582	43,715	13,819	441,478
D.A.R.E. program	687	-	687	-
Total Liabilities	\$ 4,178,542	\$ 128,118,476	\$ 127,099,586	\$ 5,197,432

OTHER SCHEDULES

Troup County, Georgia
Schedule of Projects Constructed With Special Sales Tax Proceeds
Year Ended June 30, 2011

Project	Original	Current	-----Expenditures-----		Total	Estimated Percentage of Completion
	Estimated Costs	Estimated Costs	Prior Years	Current Year		
Jail	\$ 9,908,585	\$ 13,944,527	\$ 13,944,527	\$ -	\$ 13,944,527	100%
Parks and Recreation	\$ 20,000,000	\$ 20,019,215	\$ 20,029,339	\$ -	\$ 20,029,339	100%
Government Services Center	\$ 30,000,000	\$ 27,772,255	\$ 27,772,255	\$ -	\$ 27,772,255	100%
SPLOST III Infrastructure	\$ 43,800,000	\$ 43,800,000	\$ 13,324,460	\$ 4,844,790	\$ 18,169,250	41%
SPLOST III City of LaGrange	\$ 19,400,000	\$ 19,320,000	\$ 10,056,629	\$ 2,780,822	\$ 12,837,451	66%
SPLOST III City of Hogansville	\$ 3,400,000	\$ 3,400,000	\$ 1,764,321	\$ 487,864	\$ 2,252,185	66%
SPLOST III City of West Point	\$ 3,400,000	\$ 3,400,000	\$ 1,764,321	\$ 487,864	\$ 2,252,185	66%

NOTE 1: The Jail, Parks and Recreation and Government Services Center projects have no expenditures for the year ending June 30, 2011. These projects are complete and will be removed from this schedule.

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STATISTICAL SECTION

Troup County, Georgia
Introduction to Statistical Section
(Unaudited)

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.

Contents	Page
Financial Trends These tables contain trend information that may assist the reader in assessing the County's current financial performance by placing it in historical perspective.	93 - 113
Revenue Capacity 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.	114 - 121
Debt Capacity 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.	122 - 124
Demographic and Economic Information 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.	125 - 126
Operating Information 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.	127 - 129

Data Source:

Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial report for the applicable year. The County implemented GASB Statement No. 34 in fiscal year 2003, therefore tables presenting government-wide financial data include only eight years of information.

Troup County, Georgia
Changes in Net Assets - Governmental Activities (Unaudited)
*Last Nine Fiscal Years*¹
(accrual basis of accounting)

	For The Fiscal Year Ended June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses:									
General government ³	\$ 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
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
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
Highways and streets ⁴	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
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
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
Other	491,280	148,937	159,926	160,450	160,475	183,108	167,530	207,231	215,431
Interest and fiscal charges	637,725	1,273,011	1,058,363	771,458	426,388	218,408	290,112	185,639	268,032
Total Expenses	31,212,873	33,526,319	34,554,770	37,405,763	39,054,859	50,765,516	47,730,841	48,946,563	47,795,478
Program Revenues:									
Charges for services:									
Judicial fees	792,346	763,293	727,454	760,520	773,557	807,508	792,515	718,455	779,805
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
Fines ⁷	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
Emergency telephone fees	523,995	489,278	479,936	851,849	308,599	301,322	898,538	948,575	1,064,948
Parks and recreation	780,655	502,186	538,461	556,866	624,616	685,316	618,020	740,228	658,268
Landfill	145,210	168,791	155,917	329,841	692,093	402,413	336,750	252,832	198,915
Licenses and permits	217,386	232,332	204,381	219,572	176,393	188,354	200,906	154,440	162,733
Other	101,894	98,822	93,007	254,512	896,749	248,361	215,951	156,932	132,591
Operating grants and contributions ²	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
Capital grants and contributions ⁶	290,490	1,746,631	369,769	54,487	1,393,171	1,229,308	4,572,743	1,150,355	837,919
Total Program Revenues	10,938,469	13,598,739	9,382,806	9,603,597	11,687,028	11,746,341	15,639,222	11,404,436	12,327,897
Net (Expense) Revenue	(20,274,404)	(19,927,580)	(25,171,964)	(27,802,166)	(27,367,831)	(39,019,175)	(32,091,619)	(37,542,127)	(35,467,581)
General Revenues:									
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
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
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
Gain on sale of capital assets	19,492	400	-	-	147,090	303,662	7,251	4,662	7,233
Investment earnings ⁵	1,132,956	1,305,047	884,795	1,513,281	2,188,601	312,461	(608,885)	763,799	58,083
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
Total General Revenues	30,729,413	33,877,280	35,511,051	37,551,389	39,196,964	41,086,402	39,998,373	41,609,525	42,109,771
Change in Net Assets	\$ 10,455,009	\$ 13,949,700	\$ 10,339,087	\$ 9,749,223	\$ 11,829,133	\$ 2,067,227	\$ 7,906,754	\$ 4,067,398	\$ 6,642,190

Notes:

¹ The County implemented GASB Statement No. 34 in fiscal year 2003, therefore, only nine years of government-wide financial data is presented.

² 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.

³ 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.

⁴ 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.

⁵ 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.

⁶ 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.

⁷ 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 Nine Fiscal Years ¹
(accrual basis of accounting)

	For The Fiscal Year Ended June 30,								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses:									
General government ³	10.05%	9.78%	9.99%	10.80%	9.64%	14.88%	9.51%	9.12%	10.25%
Judicial	10.64%	10.73%	10.83%	10.51%	10.88%	8.96%	10.12%	9.77%	10.30%
Public safety	51.78%	50.17%	50.41%	50.40%	51.19%	41.90%	46.19%	46.21%	48.05%
Highways and streets ⁴	9.86%	10.45%	9.47%	10.83%	12.02%	19.85%	18.90%	20.08%	15.91%
Health and welfare	1.84%	1.96%	1.93%	1.74%	2.05%	2.27%	2.48%	2.45%	2.30%
Culture and recreation	12.21%	12.67%	13.85%	13.23%	12.71%	11.34%	11.84%	11.56%	12.17%
Other	1.57%	0.44%	0.46%	0.43%	0.41%	0.36%	0.35%	0.42%	0.45%
Interest and fiscal charges	2.04%	3.80%	3.06%	2.06%	1.10%	0.44%	0.61%	0.39%	0.57%
Total Expenses	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Program Revenues:									
Charges for services:									
Judicial fees	7.24%	5.61%	7.75%	7.92%	6.62%	6.87%	5.07%	6.30%	6.33%
Sheriff fees	10.73%	10.00%	16.61%	15.63%	15.46%	23.27%	9.16%	12.62%	13.22%
Fines ⁷	12.30%	11.45%	19.67%	17.62%	15.55%	16.20%	11.53%	15.98%	14.48%
Emergency telephone fees	4.79%	3.60%	5.12%	8.87%	2.64%	2.57%	5.75%	8.32%	8.64%
Parks and recreation	7.14%	3.69%	5.74%	5.80%	5.34%	5.83%	3.95%	6.49%	5.34%
Landfill	1.33%	1.24%	1.66%	3.43%	5.92%	3.43%	2.15%	2.22%	1.61%
Licenses and permits	1.99%	1.71%	2.18%	2.29%	1.51%	1.60%	1.28%	1.35%	1.32%
Other	0.93%	0.73%	0.99%	2.65%	7.67%	2.11%	1.38%	1.38%	1.08%
Operating grants and contributions ²	50.89%	49.13%	36.35%	35.22%	27.36%	27.65%	30.49%	35.26%	41.19%
Capital grants and contributions ⁶	2.66%	12.84%	3.94%	0.57%	11.93%	10.47%	29.24%	10.08%	6.82%
Total Program Revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
General Revenues:									
Taxes:									
Property	47.37%	52.07%	52.10%	51.19%	50.81%	51.19%	54.88%	52.98%	52.60%
Sales	39.16%	37.13%	36.08%	38.73%	37.34%	39.95%	38.67%	36.92%	33.85%
Selective	4.41%	4.27%	4.34%	4.37%	4.48%	4.63%	4.76%	4.36%	4.27%
Gain on sale of capital assets	0.06%	0.00%	0.00%	0.00%	0.38%	0.74%	0.02%	0.01%	0.02%
Investment earnings	3.69%	3.85%	2.49%	4.03%	5.58%	0.76%	-1.52%	1.84%	0.14%
Miscellaneous	5.31%	2.68%	4.98%	1.69%	1.41%	2.73%	3.19%	3.89%	9.12%
Total General Revenues	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

(continued)

Notes:

- ¹ The County implemented GASB Statement No. 34 in fiscal year 2003, therefore, only nine years of government-wide financial data is presented.
- ² 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.
- ³ 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.
- ⁴ 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.
- ⁵ 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.
- ⁶ 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.
- ⁷ 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) ¹
Last Nine Fiscal Years ²
(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
Amounts									
Governmental Activities									
Invested in capital assets, net of related debt ³	\$ 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
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
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
Total	\$ 70,461,264	\$ 84,410,964	\$ 94,750,051	\$ 104,499,274	\$ 116,328,407	\$ 118,395,634	\$ 136,302,388	\$ 130,369,786	\$ 137,011,976
Total Percentage Increase From Prior Year	0.0%	19.8%	12.2%	10.3%	11.3%	1.8%	15.1%	-4.4%	5.1%
Percentage of Total									
Governmental Activities									
Invested in capital assets, net of related debt ³	66.51%	69.98%	70.54%	73.27%	76.84%	80.02%	74.66%	80.65%	81.24%
Restricted	20.40%	17.82%	16.51%	14.10%	11.47%	11.85%	19.29%	14.44%	15.50%
Unrestricted	13.09%	12.20%	12.95%	12.63%	11.69%	8.13%	6.05%	4.91%	3.26%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Notes:

¹ 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.

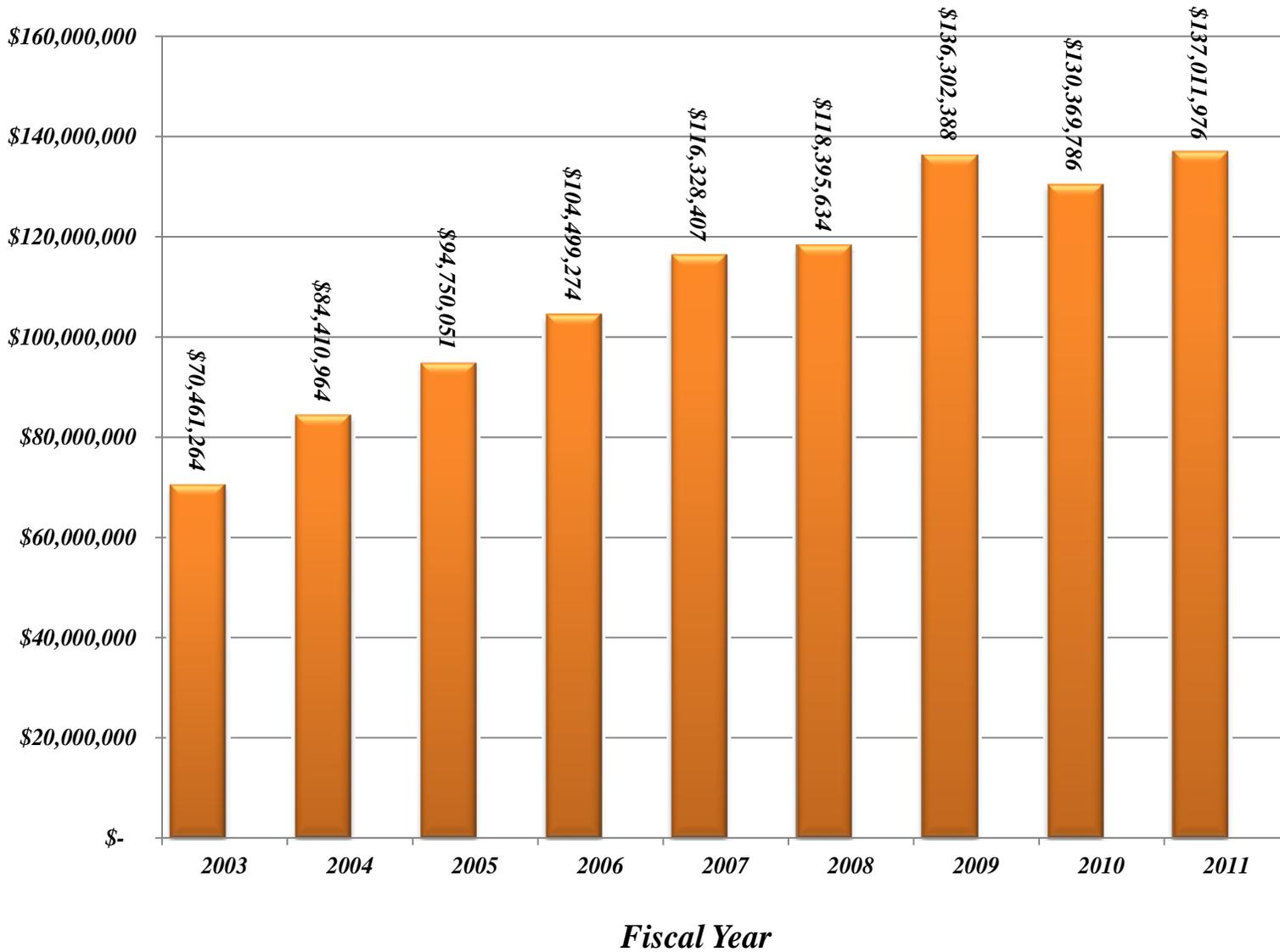
² The County implemented GASB Statement No. 34 in fiscal year 2003, therefore, only nine years of government-wide financial data is presented.

³ 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 Nine Fiscal Years
(accrual basis of accounting)



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

Revenue Source	For the Year Ended June 30,									
	2002 ²	2003	2004	2005	2006	2007	2008	2009	2010	2011
	Amounts									
Taxes ³	\$ 23,336,629	\$ 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
Intergovernmental	4,847,725	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
Licenses and permits	262,439	217,386	232,332	204,831	219,572	176,393	188,354	200,906	154,440	162,733
Fines and forfeitures	1,193,178	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
Charges for services	2,823,115	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
Contributions ⁴	2,000,000	2,000,000	3,000,000	13,753	2,500	-	-	-	-	-
Investment earnings ⁵	209,991	1,132,956	1,305,047	884,795	1,513,281	2,188,601	312,461	(608,885)	763,799	1,286,227
Miscellaneous ⁶	586,281	1,631,245	906,259	1,769,810	635,367	550,510	1,123,647	1,277,611	1,263,444	3,822,339
Total revenues	\$ 35,259,358	\$ 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
% Change From Prior Year	28.8%	17.5%	11.7%	-3.4%	5.7%	4.6%	5.7%	6.3%	-5.7%	2.9%
	Percentage of Total									
Taxes	66.2%	67.5%	68.3%	73.5%	75.3%	73.5%	75.4%	70.8%	74.8%	70.8%
Intergovernmental	13.7%	11.3%	11.3%	10.0%	9.0%	8.3%	10.4%	18.4%	11.2%	10.0%
Licenses and permits	0.7%	0.5%	0.5%	0.5%	0.5%	0.4%	0.4%	0.4%	0.3%	0.3%
Fines and forfeitures	3.4%	2.9%	2.6%	3.7%	3.6%	4.1%	4.1%	3.0%	3.5%	3.3%
Charges for services	8.0%	6.3%	6.1%	6.4%	7.1%	8.1%	7.1%	6.2%	6.3%	6.1%
Contributions	5.7%	4.8%	6.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Investment earnings	0.6%	2.7%	2.8%	2.0%	3.2%	4.4%	0.6%	-1.1%	1.5%	2.4%
Miscellaneous	1.7%	4.0%	2.1%	4.1%	1.3%	1.1%	2.2%	2.3%	2.4%	7.1%
Total revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:

¹ Includes all governmental fund types.

² In fiscal year 2002, the parks and recreation endowment fund was reclassified on this table from an expendable trust fund to a special revenue fund.

³ For changes in the sources of taxes, see the "tax revenues by source - governmental funds" statistical table

⁴ For fiscal years 2002 - 2004, recognized contributions from Callaway Foundation, Inc. for financing the operation and maintenance costs for parks and recreation facilities.

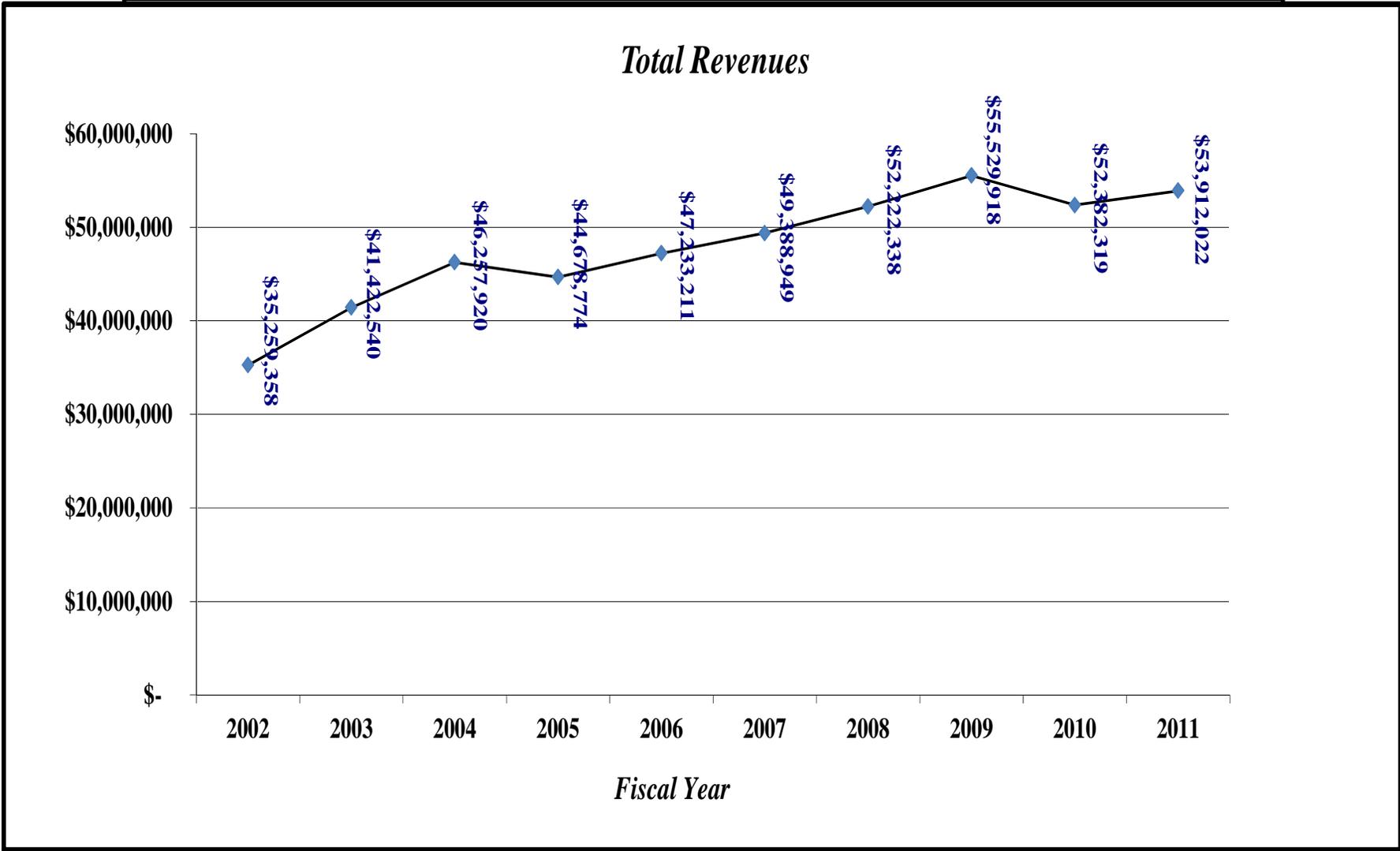
⁵ Fiscal year 2002 includes only the general fund. In fiscal year 2008, investment earnings were reduced significantly from fiscal 2007 primarily due to endowment earnings in equity securities.

⁶ Fiscal year 2002 includes investment earnings for all funds other than the general fund.

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 ¹	Total
Amounts							
2002	\$ 14,073,557	\$ 3,868,147	\$ 4,102,935 ²	\$ 879,913	\$ 159,833	\$ 252,244	\$ 23,336,629
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

% Change in Dollars

Over 10 Years	57.2%	13.7%	140.2%	48.1%	2.5%	31.5%	63.6%
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Percentage of Total

2002	60.3%	16.6%	17.6%	3.8%	0.7%	1.1%	100.0%
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%

Notes:

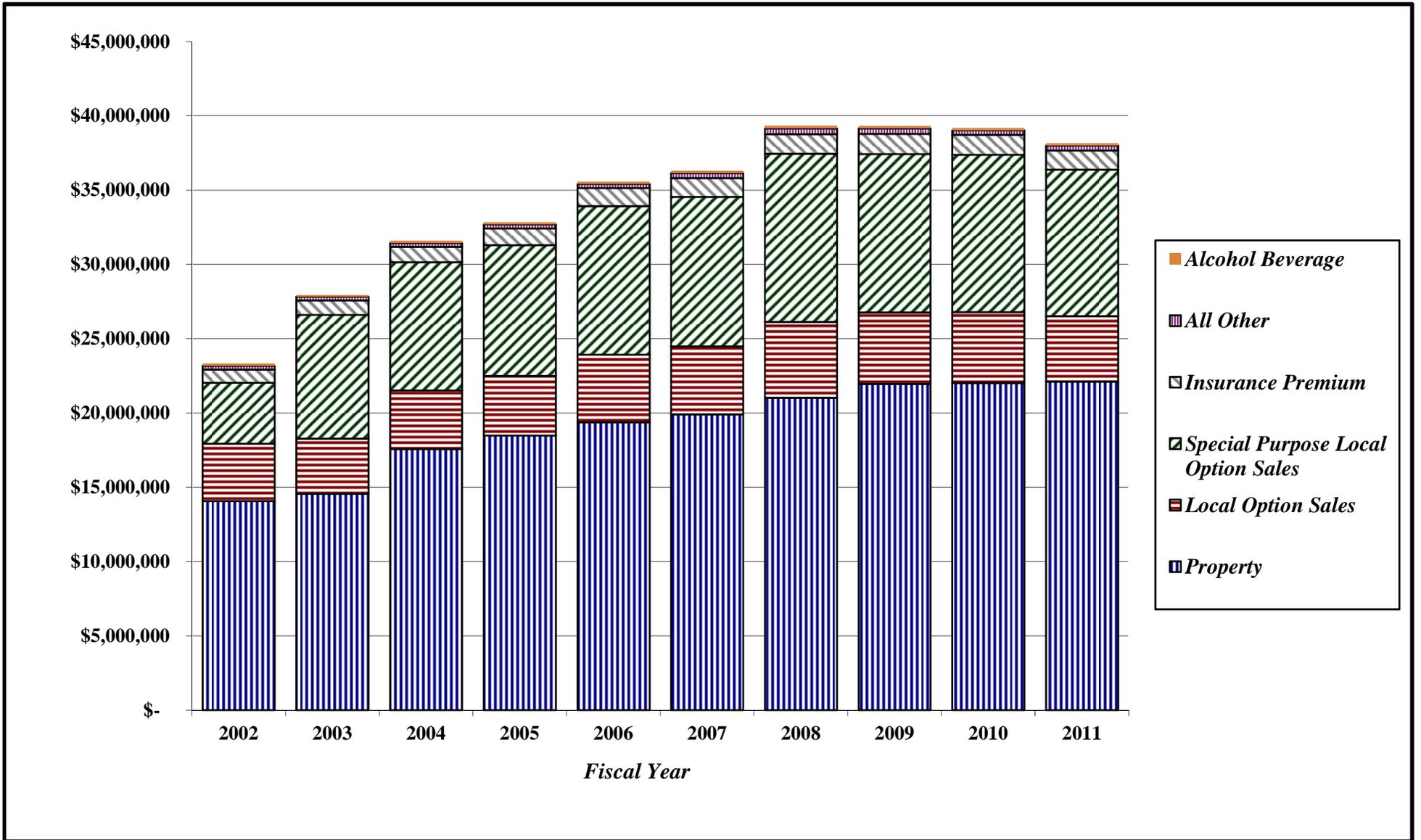
¹ Includes franchise taxes, railroad taxes and hotel/motel taxes.

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

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
General Governmental Expenditures by Function (Unaudited) ¹
Last Ten Fiscal Years
(modified accrual basis of accounting)

	For the Year Ended June 30,									
Function	2002 ²	2003	2004	2005	2006	2007	2008	2009	2010	2011
Current:										
General government	\$ 2,902,630	\$ 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
Judicial	3,098,418	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
Public safety	14,254,297	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
Highways and streets ⁷	4,007,187	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
Health and welfare	805,943	569,904	593,436	596,155	600,603	741,654	990,915	955,129	970,135	877,266
Culture and recreation ³	3,415,385	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
Other	406,673	533,123	142,972	153,783	154,291	154,809	183,108	167,530	207,231	215,431
Intergovernmental	-	-	-	-	-	-	-	-	4,036,826	3,756,550
Total Current	28,890,533	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
% Change From Prior Year	18.8%	1.2%	3.8%	2.7%	12.3%	5.0%	22.2%	-2.1%	2.5%	-4.1%
Capital Outlay ⁴	4,976,111	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
% Change From Prior Year	31.7%	128.8%	53.0%	-9.0%	-70.6%	-24.0%	172.7%	-2.6%	-39.0%	54.5%
Debt Service ⁵										
Principal	-	1,500,000	7,940,000	9,230,000	9,790,000	10,159,757	57,399	372,389	390,137	514,794
Interest and fees	-	810,506	1,235,459	1,081,755	801,050	463,550	135,908	292,467	188,121	269,623
Total Debt Service	-	2,310,506	9,175,459	10,311,755	10,591,050	10,623,307	193,307	664,856	578,258	784,417
% Change From Prior Year	0.0%	100.0%	297.1%	12.4%	2.7%	0.3%	-98.2%	243.9%	-13.0%	35.7%
Total Expenditures	\$ 33,866,644	\$ 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
% Change From Prior Year	20.5%	26.8%	32.6%	0.7%	-12.4%	1.3%	7.6%	-1.3%	-4.9%	2.9%
Debt Service as a % of Noncapital Expenditures ⁶	0.0%	7.3%	23.2%	24.9%	23.2%	22.4%	0.4%	1.5%	1.3%	1.8%

(continued)

Notes:

¹ Includes all governmental fund types.

² In fiscal year 2002, the parks and recreation endowment fund was reclassified on this table from an expendable trust fund to a special revenue fund.

³ Beginning in fiscal year 2003, the new parks and recreation facilities were operational.

⁴ The capital outlay expenditure for fiscal years 2003 - 2005 included construction of parks and recreation facilities and the construction of a government services center.

⁵ Beginning in fiscal year 2003, the County began repaying \$18,010,000 in debt issued to construct park and recreation facilities and in fiscal year 2004 began repaying \$20,560,000 in debt issued to construct a government services center.

⁶ Beginning in fiscal year 2003, the noncapital expenditures are total expenditures less the amount capitalized.

⁷ 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.

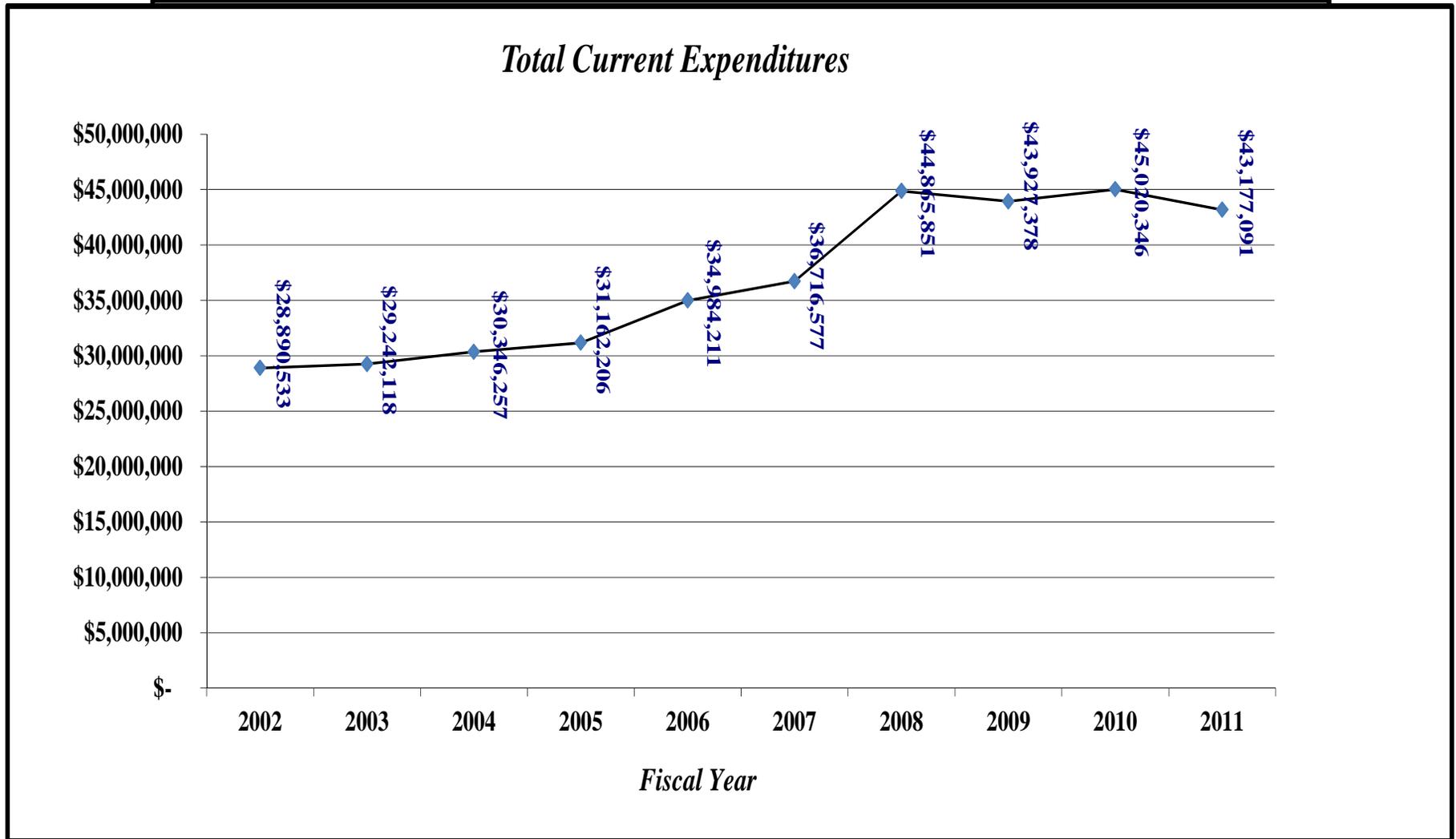
Troup County, Georgia
General Governmental Current Expenditures by Function (Unaudited) ¹
Last Ten Fiscal Years
(modified accrual basis of accounting)

Function	For the Year Ended June 30,									
	2002 ²	2003	2004	2005	2006	2007	2008	2009	2010	2011
	Amounts									
Current:										
General government	\$ 2,902,630	\$ 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
Judicial	3,098,418	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
Public safety	14,254,297	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
Highways and streets	4,007,187	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
Health and welfare	805,943	569,904	593,436	596,155	600,603	741,654	990,915	955,129	970,135	877,266
Culture and recreation ³	3,415,385	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
Other	406,673	533,123	142,972	153,783	154,291	154,809	183,108	167,530	207,231	215,431
Intergovernmental	-	-	-	-	-	-	-	-	4,036,826	3,756,550
Total Current	\$ 28,890,533	\$ 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
	Percentage of Total									
Current:										
General government	10.0%	10.9%	9.8%	9.3%	10.5%	9.2%	8.3%	8.5%	8.3%	9.4%
Judicial	10.7%	11.4%	11.8%	11.9%	11.3%	11.6%	10.1%	10.7%	10.5%	11.2%
Public safety	49.3%	52.8%	53.3%	53.7%	52.8%	53.0%	45.8%	47.5%	47.6%	49.0%
Highways and streets	13.9%	8.8%	9.6%	8.5%	9.9%	11.1%	21.2%	18.7%	11.0%	6.8%
Health and welfare	2.8%	1.9%	2.0%	1.9%	1.7%	2.0%	2.2%	2.2%	2.2%	2.0%
Culture and recreation ³	11.8%	12.4%	13.0%	14.2%	13.3%	12.7%	12.0%	12.0%	10.9%	12.4%
Other	1.4%	1.8%	0.5%	0.5%	0.4%	0.4%	0.4%	0.4%	0.5%	0.5%
Intergovernmental ⁴	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9.0%	8.7%
Total Current	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:
¹ Includes all governmental fund types.
² In fiscal year 2002, the parks and recreation endowment fund was reclassified on this table from an expendable trust fund to a special revenue fund.
³ Beginning in fiscal year 2002, additional parks and recreation facilities were operational, resulting in increased expenditures.
⁴ Beginning in fiscal year 2010, the SPLOST payments made to the County's municipalities are shown as Intergovernmental, rather than in the function costs.

Data Source:
Applicable years' comprehensive annual financial report.

Troup County, Georgia
Chart-Total Current Expenditures
Last Ten Fiscal Years
(modified accrual basis of accounting)



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

Source	2002¹	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total Revenues	\$ 35,259,358	\$ 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
Total Expenditures²	33,866,644	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
Excess (Deficiency) of Revenues Over (Under) Expenditures²	1,392,714	(1,517,512)	(10,689,494)	(12,660,743)	(3,011,611)	(1,499,363)	(2,512,014)	1,516,994	1,037,523	1,074,936
Other Financing Sources (Uses)										
Sale of capital assets	-	19,492	400	-	140	382,615	576,110	7,251	33,167	28,884
Inception of capital lease	-	-	-	-	-	274,987	1,987,396	-	-	62,134
Issuance of note	-	-	-	-	-	-	-	-	-	1,500,000
Inception of intergovernmental agreement ³	18,062,433	-	21,338,789	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	546,104	482,673	1,418,568	439,880
Transfers out	-	-	-	-	-	-	(546,104)	(482,673)	(1,418,568)	(439,880)
Total Other Financing Sources (Uses)	18,062,433	19,492	21,339,189	-	140	657,602	2,563,506	7,251	33,167	1,591,018
Net Change in Fund Balances	19,455,147	(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
Fund Balances, Beginning of Year	14,857,684	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
Other Changes	595,220	967,874	41,300	8,213	76,402	62,629	(102,795)	466	23,833	(29,478)
Fund Balances, End of Year	\$ 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	\$ 33,906,576

Notes:

¹ In fiscal year 2002, the parks and recreation endowment fund was reclassified on this table from an expendable trust fund to a special revenue fund.

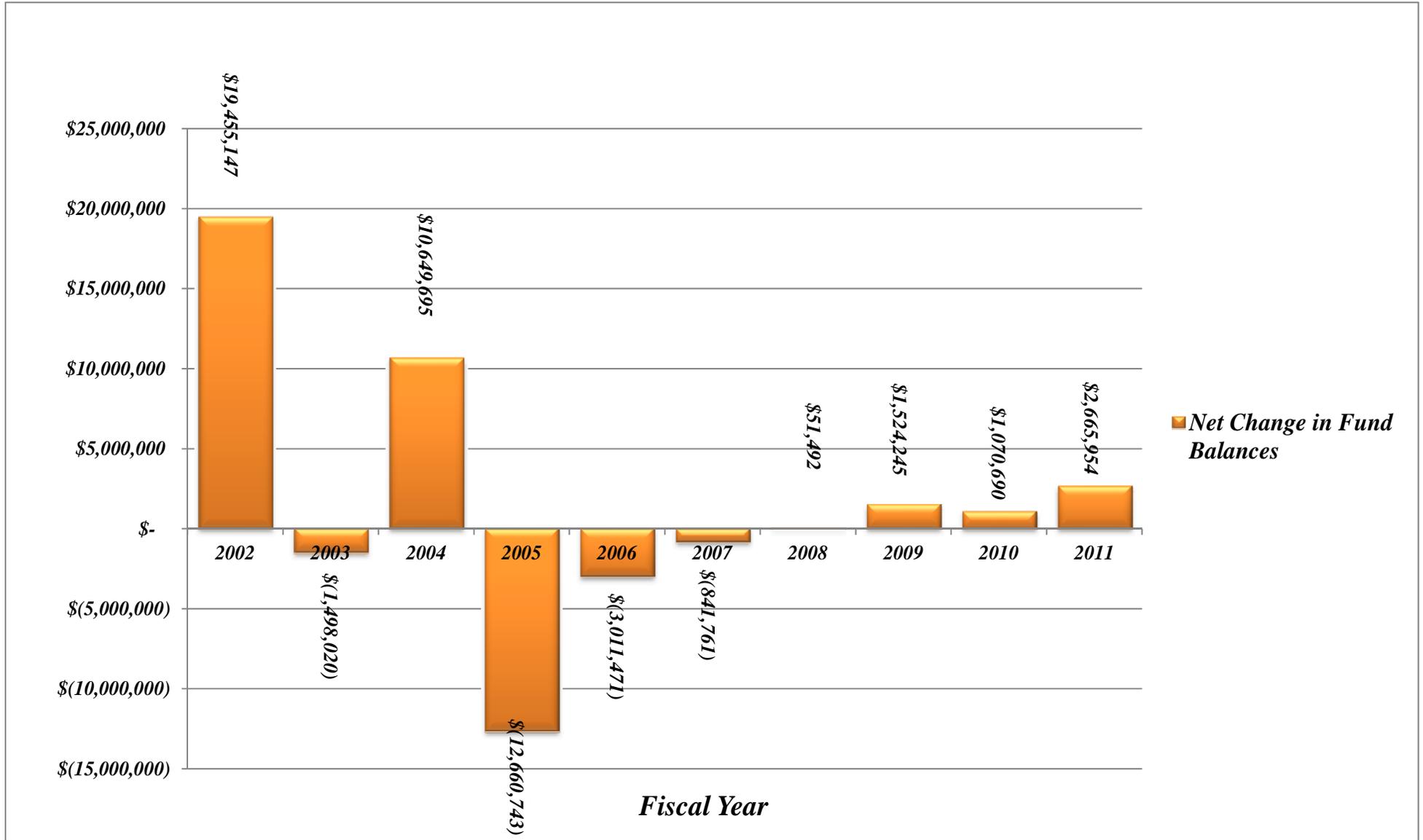
² During fiscal years 2002 - 2006, the County was expending loan proceeds to construct new park and recreation facilities and a new government services center, resulting in an increase in expenditures and a deficiency between revenues and expenditures. A special purpose local option sales tax was approved 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.

³ During fiscal years 2002 and 2004, the County received loan proceeds to construct new park and recreation facilities and a new government services center.

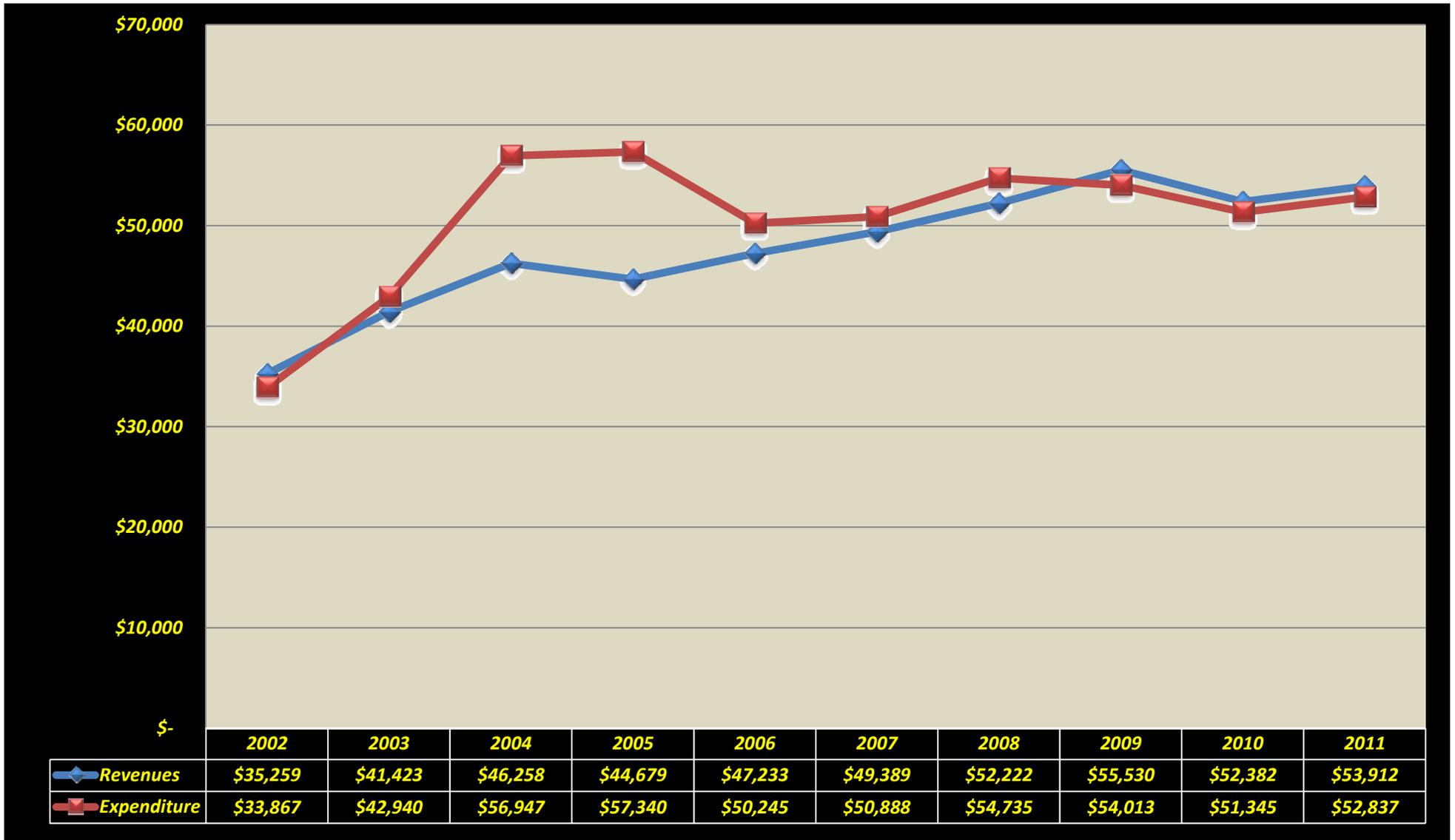
Data Source:

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)



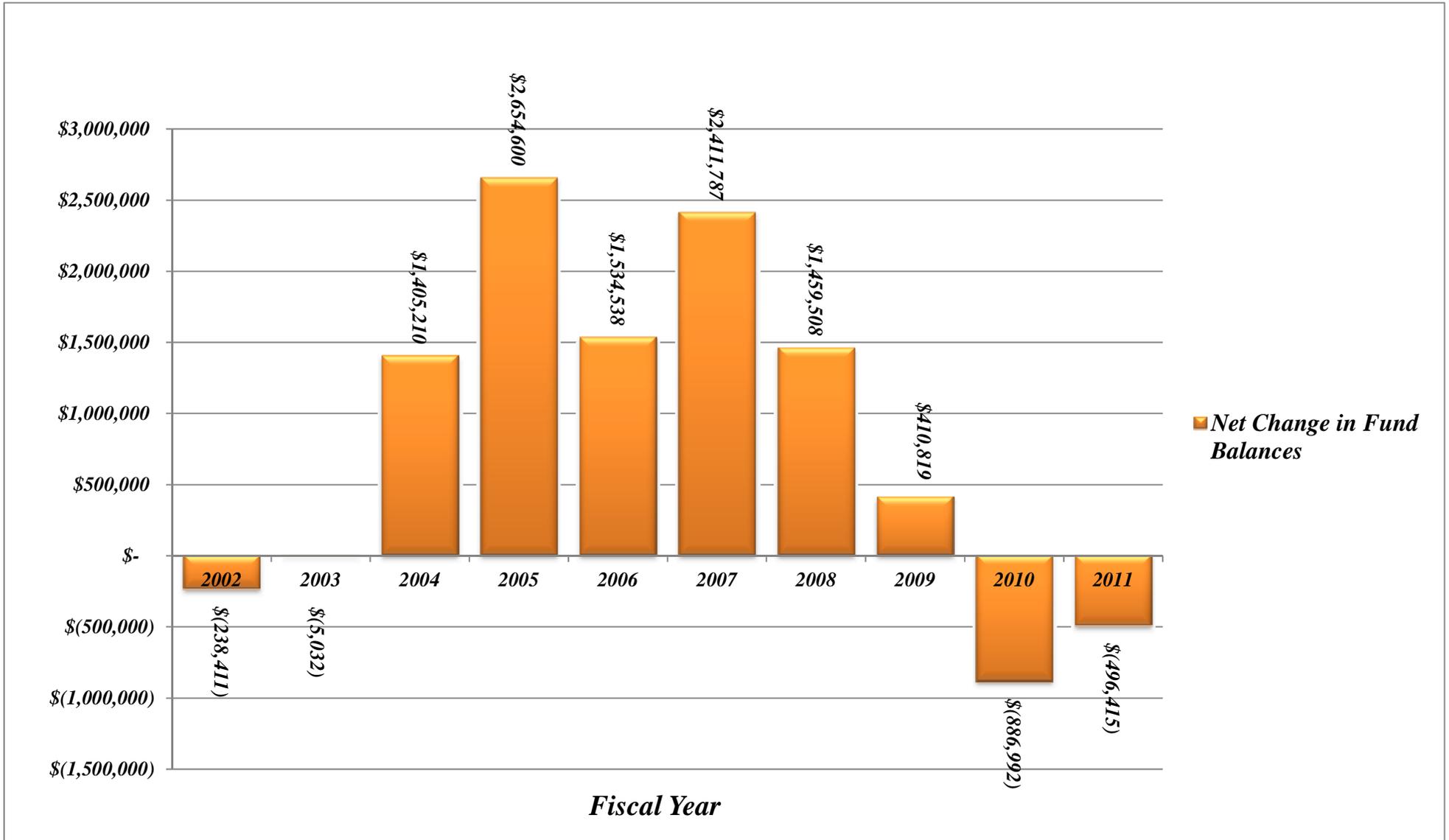
Troup County, Georgia
Changes in Fund Balances - General Fund (Unaudited)
Last Ten Fiscal Years
(modified accrual basis of accounting)

	For the Fiscal Year Ended June 30,									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues:										
Taxes and commissions	\$ 19,233,694	\$ 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
Licenses and permits	262,439	217,386	232,332	204,831	219,572	176,393	188,354	200,906	154,440	162,733
Courts and law enforcement	1,069,089	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
Intergovernmental	4,313,640	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
Other	3,472,066	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
Total Revenues	\$ 28,350,928	\$ 28,825,887	\$ 32,633,944	\$ 33,418,734	\$ 35,007,655	\$ 36,366,271	\$ 38,530,293	\$ 38,231,675	\$ 37,732,078	\$37,627,628
Expenditures:										
Current:										
General government	2,870,685	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
Judicial	3,098,418	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
Public safety	14,238,192	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
Highways and streets	2,679,778	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
Health and welfare	638,679	423,441	474,964	471,549	453,121	481,433	708,081	731,287	715,938	638,452
Culture and recreation	3,379,162	3,606,470	3,714,219	4,030,541	4,229,469	4,207,393	4,958,188	4,848,855	4,520,645	4,900,526
Other	848,112	533,123	142,972	153,783	154,291	154,809	167,567	167,530	207,229	215,431
Capital Outlay	1,051,693	859,670	1,350,946	189,555	341,818	498,274	3,082,487	393,307	86,153	202,640
Debt Service	-	-	-	-	-	-	125,950	597,500	510,901	651,749
Total Expenditures	28,804,719	29,798,796	31,270,034	30,772,347	33,106,164	33,930,095	39,062,339	37,416,578	37,432,154	37,812,211
Excess (Deficiency) of Revenues Over (Under) Expenditures	(453,791)	(972,909)	1,363,910	2,646,387	1,901,491	2,436,176	(532,046)	815,097	299,924	(184,583)
Net Transfers In (Out)	-	-	-	-	(443,352)	(469,633)	(469,157)	(411,994)	(1,243,916)	(373,374)
Sale of Capital Assets	-	-	-	-	-	382,615	576,110	7,251	33,167	28,884
Inception of Capital Lease	-	-	-	-	-	-	1,987,396	-	-	62,134
Changes in Reserves	215,380	284,280	41,300	8,213	76,399	62,629	(102,795)	465	23,833	(29,476)
Restatements	-	683,597	-	-						
Net Change in Fund Balances	(238,411)	(5,032)	1,405,210	2,654,600	1,534,538	2,411,787	1,459,508	410,819	(886,992)	(496,415)
Fund Balance Beginning of Year	11,819,624	11,581,213	11,576,181	12,981,391	15,635,991	17,170,529	19,582,316	21,041,824	21,452,643	20,565,651
Fund Balance End of Year	\$ 11,581,213	\$ 11,576,181	\$ 12,981,391	\$ 15,635,991	\$ 17,170,529	\$ 19,582,316	\$ 21,041,824	\$ 21,452,643	\$ 20,565,651	\$20,069,236

Data Source:

Applicable years' comprehensive annual financial report.

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 ³
(modified accrual basis of accounting)

	At June 30,								
	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Fund									
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
Subtotal General Fund	11,581,213	11,576,181	12,981,391	15,635,991	17,170,529	19,582,316	21,041,824	21,452,643	20,565,651
General Fund Percentage Change	-3.6%	0.0%	12.1%	20.4%	9.8%	14.0%	7.5%	2.0%	-4.1%
All Other Governmental Funds ¹									
Reserved ²	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									
Capital Projects Funds	(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)
Subtotal All Other Governmental Funds	23,326,838	22,801,727	32,087,512	16,830,889	12,310,772	9,119,853	7,609,042	8,722,933	10,704,449
All Other Governmental Funds Percentage Change	667.8%	-2.3%	40.7%	-47.5%	-26.9%	-25.9%	-16.6%	14.6%	22.7%
Total Governmental Funds									
Reserved ²	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
Total Governmental Funds	\$ 34,908,051	\$ 34,377,908	\$ 45,068,903	\$ 32,466,880	\$ 29,481,301	\$ 28,702,169	\$ 28,650,866	\$ 30,175,576	\$ 31,270,100
All Governmental Funds Percentage Change	131.8%	-1.5%	31.1%	-28.0%	-9.2%	-2.6%	-0.2%	5.3%	3.6%

Notes:

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

² 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.

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

Data Source:

Applicable years' comprehensive annual financial report.

Troup County, Georgia
Fund Balances - Governmental Funds
June 30, 2011
(modified accrual basis of accounting)

General Fund		
Nonspendable	\$	687,473
Restricted		50,507
Unassigned		19,331,256
		19,331,256
Total General Fund		20,069,236
General Fund Percentage Change		-2.4%
All Other Governmental Funds		
Restricted		
Special Revenue Funds		614,706
Capital Projects Funds		13,755,039
Permanent Fund		6,822,938
Unassigned		
Capital Projects Funds		(7,355,340)
		(7,355,340)
Subtotal All Other Governmental Funds		13,837,343
All Other Governmental Funds Percentage Change		29.3%
Total Governmental Funds		
Nonspendable		687,473
Restricted		13,887,850
Unassigned		19,331,256
		19,331,256
Total Governmental Funds	\$	33,906,579
All Governmental Funds Percentage Change		8.4%

Notes:

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

Data Source:

June 30, 2011 comprehensive annual financial report.

Troup County, Georgia
Taxable Assessed Value¹ and Estimated Actual Value of Property By Type (Unaudited)²
Last Ten Fiscal Years

Amounts													
Fiscal ⁵ Year	Residential Property	Commercial Property	Industrial Property ⁶	Agricultural Property	Preferential & Conservation Use Property	Utility Property	Motor Vehicles and Mobile Homes	Other Property ³	Less: Tax Exempt Property ⁶	Total Taxable Assessed Value ¹	Total Direct Tax Rate ⁴	Estimated Actual Value	Annual Percentage Change
2002	\$ 550,895,364	\$ 289,454,909	\$ 440,963,828	\$ 68,382,244	\$ 23,678,156	\$ 42,719,954	\$ 145,731,698	\$ 5,666,753	\$ 145,059,909	\$ 1,422,432,997	8.830	\$ 3,556,082,493	6.9%
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%
*	\$ 778,605,068	\$ 321,476,940	\$ 479,574,946	\$ 102,152,403	\$ 67,676,218	\$ 43,815,268	\$ 143,439,918	\$ 3,785,290	\$ 247,442,664	\$ 1,693,083,387		\$ 4,232,708,467	
**	72.5%	30.2%	79.5%	80.3%	403.6%	6.1%	-9.9%	-53.3%	328.4%	34.9%		34.9%	
Percentage of Total													
2002	35.1%	18.5%	28.1%	4.4%	1.5%	2.7%	9.3%	0.4%	10.2%	89.8%			
2003	36.9%	19.2%	26.1%	4.3%	1.6%	2.5%	9.1%	0.2%	9.6%	90.4%			
2004	38.9%	18.1%	25.1%	4.5%	1.9%	2.7%	8.6%	0.1%	9.3%	90.7%			
2005	38.9%	16.2%	25.2%	5.6%	3.1%	2.5%	8.1%	0.3%	11.5%	88.5%			
2006	40.4%	16.1%	23.9%	5.5%	3.3%	2.4%	8.1%	0.3%	12.2%	87.8%			
2007	42.0%	15.9%	23.0%	5.7%	3.4%	2.3%	7.5%	0.2%	11.4%	88.6%			
2008	43.1%	15.8%	21.8%	6.1%	4.1%	2.1%	6.7%	0.1%	12.2%	87.8%			
2009	43.7%	16.0%	21.2%	6.1%	4.5%	1.8%	6.5%	0.1%	17.7%	82.3%			
2010	42.9%	16.7%	21.4%	5.2%	5.0%	2.1%	6.6%	0.2%	15.0%	85.0%			
2011	37.4%	14.8%	31.2%	4.9%	4.7%	1.8%	5.2%	0.1%	32.4%	67.6%			

* Dollar Average For Ten Years.

** Percentage Change in Dollars Over Ten Years.

Notes:

¹ All property is assessed at 40% of fair market value.

² Gross digest before homestead or freeport exemptions.

³ Generally includes timber and heavy equipment.

⁴ Tax rates expressed in rate per \$1,000.

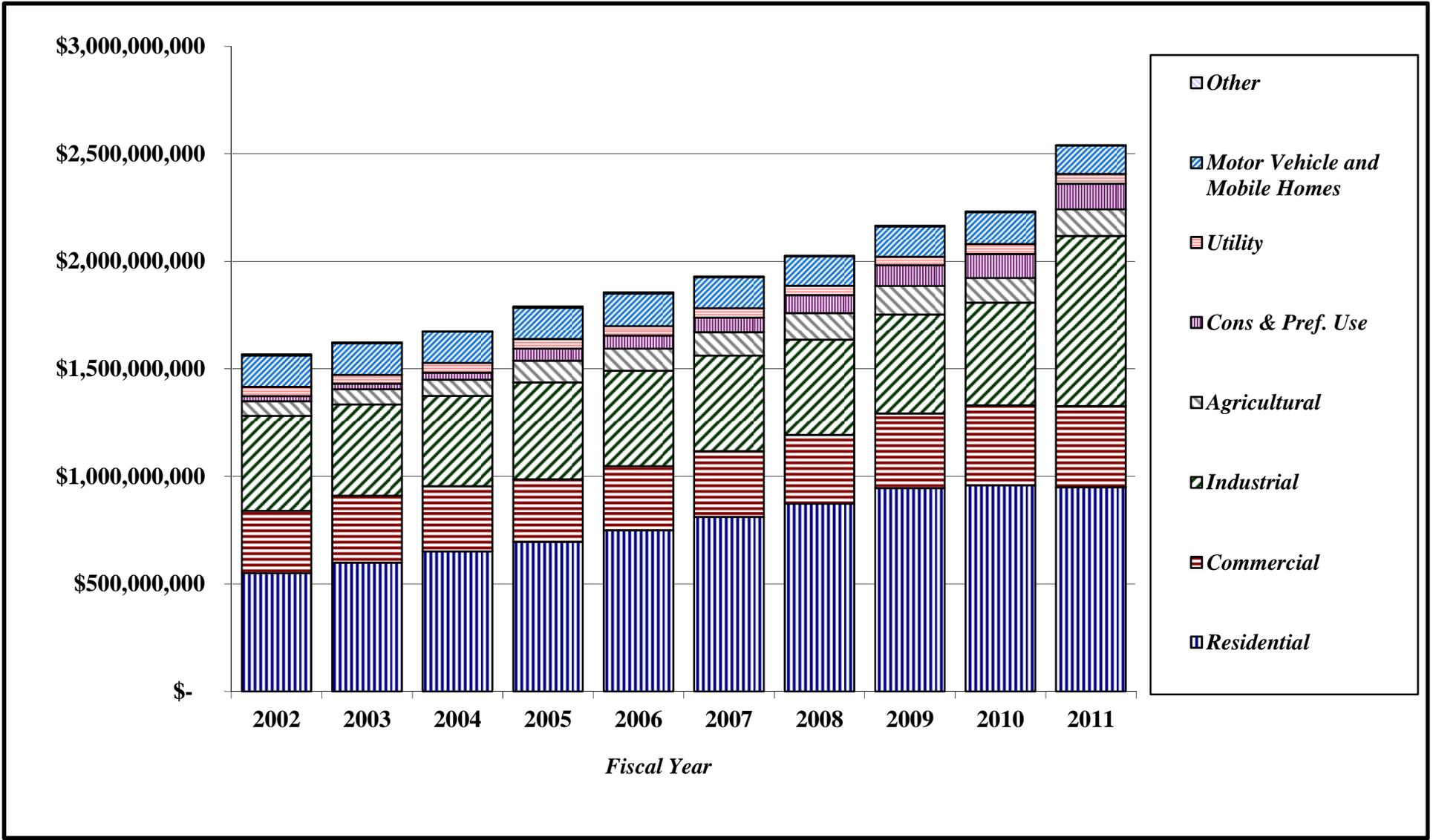
⁵ The fiscal year indicated above reports the tax digest from the prior calendar year.

⁶ 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.etax.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 ²					
		Direct County Rate	Overlapping State of Georgia ³	LaGrange Downtown Development Authority	City of Hogansville	City of West Point	Troup County Schools
2001	2002	8.830	0.250	4.000	10.500	7.920	17.780
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

Notes:

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

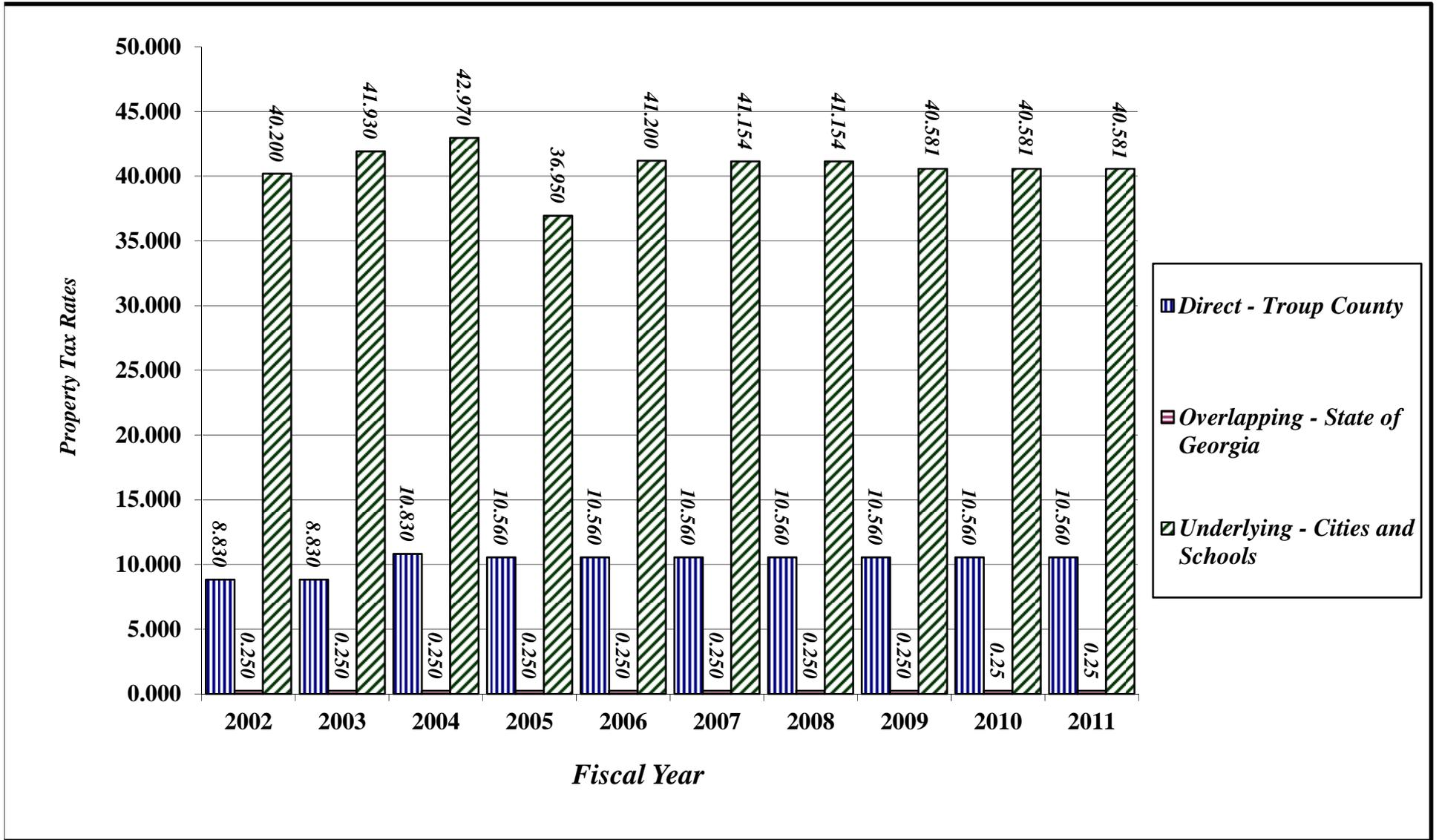
² Underlying rates are those of the LaGrange Downtown Development Authority, City of Hogansville, City of West Point and Troup County Schools that apply to property owners located within Troup County. Although an underlying city, the City of LaGrange has not levied a property tax in the last ten fiscal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

³ 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 ²	Collected Within the Fiscal Year of The Levy		Collections in Subsequent Year By Year of Levy	Total Collections to Date		Total Uncollected Taxes ^{1, 3}	
		Amount	Percentage of Levy		Amount	Percentage of Levy	Amount	Percentage of Levy
2002	\$ 10,214,433	\$ 9,945,818	97.37%	\$ 144,859	\$ 10,090,677	98.79%	\$ 123,756	1.21%
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%	101,525	13,661,092	97.77%	311,119	2.23%
2005	14,312,113	14,147,104	98.85%	91,261	14,238,365	99.48%	73,748	0.52%
2006	14,850,673	14,706,303	99.03%	59,761	14,766,064	99.43%	84,609	0.57%
2007	15,631,393	15,292,881	97.83%	39,876	15,332,757	98.09%	298,636	1.91%
2008	16,484,627	16,381,046	99.37%	74,968	16,456,014	99.83%	28,613	0.17%
2009	17,628,513	17,509,137	99.32%	44,248	17,553,385	99.57%	75,128	0.43%
2010	18,902,523	18,707,151	98.97%	-	18,707,151	98.97%	195,372	1.03%
2011	18,720,129	18,587,045	99.29%	-	18,587,045	99.29%	133,084	0.71%

Notes:

¹ The amounts reported in the total uncollected taxes column are the uncollected taxes for each tax levy.

² 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.

³ 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, 2011 and 2001

2011				2001			
Principal Taxpayer	Taxable Assessed Value ¹	Rank	Percentage of Total Taxable Assessed Value	Principal Taxpayer	Taxable Assessed Value ¹	Rank	Percentage of Total Taxable Assessed Value
KIA Motors Manufacturing of GA	\$ 310,809,206	1	16.16%	Milliken and Company	\$ 108,016,606	1	9.84%
Milliken and Company	86,210,040	2	4.48%	Mobil Chemical Company	32,222,966	2	2.93%
Wal-Mart	36,522,985	3	1.90%	Shorewood Packaging Corp of GA	20,763,864	3	1.89%
Kimberly-Clark Corporation	29,840,765	4	1.55%	West Point Stevens, Inc.	20,262,321	4	1.84%
Duracell, Inc.	29,838,534	5	1.55%	Kimberly-Clark Corporation	18,580,654	5	1.69%
Interface Flooring Systems, Inc.	27,593,240	6	1.43%	Duracell, Inc.	18,121,291	6	1.65%
Exxon-Mobil Corporation	24,876,085	7	1.29%	Interface Flooring Systems, Inc.	17,666,400	7	1.61%
Diverse Power	16,267,113	8	0.85%	Inflation Systems, Inc.	14,650,025	8	1.33%
BellSouth Telecommunications	7,833,899	9	0.41%	Automotive Moulding Co., Inc.	10,606,723	9	0.97%
Callaway Foundation, Inc.	6,029,306	10	0.31%	William Carter Co.	10,436,160	10	0.95%
Total Principal Taxpayers	575,821,173		29.93%	Total Principal Taxpayers	271,327,010		24.70%
All Other Taxpayers	1,347,847,295		70.07%	All Other Taxpayers	826,959,031		75.30%
Total	<u>\$ 1,923,668,468</u>		<u>100.00%</u>	Total	<u>\$1,098,286,041</u>		<u>100.00%</u>

Notes:

¹ Net of freeport 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	
	LOST¹	SPLOST²	Georgia	Schools³	
2002	1.00%	1.00%	4.00%	1.00%	7.00%
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%

Notes:

¹ 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.

² 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.

³ 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

Troup County, Georgia
Taxable Sales by Category (Unaudited)
Calendar Years 2005 - 2010 ¹

	2005		2006		2007		2008		2009 ²		2010	
	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage
By Category:												
Food	\$ 216,670,821	23.68%	\$ 234,360,002	23.28%	\$ 250,899,537	23.69%	\$ 222,737,636	19.84%	\$ 190,740,798	18.52%	\$ 173,370,515	16.83%
Automotive	169,928,817	18.57%	210,461,594	20.91%	221,939,638	20.95%	219,717,547	19.57%	124,598,606	12.10%	91,761,425	8.91%
General	130,339,648	14.25%	143,702,244	14.28%	144,776,814	13.67%	144,966,753	12.91%	143,155,050	13.90%	135,524,874	13.16%
Utilities	114,013,541	12.46%	119,084,420	11.83%	123,171,486	11.63%	125,184,361	11.15%	122,026,930	11.85%	124,321,165	12.07%
Lumber	70,196,305	7.67%	78,729,366	7.82%	77,625,590	7.33%	79,963,893	7.12%	19,217,883	1.87%	-	0.00%
Home	49,820,555	5.45%	52,912,980	5.26%	53,653,320	5.06%	52,275,503	4.66%	66,532,996	6.46%	41,571,648	4.04%
Miscellaneous	57,357,056	6.27%	62,226,949	6.18%	59,390,222	5.61%	97,580,535	8.69%	41,236,847	4.00%	-	0.00%
Manufacturing	55,094,222	6.02%	58,193,844	5.78%	68,254,164	6.44%	93,997,441	8.37%	73,626,840	7.15%	61,407,292	5.96%
Miscellaneous Service	39,942,205	4.37%	46,923,006	4.66%	46,286,283	4.37%	73,135,810	6.52%	81,609,319	7.92%	92,478,255	8.98%
Apparel	11,500,015	1.26%	-	0.00%	13,305,827	1.26%	12,926,993	1.17%	5,771,174	0.56%	-	0.00%
Accommodations	-	0.00%	-	0.00%	-	0.00%	-	0.00%	6,690,800	0.65%	9,818,618	0.95%
Construction	-	0.00%	-	0.00%	-	0.00%	-	0.00%	4,487,533	0.44%	4,003,631	0.39%
Other Retail	-	0.00%	-	0.00%	-	0.00%	-	0.00%	73,642,627	7.15%	119,533,473	11.61%
Wholesale	-	0.00%	-	0.00%	-	0.00%	-	0.00%	76,627,878	7.43%	204,384,461	19.83%
Total Taxable Sales	\$ 914,863,185	100.00%	\$ 1,006,594,405	100.00%	\$ 1,059,302,881	100.01%	\$ 1,122,486,472	100.00%	\$ 1,029,965,281	100.00%	\$ 1,058,175,357	102.73%
Total Percentage Increase	N/A		10.0%		5.2%		6.0%		-8.2%		2.7%	

Notes:

¹ Only six years of data is available.

² 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 ⁴				Total	Percentage of Personal Income	Estimated ⁵ Population	Per Capita
	Capital Leases	Intergovernmental Agreements	Notes Payable					
2002	¹ \$ -	\$ 18,010,000	\$ -		\$ 18,010,000	0.012%	59,828	\$ 301
2003	-	16,510,000	-		16,510,000	0.010%	60,162	274
2004	² -	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	³ 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	1,381,512		5,866,060	0.003%	67,044	87

Notes:

¹ In fiscal year 2002, the County incurred debt to construct parks and recreation facilities.

² In fiscal year 2004, the County incurred debt to construct a new government services center.

³ 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:

⁴ Applicable years' comprehensive annual financial report.

⁵ Demographic and economic statistics table.

Troup County, Georgia
Underlying and Direct Governmental Activities Debt (Unaudited)
 June 30, 2011

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable ¹	Estimated Share of Overlapping Debt
Underlying Debt²			
Troup County Board of Education: ³			
General obligation bonds	\$ 18,693,133	100.0%	\$ 18,693,133
Cities ⁴			
LaGrange:			
Intergovernmental agreements	5,892,500	100.0%	5,892,500
Loans	2,405,000	100.0%	2,405,000
Capital leases	2,336,116	100.0%	2,336,116
West Point:			
Capital leases	15,015	100.0%	15,015
LaGrange-Troup County Hospital Authority			
Revenue bond	45,120,000	100.0%	<u>45,120,000</u>
Total Underlying Debt			<u>74,461,764</u>
County Direct Debt			
Loans	1,381,512	100.0%	1,381,512
Intergovernmental agreement:			
LaGrange - industrial park revenue bonds	3,132,500	100.0%	3,132,500
Capital leases	1,352,048	100.0%	<u>1,352,048</u>
Total County Direct Debt			<u>5,866,060</u>
Total Underlying and Direct Debt			<u><u>\$ 80,327,824</u></u>

Notes:

¹ 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.

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

Data Source:

³ Troup County Board of Education.

⁴ Each specific government.

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

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Assessed Value ¹	\$ 1,422,432,997	\$ 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
Legal Debt Margin										
Debt limit (10% of assessed value) ²	\$ 142,243,300	\$ 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
Debt applicable to limit: ²										
General obligation bonds	-	-	-	-	-	-	-	-	-	-
Less: Amount reserved for repayment of general obligation debt	-	-	-	-	-	-	-	-	-	-
Total debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	\$ 142,243,300	\$ 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
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:

² 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:

¹ 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 ¹	(thousands of dollars) Personal Income ²	Per Capita Personal Income ³	Per Capita Personal Income % of U.S. ³	Median Age ⁴	School Enrollment ⁵	Unemployment Rate ⁹			County Employment ⁸
							County ⁶	State of Georgia ⁶	United States ⁷	
2002	59,828	\$ 1,550,810	\$ 25,954	82%	N/A	11,706	5.4%	4.8%	5.8%	27,865
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	1,951,705	30,439	76%	N/A	12,386	8.3%	6.3%	5.5%	27,750
2009	64,653	1,958,746	30,296	76%	35.0	12,465	12.6%	9.7%	9.5%	26,859
2010	65,189	2,029,261	31,129	76%	N/A	12,648	11.5%	10.3%	9.5%	27,782
2011	67,044	2,102,314	31,357	76%	N/A	12,575	11.8%	10.5%	9.2%	28,740

Notes:

⁹ The substantial increase in the unemployment rates in 2009 relates to the nationwide recession.

Data Sources:

¹ <http://recenter.tamu.edu/data/popc/popcs13.html>, 2010 & 2011 based upon management's estimates.

² 2002 - 2009 - U.S. Bureau of Economic Analysis - <http://www.bea.gov/regional/reis/default.cfm?selTable=CA1-3§ion=2>, 2010 & 2011 estimated by management

³ 2002 - 2009 Bureau of Economic Analysis - <http://www.bea.gov/bea/regional/reis/drill.cfm>, 2010 & 2011 estimated by management

⁴ U.S. Census Bureau - <http://usgovinfo.about.com/gi/dynamic/offsite.htm?site=http://factfinder.census.gov/>

⁵ GA Department of Education, March count - http://app.doe.k12.ga.us/ows-bin/owa/fte_pack_ethnicsex.entry_form

⁶ Real Estate Center, <http://recenter.tamu.edu/data/emp/empc/cntycn132850.asp>

⁷ U.S. Department of Labor, Bureau of Labor Statistics, http://data.bls.gov/PDQ/servlet/SurveyOutputServlet?data_tool=latest_numbers&series_id=LNS14000000

⁸ Real Estate Center, <http://recenter.tamu.edu/data/emp/LAUCN132850.htm>

N/A - Not Available

Troup County, Georgia
Principal Employers (Unaudited)
For the Fiscal Years Ended June 30, 2011 and 2006 ¹

Employer	Type of Business	2011		
		Number of Employees	Rank	Percentage of Major County Employers
KIA Motors Manufacturing of GA	Automobile assembly	2,500	1	7.70%
Troup County School System	Education K-12	2,400	2	7.39%
West Georgia Health System	Healthcare	1,275	3	3.92%
Wal-Mart Distribution Center	Logistics/warehousing	1,060	4	3.26%
Milliken and Company	Floor covering, etc.	992	5	3.05%
Interfaceflor	Carpet tiles	987	6	3.04%
Troup County Government	County government	517	7	1.59%
City of LaGrange Government	Municipal government	425	8	1.31%
Duracell	Batteries	420	9	1.29%
Sewon America, Inc.	Metal stamping	400	10	1.23%
Total Principal Employers		10,976		33.79%
Other Employers - Estimated		21,510		66.21%
Total Employers		32,486		100.00%

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%
Total Principal Employers		9,882		32.95%
Other Employers		20,112		67.05%
Total Employers		29,994		100.00%

Notes:

¹ Information prior to June 30, 2006 is not available.

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 Eight Fiscal Years ¹

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

Notes:

¹ Only eight years of information available.

² Service has been contracted out effective fiscal year

³ All employees of this office are state employees effective fiscal year 2005.

⁴ Additional facilities were placed in service in fiscal year

Data Source:

Troup County Human Resources Department

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

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

Notes:

¹ Information prior to fiscal year 2006 is unavailable.

Data Source :

Various County Departments.

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

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

Notes:

¹ Information prior to fiscal year 2006 is unavailable.

Data Source:

Various County Departments.

COMPLIANCE SECTION

January 15, 2012

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, 2011, which collectively comprise the County's basic financial statements and have issued our report thereon dated January 15, 2012. 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

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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Troup County, Georgia, in a separate letter dated January 15, 2012.

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

January 15, 2012

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, 2011. 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, 2011.

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 significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 2011-1 and 2011-2. 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 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, Georgia'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

Troup County, Georgia
Schedule of Expenditures of Federal Awards
For The Year Ended June 30, 2011

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Federal Expenditures
<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 2, 2010 - July 30, 2010	10.559	S10-08016	\$ 23,090
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	<u>33,208</u>
	Subtotal		<u>56,298</u>
<u>U. S. Department of Justice</u>			
Office of Justice Programs:			
Passed through the Office of the Governor,			
Criminal Justice Coordinating Council:			
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) March 1, 2009 - February 28, 2013	16.803	2009-SU-B9-0003	10,006
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	<u>53,750</u>
	Subtotal		<u>\$ 63,756</u>

Troup County, Georgia
Schedule of Expenditures of Federal Awards
For The Year Ended June 30, 2011

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Federal Expenditures
<u>U. S. Department of Justice (continued)</u>			
Office of Justice Programs:			
Passed through The City of LaGrange, Georgia:			
ARRA - FY09 Recovery Act Edward Byrne Memorial Justice Assistance Grant Program Local Solicitation			
March 1, 2009 - February 28, 2013	16.804	2009-SB-B9-04724	\$ 22,763
State Justice Institute:			
Troup County Superior Court County-Wide Justice System Project			
October 1, 2009 - October 1, 2010		SJI-09-T161	30,000
Criminal Division:			
Asset Forfeiture and Money Laundering Section:			
Equitable Sharing for State and Local Law Enforcement Agencies Program			
July 1, 2010 - June 30, 2011	16.XXX		413,927
<u>U. S. Department of Transportation</u>			
Passed through State of Georgia Department of Transportation:			
Airport Improvement Program			
September 29, 2009 - October 31, 2011	20.106	AP100-9014-30(285)	87,426
Passed through State of Georgia Department of Transportation:			
Airport Improvement Program			
March 17, 2011 - August 31, 2013	20.106	AP011-9014-31(285)	79,541
	Subtotal		<u>\$ 166,967</u>

Troup County, Georgia
Schedule of Expenditures of Federal Awards
For The Year Ended June 30, 2011

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Federal Expenditures
<u>U. S. Department of Transportation (continued)</u>			
Passed through State of Georgia			
Department of Transportation:			
ARRA - Capital Improvement Assistance			
July 1, 2010 - June 30, 2011	20.509	GA-86-X001	\$ 114,517
Passed through State of Georgia			
Department of Transportation:			
Formula Grants for Other Than Urbanized Areas			
July 1, 2010 - June 30, 2011	20.509	GA-18-4030	<u>68,086</u>
	Subtotal		<u>182,603</u>
Passed through Georgia Department of Human Resources:			
Passed through Three Rivers Regional Commission:			
Coordinated Transportation Program:			
Job Access - Reverse Commute			
July 1, 2010 - June 30, 2011	20.516	TRRC 110404	7,556
Passed through Georgia Department of Human Resources:			
Passed through Three Rivers Regional Commission:			
Coordinated Transportation Program:			
New Freedom Program			
July 1, 2010 - June 30, 2011	20.521	TRRC 110404	3,249
National Highway Traffic Safety Administration:			
Passed through State of Georgia			
Governor's Office of Highway Safety:			
State and Community Highway Safety			
October 1, 2009 - September 30, 2010	20.600	GA-2010-00-00424	9,677
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-2011-00-00424	<u>25,208</u>
	Subtotal		<u>\$ 34,885</u>

Troup County, Georgia
Schedule of Expenditures of Federal Awards
For The Year Ended June 30, 2011

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Federal Expenditures
<u>U.S. Department of Education</u>			
Passed through Georgia Department of Human Resources:			
Passed through Three Rivers Regional Commission:			
Coordinated Transportation Program:			
Vocational Rehabilitation Grants to States			
July 1, 2010 - June 30, 2011	84.126	TRRC 110404	\$ 51,152
Passed through Georgia Department of Labor:			
Vocational Rehabilitation Program:			
Vocational Rehabilitation Grants to States			
June 1, 2011 - June 30, 2011	84.126	GDOL/VRP 2011	<u>1,662</u>
	Subtotal		<u>52,814</u>
<u>U.S. Department of Health and Human Services</u>			
Passed through Georgia Department of Human Resources:			
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, 2010 - June 30, 2011	93.044	TRRC 110404	3,647
Passed through Georgia Department of Human Resources:			
Passed through Three Rivers Regional Commission:			
Special Programs for the Aging- Title III, Part C - Nutrition Services			
July 1, 2010 - June 30, 2011	93.045	04-171-02-11	\$ 130,598

Troup County, Georgia
Schedule of Expenditures of Federal Awards
For The Year Ended June 30, 2011

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Federal Expenditures
<u>U.S. Department of Health and Human Services (continued)</u>			
Passed through Georgia Department of Human Resources:			
Passed through Three Rivers Regional Commission:			
Coordinated Transportation Program:			
U.S. Department of Health and Human Services			
Temporary Assistance for Needy Families			
July 1, 2010 - June 30, 2011	93.558	TRRC 110404	\$ 24,476
Passed through Georgia Department of Human Resources:			
Passed through Three Rivers Regional Commission:			
Coordinated Transportation Program:			
U.S. Department of Health and Human Services			
Social Services Block Grants			
July 1, 2010 - June 30, 2011	93.667	TRRC 110404	72,469
Passed through Georgia Department of Human Resources:			
Passed through Three Rivers Regional Commission:			
ARRA - Aging Home-Delivered Nutrition Services for States			
July 1, 2010 - June 30, 2011	93.705	04-171-02-11	7,888
Passed through Georgia Department of Human Resources:			
Passed through Three Rivers Regional Commission:			
ARRA - Aging Congragate Nutrition Services for States			
July 1, 2010 - June 30, 2011	93.707	04-171-02-11	\$ 16,023

Troup County, Georgia
Schedule of Expenditures of Federal Awards
For The Year Ended June 30, 2011

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Grant Number	Federal Expenditures
<u>U. S. Department Homeland Security</u>			
Passed through Georgia Emergency Management Agency:			
Disaster Grants - Public Assistance (Presidentially Declared Disasters):			
Tornado Recovery Grant			
April 27, 2011 - January 29, 2013	97.036	FEMA-1973-DR-GA	\$ 79,015
Passed through Georgia Emergency Management Agency:			
Salary Supplement			
July 1, 2010 - June 30, 2011	97.042	OEM10-143	17,634
Passed through Georgia Emergency Management Agency:			
State Homeland Security Program:			
Haz Mat Vehicle Equipment			
August 21, 2009 - July 31, 2011	97.073	2009-SS-T9-0047	8,091
Passed through Georgia Emergency Management Agency:			
State Homeland Security Program:			
Homeland Security Enhancement			
July 1, 2009 - June 30, 2011	97.073	2009-SS-T9-0047	<u>36,844</u>
	Subtotal		<u>44,935</u>
<u>U. S. Department of the Treasury</u>			
Office of Investigations:			
Investigative Services Division of ICE:			
Asset Forfeiture Program			
July 1, 2010 - June 30, 2011	21.XXX		<u>206,466</u>
	Total		<u>\$ 1,637,969</u>

Troup County, Georgia
Schedule of Expenditures of Federal Awards
For The Year Ended June 30, 2011

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 Service (93.045), ARRA - Aging Home-Delivered Nutrition Services for States (93.705) and ARRA - Congregate Nutrition Services for States (93.707) are within the aging cluster.

Awards under Edward Byrne Memorial Justice Assistance Grant Program (16.738), Edward Byrne Memorial Justice Assistance Grant / Grants to States and Territories Program (16.803), Edward Byrne Memorial Justice Assistance Grant Program/ Grants to Units of Local Governments (16.804) are within the JAG cluster.

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

Troup County, Georgia
Schedule of Findings and Questioned Costs
For The Year Ended June 30, 2011

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>
16.738	Edward Byrne Memorial Justice Assistance Grant (JAG) Program
16.803	ARRA – Edward Byrne Memorial JAG Program Grants to States
16.804	ARRA – Edward Byrne Memorial JAG Program Grants to Units of Local Government
16.XXX	Department of Justice Equitable Sharing for State and Local Law Enforcement Agencies

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, 2011

Section II - Financial Statement Findings

No matters were reported.

Section III - Federal Award Findings and Questioned Costs

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: Primarily one employee is 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 is responsible for processing daily mail and maintaining security of checks.

Cause: The TCSO utilizes available staff to perform the accounting functions required by the program and is aware of the need for proper internal controls. However, due to budget constraints staffing is limited.

Effect: Without proper segregation of duties there is an increased risk that errors or fraud could either not be prevented or occur and not be detected in a timely manner.

Recommendation: We recommend the TCSO modify current procedures to achieve separating the authorization of transactions, the recording of those transactions in the accounting records and the reconciling of the transactions with the activity in the bank statements. This can be done by reassigning certain responsibilities among other employees within the department or acquiring services outside the organization to assist with a portion of the accounting function

Management Response: We concur. The TCSO has engaged an outside CPA firm to assist with the accounting function related to the transactions of the program. This will allow for proper segregation of duties and oversight.

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

Troup County, Georgia
Schedule of Findings and Questioned Costs
For The Year Ended June 30, 2011

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.

Cause: The TCSO followed an approval process that included a review of all disbursements with verbal authorization provided by the Sheriff.

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 completed.

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.

Troup County, Georgia
Summary Schedule of Prior Year Findings
For The Year Ended June 30, 2011

10-1 Expenditures Exceeded Budget

Criteria: State law requires adoption of a balanced budget for the General Fund and each Special Revenue Fund. Furthermore, state law requires that the budget shall provide for the amount budgeted for expenditures at the legal level of control.

Condition: For the fiscal year ending June 30, 2010, expenditures exceeded budget at the legal level of control.

Status: The corrective action plan was submitted and implemented. This finding is closed.

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