
EMANUEL COUNTY, GEORGIA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

Emanuel County, Georgia
Comprehensive Annual Financial Report
For The Year Ended September 30, 2012

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INDEPENDENT AUDITOR'S REPORT

The Commissioners of Roads and Revenues
Emanuel County, Georgia

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

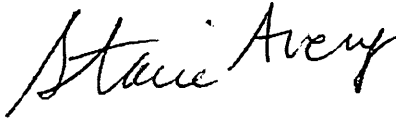
I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and 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. I believe that my audit provides a reasonable basis for my opinions.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Emanuel County, Georgia as of September 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated March 13, 2013, on my consideration of the County's internal control over financial reporting and on my 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 my 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 my audit.

The management's discussion and analysis and budgetary comparison information are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Emanuel County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements, the SPLOST schedule and other supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and other supplementary information have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink, appearing to read "Steve Avery". The signature is written in a cursive, flowing style.

March 13, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

Financial Highlights

- The County's assets exceeded its liabilities by \$21,011,511 (net assets) for the fiscal year reported.
- Total net assets are comprised of the following:
 - (1) Capital assets, net of related debt, of \$8,112,834 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 - (2) Net assets of \$3,383,832 are restricted by constraints imposed from outside the County such as debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted net assets of \$9,514,845 represent the portion available to maintain the County's continuing obligations to citizens and creditors.
- The County's governmental funds reported total ending fund balance of \$11,510,331 this year. This compares to the prior year ending fund balance of \$12,879,931, showing an increase of \$1,369,600 during the current year. Unassigned fund balance of \$7,996,511 for fiscal year 2012 shows a \$276,548 increase from the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$7,996,511, or 90% of total General Fund expenditures, an increase from the 70.1% at September 30, 2011.
- Overall, the County continues to maintain a strong financial position, in spite of a somewhat depressed 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 introduces 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.

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 uses a perspective 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and For the Year Ended September 30, 2012

Emanuel County, Georgia

The second government-wide statement is the *Statement of Activities*, which reports how the County's net assets changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Both government-wide financial statements distinguish governmental activities of the County that are principally supported by sales taxes and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, judicial, public safety, public works, health and welfare, culture and recreation and housing and development. Business-type activities include the development authorities and the revolving loan fund.

The government-wide financial statements are presented on pages 14 & 15 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 three kinds of funds:

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.

The basic governmental fund financial statements are presented on pages 16 - 19 of this report.

Individual fund information for nonmajor governmental funds is found in combining statements in a later section of this report.

Proprietary funds are reported in the fund financial statements and generally report services for which the County charges customers a fee. The three County proprietary funds are classified as enterprise funds. This enterprise fund essentially encompasses the same functions reported as business-type activities in the government-wide statements.

The basic enterprise fund financial statements are presented on pages 20- 22 of this report.

Fiduciary fund type includes the County's agency funds, which temporarily hold resources primarily for the County's constitutional officers. There is one basic statement, a "statement of fiduciary assets and liabilities" which reports the various agency funds' assets and liabilities. This statement is presented on page 23.

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 24 of this report.

Required Supplementary Information (RSI)

Budgetary comparison schedule is included as "required supplementary information" for the general fund. This schedule is presented on page 44.

Other 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 all other governmental funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the County's adopted and final revised budget. As discussed, the County reports major funds in the basic financial statements. This schedule includes a schedule of the comparison of the general fund budget and actual in detail. Combining and individual statements and schedules for nonmajor funds are presented in a subsequent section of this report beginning on page 45.

Financial Analysis of the County as a Whole

The County implemented the new financial reporting model used in this report beginning with the current fiscal year ended September 30, 2012. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the County as a whole.

The County's net assets at fiscal year-end are \$21,011,511. The following table provides a summary of the County's net assets:

Summary of Net Assets

	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Assets:						
Current assets	\$ 12,186,902	\$ 13,104,680	\$ 2,137,205	\$ 3,520,435	\$ 14,324,107	\$ 16,625,115
Non-current						
Other	-	-	733,790	-	733,790	-
Capital assets	12,604,567	13,332,400	-	-	12,604,567	13,332,400
Total assets	24,791,469	26,437,080	2,870,995	3,520,435	27,662,464	29,957,515
Liabilities:						
Current liabilities	1,221,823	2,096,060	152,332	562,933	1,374,155	2,658,993
Long-term liabilities	5,071,798	5,679,508	305,000	436,568	5,376,798	6,116,076
Total liabilities	6,293,621	7,775,568	457,332	999,501	6,750,953	8,775,069
Net assets:						
Invested in capital assets, net of debt	8,112,834	8,562,926	-	-	8,112,834	8,562,926
Restricted	3,383,832	4,979,213	-	-	3,383,832	4,979,213
Unrestricted	7,001,182	5,119,373	2,513,663	2,520,934	9,514,845	7,640,307
Total net assets	\$ 18,497,848	\$ 18,661,512	\$ 2,513,663	\$ 2,520,934	\$ 21,011,511	\$ 21,182,446

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 is 10 to 1 in fiscal year 2012 as compared to 5.8 to 1 in fiscal year 2011.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and For the Year Ended September 30, 2012

Emanuel County, Georgia

The current ratio for business-type activities is 14 to 1 in fiscal year 2012 as compared to 6.3 to 1 in fiscal year 2011. For the County overall, the current ratio is 10.4 to 1 in fiscal year 2012 as compared to 5.9 to 1 in fiscal year 2011. These ratios are very strong.

The governmental activities net assets decreased \$163,664 and decreased by just \$7,271 for business-type activities. The County's overall financial position decreased by \$170,935 during fiscal year 2012.

Note that approximately 43.9% of the governmental activities' net assets are tied up in capital. The County uses these capital assets to provide services to its citizens. Business-type activities "investment in capital assets, net of related debt" is zero since all of these capital assets are zero as they are fully depreciated and they have no outstanding debt.

(This page continued on the subsequent page)

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and For the Year Ended September 30, 2012

Emanuel County, Georgia

The following table provides a summary of the County's changes in net assets:

Summary of Changes in Net Assets						
	Governmental Activities		Business-type Activities		Total	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program:						
Charges for services	\$ 2,210,566	\$ 2,156,283	\$ 33,467	\$ -	\$ 2,244,033	\$ 2,156,283
Operating grants	279,177	688,000	287,911	575,050	567,088	1,263,050
Capital grants	82,305	-	436,844	831,607	519,149	831,607
General:						
Taxes	10,068,635	10,027,563	-	-	10,068,635	10,027,563
Other	222,152	519,912	21,107	5,380	243,259	525,292
Total revenues	12,862,835	13,391,758	779,329	1,412,037	13,642,164	14,803,795
Program Expenses:						
General government	2,777,081	2,814,038	-	-	2,777,081	2,814,038
Judicial	1,063,727	1,225,870	-	-	1,063,727	1,225,870
Public safety	3,311,303	3,217,307	-	-	3,311,303	3,217,307
Public works	4,777,017	2,434,711	-	-	4,777,017	2,434,711
Health and welfare	214,861	1,222,310	-	-	214,861	1,222,310
Culture and recreation	473,818	474,367	-	-	473,818	474,367
Housing and development	288,970	881,474	-	-	288,970	881,474
Interest	119,722	232,654	-	-	119,722	232,654
Development authorities	-	-	786,600	1,939,294	786,600	1,939,294
Total expenses	13,026,499	12,502,731	786,600	1,939,294	13,813,099	14,442,025
Excess of revenues						
over expenses	(163,664)	889,027	(7,271)	(527,257)	(170,935)	361,770
Beginning net assets	18,661,512	17,772,485	2,520,934	3,048,191	21,182,446	20,820,676
Ending net assets	\$ 18,497,848	\$ 18,661,512	\$ 2,513,663	\$ 2,520,934	\$21,011,511	\$21,182,446

GOVERNMENTAL REVENUES

The County is heavily reliant on property taxes and sales taxes to support governmental operations and capital. Property taxes totaling \$5,275,785 and provided 41% of the County's total governmental revenues for fiscal year 2012 as compared to \$5,301,606 or 35.7% for fiscal year 2011. Sales taxes are the second largest revenue source with approximately \$4.1 million of revenues or 32.2% of the total as compared to approximately \$4 million of revenues or 27.2% of the total for fiscal year 2011. Because of the County's healthy financial position, we have been able to earn \$20,629 in unrestricted interest earnings to support governmental activities as compared to \$74,140 in fiscal year 2011.

The County recognized operating grants of \$279,177 as follows:

- EMA grant (\$2,170) – a federal emergency management agency
- State Judicial Council of Georgia (\$5,050) – for a juvenile offender program
- Rural fire department (\$58,500) – to upgrade equipment
- CCJC Byrne grant (\$213,457) – to support the drug task force.

The County recognized \$9,205 in restricted investment earnings and \$72,500 from an EMS grant from the Georgia Trauma Commission to purchase an ambulance.

Also, note that program revenues cover only 19.7% of governmental operating expenses, up from 20.9% in fiscal year 2011. This means that the government's taxpayers and the County's other general governmental revenues fund 80.3% of the governmental activities. As a result, the general economy and the county businesses have a major impact on the County's revenue streams.

GOVERNMENTAL FUNCTIONAL EXPENSES

Approximately 63.6% of the County's expenses are used for public safety and public works. Public safety spends over \$3.3 million or 25.4% of total governmental activities expenses and the public works function spends approximately \$4.8 million or 36.7% of the same total amount. The general government function totals approximately \$2.7 million or 21.3% of total governmental expenses.

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

Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2012	2011	2012	2011
General government	\$ 2,777,081	\$ 2,814,038	\$ 2,200,222	\$ 2,489,614
Judicial	1,063,727	1,225,870	1,063,727	589,885
Public safety	3,311,303	3,217,307	1,725,277	1,625,000
Public works	4,777,017	2,434,711	4,367,854	2,143,144
Health and welfare	214,861	1,222,310	214,861	1,222,310
Culture and recreation	473,818	474,367	473,818	474,367
Housing and development	288,970	881,474	288,970	881,474
Interest	119,722	232,654	119,722	232,654
Total	<u>\$ 13,026,499</u>	<u>\$ 12,502,731</u>	<u>\$ 10,454,451</u>	<u>\$ 9,658,448</u>

After reducing gross expenses by program revenues, public safety totals 16.5% of the net cost of services, down from 16.8% of the gross costs because this function generates approximately \$1.6 million in charges for services, which includes charges from prisoner care and fines. The net public works costs total 41.8% of the total of these costs, as compared to 22.2% of gross costs.

BUSINESS-TYPE ACTIVITIES

The County operates three business-type activities, two development authorities and a revolving loan program. The *Development Authority of Emanuel County and the City of Swainsboro* administers most development projects while the *Emanuel County Development Authority* provides the financing of the project.

Development Authority of Emanuel County and the City of Swainsboro – This Authority promotes business and industry in the County. In fiscal year 2012, the “*Development Authority of Emanuel County and the City of Swainsboro*” fund received grants from the County totaling \$287,911, of which \$108,234 from the chamber of commerce and the balance from the development authority, both grants for operating expenses. A capital grant of \$436,844 from SPLOST funds was recognized from the County for various projects. This fund reported an operating loss of \$664,639 before non-operating revenue (expense) and a net increase in net assets of \$45,021. Total net assets at September 30, 2012 were \$1,626,039.

Emanuel County Development Authority – This Authority promotes business and industry in the County by providing financing and incentive packages. In fiscal year 2012, the “*Emanuel County Development Authority*” fund incurred \$33,467 on interest expense. This fund reported an operating loss of \$18,825 before non-operating revenue (expense) and no change in net assets for this fiscal year ended September 30, 2012. This fund retired debt principal of \$350,000. This debt relates to promotion of industrial development. This fund reports ending net assets of \$396,461.

Emanuel County Revolving Loan Fund – This fund promotes business and industry by providing direct loans to businesses located with the County. At September 30, 2012, this fund reports net assets of \$491,163, which is cash of just \$173 and a revolving loan receivable of \$490,990 from Hot Set, a German Company.

Financial Analysis of the County's Funds

Governmental Funds

As discussed, 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 \$11,510,331 at September 30, 2012 as compared to \$12,824,133 at September 30, 2011. Of this year-end total, \$7,996,511 is unassigned indicating availability for continuing County service requirements. In addition, \$129,988 is classified as nonspendable for inventory and restricted is \$3,383,832, most for capital projects.

The total ending fund balances of governmental funds report a decrease of \$1,369,600 or 10.6% below the prior year amount. The general fund accounted for an increase of \$281,579 and an increase in the SPLOST fund of \$1,676,436.

Major Governmental Funds

General Fund - The general fund is the County's primary operating fund and the largest source of day-to-day service delivery. The general fund's fund balance increased by \$281,579 or 3.6% as compared to a decrease of \$ 270,258 or 3.3% in fiscal year 2011.

Property taxes in fiscal year 2012 decreased by \$281,579 or 1.7%. The general fund's local option sales taxes increased \$61,276 or 4.6% above the fiscal year 2011 amount. The increase in fiscal year 2011 was \$81,651. The insurance premium tax increased \$33,675 or 6.8%. This increase relates to increased actual collections in the unincorporated areas of the County.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and For the Year Ended September 30, 2012

Emanuel County, Georgia

User charges for public safety decreased from fiscal year 2011 by \$136,149 or 21.7%. Fines and forfeitures decreased by about \$41,044. Most other revenue streams were consistent with that of fiscal year 2011. In total, revenues were \$284,969 or 3%.

On the expenditure side, total general fund expenditures decreased \$2,643,827 or 22.9% less than fiscal year 2011, primarily related to reduced capital outlay costs.

Other expenditures in superior court were \$206,320 or 46.9% below the fiscal year 2011 amount. In fiscal year 2011, this activity incurred costs relating to a DA grant, which was not duplicated in fiscal year 2012. Reduced capital outlay occurred in the functions of solid waste and health and welfare. Economic development costs were reduced \$495,673 due to a \$500,000 payment made to Nordson.

The general fund's ending unassigned fund balance of \$7,996,511 at September 30, 2012 is very strong, representing the equivalent of 89.9% of annual general fund expenditures as compared to 60.8% at September 30, 2011.

SPLOST Fund – This fund accounts for the voter approved special purpose local option sales taxes to retire \$8,765,000 in general obligation sales tax bonds. The fund also accounts for the construction of approved projects. In fiscal year 2012, the County incurred capital expenditures of \$478,179.

This fund also shared this revenue stream with cities located within the County totaling \$2,227,657 and incurred debt service costs of \$1,794,722. At September 30, 2012, the fund balance was \$3,120,650.

The Proprietary Funds

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. Therefore, the analysis is presented above.

Budgetary Highlights

The General Fund – We did find it necessary to amend the fiscal year 2012 revenue budget downward by just \$35,016 or 4/10 of 1%. In total, the County realized 102.1% of the estimated revenues as compared to 102.9% of the estimated revenues. Fines and forfeitures were \$61,816 below the final 2012 budget due to reduced state court fines.

Most revenue sources were similar to the adopted budget.

The expenditure side of the budget for the general fund was under spent by \$264,747 or 2.9%. Within the general government function, the financial administration budget was under spent by \$51,058 or 12.8% due to a \$50,000 contingency budget, of which only \$5,000 was expended. The debt service payments for a motor grader were not budgeted.

The total public safety budget was underspent by \$31,039. Uniform patrol costs were \$19,843 over budget due to purchased services and general supplies, which were over the budget. Jail operations were underspent by \$42,717. The rural fire department was over budget by \$55,351. Emergency medical services were below the final budget was \$25,378.

Capital Assets and Debt Administration

Capital Assets

The County's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of September 30, 2012, was \$12,604,567. The business-type activities capital assets are fully depreciated. See Note 3-C for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and For the Year Ended September 30, 2012

Emanuel County, Georgia

The following table provides a summary of capital asset activity.

	Capital Assets					
	Governmental Activities		Business Activities		Total	
	2012	2011	2012	2011	2012	2011
Non-depreciable assets:						
Land	\$ 878,274	\$ 878,274	\$ -	\$ -	\$ 878,274	\$ 878,274
Depreciable assets:						
Buildings and improvements	9,487,595	9,460,439	-	-	9,487,595	9,460,439
Equipment and vehicles	7,456,681	7,693,170	34,522	34,522	7,491,203	7,727,692
Infrastructure	1,869,399	1,618,154	-	-	1,869,399	1,618,154
Total depreciable assets	18,813,675	18,771,763	34,522	34,522	18,848,197	18,806,285
Less accumulated depreciation	7,087,382	6,696,435	34,522	34,522	7,121,904	6,730,957
Book value - depreciable assets	11,726,293	12,075,328	-	-	11,726,293	12,075,328
Percentage depreciated	38%	36%	100%	100%	38%	36%
Book value - all assets	<u>\$ 12,604,567</u>	<u>\$ 12,953,602</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,604,567</u>	<u>\$ 12,953,602</u>

At September 30, 2012, the depreciable capital assets for governmental activities were 38% depreciated. This compares closely to the September 30, 2011 percentage. This comparison indicates that the County is replacing its assets at the same rate as they are depreciating which is a positive indicator.

The major increases in governmental activities capital assets were in equipment and vehicles were for the addition of an ambulance. The deletions included the sale of two garbage trucks and the totaling of a two crown vic vehicles.

The addition to the infrastructure account of \$251,245 was for road improvements.

Long-term Debt

During fiscal year 2012, the County retired \$1,660,000 of general obligation bonds. At the end of the fiscal year, the County had general obligation sales tax bonds outstanding of \$3,090,000.

(this page continued on the subsequent page)

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and For the Year Ended September 30, 2012

Emanuel County, Georgia

The following table presents comparisons of the County's outstanding debt.

	Outstanding Borrowings						
	Governmental Activities		Business-type Activities		Totals		% Change
	2012	2011	2012	2011	2012	2011	
Capital leases	\$ -	\$ 1,379,847	\$ -	\$ -	\$ -	\$ 1,379,847	100%
General obligation bonds	3,060,000	3,190,000	-	-	3,060,000	3,190,000	-4%
Revenue bonds	-	-	385,000	735,000	385,000	735,000	-48%
Notes	-	-	51,551	102,868	-	102,868	-100%
Landfill closure and postclosure care	1,134,107	1,187,857	-	-	1,134,107	1,187,857	-5%
Compensated absences	167,455	149,759	-	-	167,455	149,759	12%
Total	\$ 4,361,562	\$ 5,907,463	\$ 436,551	\$ 837,868	\$ 4,746,562	\$ 6,745,331	-30%

See Note III-F for additional information about the County's long-term debt.

Economic Conditions Affecting the County

The County is physically located in the mid-eastern portion of the State of Georgia, 182 miles southeast of the State capitol, Atlanta, Georgia. The County's land area is 686 square miles with 31.8 persons per square mile. This compares favorable with the State of Georgia's rate of 141.4 persons per square mile. We are a rural County. The 2012 population was 22,567, which has risen from 21,837 in 2000. The County seat is Swainsboro, Georgia, which makes up approximately 31% of the County's population. Services are the largest employment sector providing 70% of the jobs. Statewide, the service industry provides 83% of the jobs.

Since the County relies primarily on property and sales taxes for its operating revenue, changes in the economy definitely affect these revenue streams. Since sales taxes are, an "elastic revenue stream," in a sluggish economy, the sales tax revenues is reduced immediately. Property taxes are considered "inelastic" in the short-term; this revenue stream is more stable. Fortunately, for the County, because of its revenue stream makeup, it is able to survive financially in a slow economy.

The 2008 County per capita personal income is \$24,200, or 66.6% of the State of Georgia per capita income and 60% of the United States per capita personal income. Our County is 125th out of 159 counties in Georgia. Out of approximately 3,000 counties in the United States, our County ranks 2,848th, or one of the poorest counties nationwide. Per capita income is total personal income (including wages, dividends, interest, rent, and government payments) divided by the total population. It is commonly used as an indicator of the quality of consumer markets and the economic well being of a community.

In September 2012, County employment totaled 8,948. At September 30, 2012, the unemployment rate in our County was 10.4% as compared to the State of Georgia's rate, which is 8.6%.

Contacting the County's Financial Management

This financial report is designed to provide a general 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 County's Administrator at 101 North Main Street, Swainsboro, Georgia 30401.

Emanuel County, Georgia
Statement of Net Assets
September 30, 2012

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
Assets				
Current Assets				
Cash and cash equivalents (Note 3A)	\$ 3,959,625	\$ 823,176	\$ 4,782,801	\$ 556,796
Restricted cash	53,458	-	53,458	-
Investments	6,165,511	-	6,165,511	-
Receivables:				
Accounts	184,682	-	184,682	49,891
Property taxes	232,943	-	232,943	-
Sales taxes	718,454	-	718,454	-
Intergovernmental	588,966	4,222	593,188	-
Interest	-	4,651	4,651	-
Notes receivable	-	131,550	131,550	-
Interfund	153,275	(153,275)	-	-
Inventory	129,988	-	129,988	-
Prepaid items	-	1,326,881	1,326,881	-
Total Current Assets	12,186,902	2,137,205	14,324,107	606,687
Non-current Assets				
Notes receivable	-	833,790	833,790	-
Capital assets (Note 3E)				
Nondepreciable	878,274	-	878,274	-
Depreciable, net	11,726,293	-	11,726,293	-
Total Non-current Assets	12,604,567	833,790	13,438,357	-
Total Assets	24,791,469	2,970,995	27,762,464	606,687
Liabilities				
Current Liabilities				
Accounts payable	279,151	14,060	293,211	948
Accrued expenses	60,268	6,721	66,989	-
Accrued interest	32,462	-	32,462	-
Escrow payable	128,455	-	128,455	-
Intergovernmental payable	-	-	-	19,407
Compensated absences payable	125,584	-	125,584	-
Capital leases payable	131,277	51,551	182,828	-
Notes payable	149,626	-	149,626	-
Bonds payable	315,000	80,000	395,000	-
Total Current Liabilities	1,221,823	152,332	1,374,155	20,355
Long-Term Liabilities (Note 3H) (net of current portion)				
Landfill postclosure care costs payable	1,134,107	-	1,134,107	-
Compensated absences payable	41,861	-	41,861	52,196
Capital leases payable	1,120,830	-	1,120,830	-
Bonds payable	2,775,000	305,000	3,080,000	-
Total Long-Term Liabilities	5,071,798	305,000	5,376,798	52,196
Total Liabilities	6,293,621	457,332	6,750,953	72,551
Net Assets				
Invested in capital assets, net of related debt (Note 3I)	8,112,834	-	8,112,834	-
Restricted for:				
Capital projects	3,121,015	-	3,121,015	-
Specific health program	-	-	-	534,136
Public safety	262,817	-	262,817	-
Unrestricted	7,001,182	2,513,663	9,514,845	-
Total Net Assets	\$ 18,497,848	\$ 2,513,663	\$ 21,011,511	\$ 534,136
See accompanying notes to the basic financial statements	-	-	-	-

Emanuel County, Georgia
Statement of Activities
For the Year Ended September 30, 2012

Function/Program	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Units
		Charges for Services and Fines	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary Government								
Governmental Activities								
General government	\$ 2,777,081	\$ 511,139	\$ 65,720	\$ -	\$ (2,200,222)	\$ -	\$ (2,200,222)	\$ -
Judicial	1,063,727	-	-	-	(1,063,727)	-	(1,063,727)	-
Public safety	3,311,303	1,372,569	213,457	-	(1,725,277)	-	(1,725,277)	-
Public works	4,777,017	326,858	-	82,305	(4,367,854)	-	(4,367,854)	-
Health and welfare	214,861	-	-	-	(214,861)	-	(214,861)	-
Culture and recreation	473,818	-	-	-	(473,818)	-	(473,818)	-
Housing and development	288,970	-	-	-	(288,970)	-	(288,970)	-
Interest	119,722	-	-	-	(119,722)	-	(119,722)	-
Total Governmental Activities	13,026,499	2,210,566	279,177	82,305	(10,454,451)	-	(10,454,451)	-
Business-type Activities								
Development Authority of Emanuel County and the City of Statesboro	700,841	-	287,911	436,844	-	23,914	23,914	-
Emanuel County Development Authority	85,759	33,467	-	-	-	(52,292)	(52,292)	-
Emanuel County Revolving Loan	-	-	-	-	-	-	-	-
Total Business-type Activities	786,600	33,467	287,911	436,844	-	(28,378)	(28,378)	-
Total Primary Government	\$ 13,813,099	\$ 2,244,033	\$ 567,088	\$ 519,149	(10,454,451)	(28,378)	(10,482,829)	-
Component Unit								
Department of Public Health	\$ 993,297	\$ 236,219	\$ 827,386	\$ -	-	-	-	70,308
General Revenues								
Property taxes levied for general government purposes					5,275,785	-	5,275,785	-
Sales taxes					4,142,172	-	4,142,172	-
Insurance premium tax					526,602	-	526,602	-
Other taxes					124,076	-	124,076	-
Unrestricted investment earnings					20,629	895	21,524	1,410
Miscellaneous					201,523	20,212	221,735	507
Total General Revenues					10,290,787	21,107	10,311,894	1,917
Change in Net Assets					(163,664)	(7,271)	(170,935)	72,225
Net Assets Beginning of Year					18,661,512	2,520,934	21,182,446	461,911
Net Assets End of Year					\$ 18,497,848	\$ 2,513,663	\$ 21,011,511	\$ 534,136

See accompanying notes to the basic financial statements

Emanuel County, Georgia
Balance Sheet
Governmental Funds
September 30, 2012
(With Comparative Totals at September 30, 2011)

	2012					2011
	General	SPLOST	East Central Georgia Drug Task Force	Other Governmental Funds	Total Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 2,123,059	\$ 1,627,539	\$ 208,662	\$ 365	\$ 3,959,625	\$ 6,776,024
Restricted cash	53,458	-	-	-	53,458	37,069
Investments	5,152,430	1,013,081	-	-	6,165,511	4,505,230
Receivables:						
Accounts	53,878	-	34,234	96,570	184,682	109,229
Property taxes	232,943	-	-	-	232,943	187,928
Sales taxes	238,424	480,030	-	-	718,454	721,582
Intergovernmental	526,602	-	62,364	-	588,966	602,008
Interfund	211,161	-	-	-	211,161	275,857
Inventory	129,988	-	-	-	129,988	124,956
Total Assets	\$ 8,721,943	\$ 3,120,650	\$ 305,260	\$ 96,935	\$ 12,244,788	\$ 13,339,883
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ 274,008	\$ -	\$ -	\$ 5,143	\$ 279,151	\$ 148,677
Accrued expenditures payable	54,853	-	-	5,415	60,268	117,166
Escrow payable	-	-	128,455	-	128,455	6,765
Interfund payable	57,886	-	-	-	57,886	18,916
Deferred revenue	208,697	-	-	-	208,697	168,428
Total Liabilities	595,444	-	128,455	10,558	734,457	459,952
Fund Balances						
Nonspendable	129,988	-	-	-	129,988	124,956
Restricted	-	3,120,650	176,805	86,377	3,383,832	5,035,011
Unassigned	7,996,511	-	-	-	7,996,511	7,719,964
Total Fund Balances	8,126,499	3,120,650	176,805	86,377	11,510,331	12,879,931
Total Liabilities and Fund Balances	\$ 8,721,943	\$ 3,120,650	\$ 305,260	\$ 96,935	\$ 12,244,788	\$ 13,339,883

See accompanying notes to the basic financial statements

Emanuel County, Georgia
Reconciliation of the Balance Sheet of Governmental Funds
to the Government-wide Statement of Net Assets
September 30, 2012

Total Governmental Fund Balances	\$	11,510,331
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.

Cost of capital assets	\$ 19,691,949	
Less accumulated depreciation	<u>(7,087,382)</u>	12,604,567

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.

Property taxes		208,697
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Liabilities not due and payable in the current period and therefore are not reported in the governmental fund balance sheets but are reported on the government-wide statement of net assets.

Bonds payable	\$ (3,090,000)	
Capital leases payable	(1,252,107)	
Accrued interest	(32,462)	
Notes payable	(149,626)	
Landfill postclosure care payable	(1,134,107)	
Compensated absences payable	<u>(167,445)</u>	<u>(5,825,747)</u>

Net Assets of Governmental Activities	\$	<u>18,497,848</u>
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See accompanying notes to the basic financial statements

Emanuel County, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2012
(With Comparative Totals For the Year Ended September 30, 2011)

	2012					2011
	General	2000 SFLOST	East Central Georgia Drug Task Force	Other Governmental Funds	Total Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 7,266,033	\$ 2,762,333	\$ -	\$ -	\$ 10,028,366	\$ 9,992,510
Intergovernmental	65,720	72,500	213,457	-	351,677	688,001
Licenses and permits	21,250	-	-	-	21,250	20,025
Charges for services	1,155,206	-	-	388,477	1,543,683	1,233,829
Fines and forfeitures	491,726	-	-	-	491,726	532,770
Investment earnings	20,555	9,805	74	-	30,434	74,140
Miscellaneous	277,048	-	78,382	-	355,430	174,657
Total Revenues	9,297,538	2,844,638	291,913	388,477	12,822,566	12,715,932
Expenditures						
Current:						
General government	2,380,828	-	-	-	2,380,828	2,461,612
Judicial	986,985	-	-	-	986,985	1,154,199
Public safety	2,248,564	-	296,870	490,219	3,035,653	2,380,404
Public works	2,231,023	20,516	-	-	2,251,539	1,710,125
Health and welfare	198,104	-	-	-	198,104	1,205,553
Culture and recreation	462,939	-	-	-	462,939	457,658
Housing and development	259,051	-	-	-	259,051	849,195
Intergovernmental	-	2,227,657	-	-	2,227,657	295,392
Capital Outlay	-	478,179	-	-	478,179	2,817,444
Debt Service:						
Principal retirement	102,791	1,734,950	-	-	1,837,741	1,751,829
Interest and fiscal charges	27,488	59,772	-	-	87,260	183,820
Bond issuance costs	-	-	-	-	-	48,834
Total Expenditures	8,897,773	4,521,074	296,870	490,219	14,205,936	15,316,065
Excess (Deficiency) of Revenues Over (Under) Expenditures	399,765	(1,676,436)	(4,957)	(101,742)	(1,383,370)	(2,600,133)
Other Financing Sources (Uses)						
Inception of capital lease	-	-	-	-	-	1,390,690
Issuance of long-term bonds	-	-	-	-	-	1,560,000
Inception of long-term loan	-	-	-	-	-	199,626
Proceeds from the sale of capital assets	13,770	-	-	-	13,770	866,000
Transfers in	-	-	-	131,956	131,956	-
Transfers out	(131,956)	-	-	-	(131,956)	(102,751)
Total Other Financing Sources (Uses)	(118,186)	-	-	131,956	13,770	3,913,565
Net Change in Fund Balances	281,579	(1,676,436)	(4,957)	30,214	(1,369,600)	1,313,432
Fund Balances Beginning of Year	7,844,920	4,797,086	181,762	56,163	12,879,931	11,566,499
Fund Balances End of Year	\$ 8,126,499	\$ 3,120,650	\$ 176,805	\$ 86,377	\$ 11,510,331	\$ 12,879,931

See accompanying notes to the basic financial statements

Emanuel County, Georgia
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Government-wide Statement of Activities
For the Year Ended September 30, 2012

Net Changes In Fund Balances - Total Governmental Funds		\$ (1,369,600)
Amounts reported for governmental activities in the statement of activities are different because		
Governmental funds report capital outlays as expenditures on the governmental fund type operating statement. 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 capitalized capital outlay exceeded depreciation expense in the current period.		
Depreciation expense	\$ (761,526)	
Capital outlay	<u>427,303</u>	(334,223)
The book value of capital assets sold are reported on the government-wide statement of activities but not reported in the governmental fund's operating statement less book value of traded-in asset capitalized.		
		(393,610)
Transfers between governmental funds are reported in the governmental funds operating statement but are eliminated on the government-wide statement of activities:		
Transfers in	\$ (131,956)	
Transfers out	<u>131,956</u>	-
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		
		1,837,741
Accrued interest is reported in the statement of activities, but does not require the use of financial resources and therefore are not reported as expenditures in governmental funds.		
Liability @ 9/30/12	\$ (32,462)	
Liability @ 9/30/11	<u>-</u>	(32,462)
Property taxes reported in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Deferred @ October 1	\$ (168,428)	
Deferred @ September 30	<u>208,697</u>	40,269
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.		
Liability @ October 1	\$ 149,759	
Liability @ September 30	<u>(167,445)</u>	(17,686)
Landfill postclosure payable reported in the statement of activities, does not require the use of current financial resources and therefore is not reported as an expenditure in governmental funds.		
Liability @ October 1	\$ 1,184,216	
Liability @ September 30	<u>(1,134,107)</u>	50,109
Immaterial correction from prior year		<u>55,798</u>
Change In Net Assets of Governmental Activities		<u>\$ (163,664)</u>

See accompanying notes to the basic financial statements

Emanuel County, Georgia
Proprietary Funds
Statement of Net Assets
September 30, 2012

	Business-type Activities			
	Development Authority of Emanuel County and the City of Swainsboro	Emanuel County Development Authority	Emanuel County Revolving Loan	Total
Assets				
Current Assets:				
Cash and cash equivalents	\$ 822,797	\$ 206	\$ 173	\$ 823,176
Receivables:				
Intergovernmental	4,222	-	-	4,222
Interest	-	4,651	-	4,651
Notes	-	131,550	-	131,550
Interfund	57,886	516,705	-	574,591
Land and building held for resale	1,236,170	90,711	-	1,326,881
Total Current Assets	2,121,075	743,823	173	2,865,071
Non-current Assets:				
Notes receivable	37,800	305,000	490,990	833,790
Total Assets	2,158,875	1,048,823	491,163	3,698,861
Liabilities				
Current Liabilities:				
Accounts payable	14,060	-	-	14,060
Accrued expenses	2,071	4,650	-	6,721
Interfund payable	516,705	211,161	-	727,866
Bonds payable	-	80,000	-	80,000
Notes payable	-	51,551	-	51,551
Total Current Liabilities	532,836	347,362	-	880,198
Long-term Liabilities:				
Bonds payable	-	305,000	-	305,000
Total Liabilities	532,836	652,362	-	1,185,198
Net Assets				
Unrestricted	\$ 1,626,039	\$ 396,461	\$ 491,163	\$ 2,513,663

See accompanying notes to the basic financial statements

Emanuel County, Georgia
Proprietary Funds
Statement of Revenues,
Expenses and Changes in Fund Net Assets
For the Year Ended September 30, 2012

	Business-type Activities			
	Development Authority of Emanuel County and the City of Swainsboro	Emanuel County Development Authority	Emanuel County Revolving Loan	Total
Operating Revenues				
Charges for services	\$ -	\$ 33,467	\$ -	\$ 33,467
Miscellaneous	20,212	-	-	20,212
Total Operating Revenues	20,212	33,467	-	53,679
Operating Expenses				
Personal services	73,602	52,292	-	125,894
Purchased services	611,249	-	-	611,249
Total Operating Expenses	684,851	52,292	-	737,143
Operating (Loss)	(664,639)	(18,825)	-	(683,464)
Non-operating Revenue (Expenses)				
Operating grants	287,911	-	-	287,911
Capital grants	436,844	-	-	436,844
Investment earnings	895	-	-	895
Interest expense	-	(33,467)	-	(33,467)
Loss on disposal of capital assets	(15,990)	-	-	(15,990)
Total Non-operating Revenue (Expenses)	709,660	(33,467)	-	676,193
Change in Net Assets	45,021	(52,292)	-	(7,271)
Net Assets Beginning of Year	1,581,018	448,753	491,163	2,520,934
Net Assets End of Year	\$ 1,626,039	\$ 396,461	\$ 491,163	\$ 2,513,663

See accompanying notes to the basic financial statements

Emanuel County, Georgia
Proprietary Funds
Statement of Cash Flows
For the Year Ended September 30, 2012

	Business-type Activities			
	Development Authority of Emanuel County and the City of Swainsboro	Emanuel County Development Authority	Emanuel County Revolving Loan	Total
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash received from customers	\$ 20,212	\$ 35,758	\$ -	\$ 55,970
Cash payments for personal services	(73,543)	(52,292)	-	(125,835)
Cash payments for goods and services	(629,421)	-	-	(629,421)
Net Cash Provided by (Used in) Operating Activities	(682,752)	(16,534)	-	(699,286)
Cash Flows from Noncapital Financing Activities				
Operating grants	287,911	-	-	287,911
Increase (decrease) in interfund loan payable	100,000	(100,000)	-	-
(Increase) decrease in notes receivable	-	551,318	-	551,318
Net Cash Flows from Noncapital Financing Activities	387,911	451,318	-	839,229
Cash Flows from Capital and Related Financing Activities				
Capital grants	436,844	-	-	436,844
Other capital item	(15,990)	-	-	(15,990)
Interest	-	(33,467)	-	(33,467)
Principal on bonds payable	-	(350,000)	-	(350,000)
Principal on notes payable	-	(51,317)	-	(51,317)
Net Cash Provided by (Used in) Capital and Related Financing Activities	420,854	(434,784)	-	(13,930)
Cash Flows from Investing Activities				
Investment earnings	895	-	-	895
Net Increase (Decrease) in Cash and Cash Equivalents	126,908	-	-	126,908
Cash and Cash Equivalents Beginning of Year	695,889	206	173	696,268
Cash and Cash Equivalents End of Year	\$ 822,797	\$ 206	\$ 173	\$ 823,176
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating (Loss)	\$ (664,639)	\$ (18,825)	\$ -	\$ (683,464)
Adjustments:				
(Increase) Decrease in Assets:				
Accounts receivable	-	2,291	-	2,291
Land and building held for resale	(30,536)	-	-	(30,536)
Increase (Decrease) in Liabilities:				
Accounts payable	12,364	-	-	12,364
Accrued expenses	59	-	-	59
Net Cash Provided by (Used in) Operating Activities	\$ (682,752)	\$ (16,534)	\$ -	\$ (699,286)

See accompanying notes to the basic financial statements

Emanuel County, Georgia
Comparative Statement of Fiduciary Assets and Liabilities
Fiduciary Funds - Agency Funds
September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Assets		
Cash and cash equivalents	\$ 745,289	\$ 226,337
Property taxes receivable	-	391,474
Due from others	<u>1,000</u>	<u>-</u>
Total Assets	<u><u>\$ 746,289</u></u>	<u><u>\$ 617,811</u></u>
Liabilities		
Intergovernmental payable	\$ 57,048	\$ 423,424
Due to others	<u>689,241</u>	<u>194,387</u>
Total Liabilities	<u><u>\$ 746,289</u></u>	<u><u>\$ 617,811</u></u>

See accompanying notes to the basic financial statements

Emanuel County, Georgia
Notes to the Basic Financial Statements
For the Year Ended September 30, 2012

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***Emanuel County, Georgia
Notes to the Basic Financial Statements
For the Year Ended September 30, 2012***

The County is a political subdivision of the State of Georgia and is governed by a five member Board of County Commissioners. All five members represent a geographical district within the County. There are additional officers elected countywide. State law pertaining to county government provides for the independent election of these county officials. The officials are all part of the County's legal entity. These elected officials are the Sheriff, Tax Commissioner, Magistrate Court Judge, Probate Court Judge, and Superior Court Clerk. The offices of the independently elected officials are not separate from the County and therefore are reported as part of the primary government.

The state constitution and state law pertaining to county government provide for the independent election of the Superior Court Judges and the District Attorney. The cost of operations of the Superior Court Judges and the District Attorney Offices is shared with the State of Georgia and the counties of Candler, Emanuel, Jefferson, Toombs and Washington. Only that portion of the cost for which the County is responsible is reported in this financial report.

Note 1 - Summary of Significant Accounting Policies

The financial statements of 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 County does not follow subsequent private-sector guidance for its enterprise funds.

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 constitutionally elected 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 County's component units are presented either as "blended" or "discretely presented." If blended, it is reported as if it were a fund of the County throughout the year. It is included at both the government-wide and fund financial reporting levels.

Blended Component Units - A brief description of the blended component units, all reported as enterprise funds, follows:

Development Authority of Emanuel County and the City of Swainsboro - Promotes business and industry in Emanuel County by providing financing and incentive packages for Emanuel County. A majority of the Board of Directors is appointed by the Emanuel County Commissioners.

Emanuel County Development Authority - Promotes business and industry in Emanuel County by providing financing and incentive packages for Emanuel County. The Board of Directors is appointed by the Emanuel County Commissioners.

Emanuel County Revolving Loan Fund - Promotes business and industry by providing direct loans to businesses in Emanuel County.

Emanuel County, Georgia
Notes to the Basic Financial Statements
For the Year Ended September 30, 2012

Note 1 - Summary of Significant Accounting Policies (Continued)

Separate financial statements for blended component units may be obtained from the Emanuel County Administrator, at Emanuel County, Georgia.

Discretely Presented Component Unit – The discretely presented component unit is reported only at the government-wide financial reporting level. 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 they are legally separate from the County.

A brief description of the discretely presented component unit follows:

Emanuel County Health Department (the Health Department) – The Health Department works to promote and preserve the health of the citizens of the County. The Health Department's Board consists of seven members, four of these members are appointed by the County Commission and three members represent the County Chairman of the Commission, the Mayor of the City of Swainsboro and the Emanuel County School Superintendent. Although the County does not have the authority to approve or modify the Health Department's budgets, it does have the ability to control the amount of funding it provides to the Health Department and such funding is significant to the overall operations of the Health Department. The Health Department is reported on a June 30, 2012 fiscal year. Separately issued financial statements may be obtained from:

Emanuel County Health Department
P. O. Box 436
Swainsboro, GA 30401

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 units are presented separately within these financial statements with the focus on the primary government. Fiduciary funds are not presented in the government-wide financial statements.

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 and for each identifiable activity of the business-type activities of the County. 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.

Emanuel County, Georgia
Notes to the Basic Financial Statements
For the Year Ended September 30, 2012

Note 1 - Summary of Significant Accounting Policies (Continued)

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, proprietary and fiduciary 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 three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds - Government 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:

The General Fund - 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.

Special Purpose Local Option Sales Tax Capital Projects Fund - This fund is utilized to account for the proceeds of a 1 percent special purpose local option sales tax for funding various capital outlay projects including but not limited to water system improvements, public safety and fire department facilities and equipment improvements, recreational facilities improvements, and road improvements.

Proprietary Funds - The proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. The three proprietary funds are all blended component units and classified as enterprise funds. The major enterprise funds are defined above.

Fiduciary Funds - Fiduciary fund reporting focuses on assets and liabilities. The County's fiduciary funds are all agency funds. The County has five agency funds, which account for the receipts and disbursements of funds by the tax commissioner, sheriff, magistrate court judge, probate court judge, and clerk of superior.

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.

Like the government-wide statements, the proprietary fund type is accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net assets. The statements of changes in fund net assets present increases (i.e.

Emanuel County, Georgia
Notes to the Basic Financial Statements
For the Year Ended September 30, 2012

Note 1 - Summary of Significant Accounting Policies (Continued)

revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

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. The proprietary fund uses the accrual basis of accounting at both reporting levels. Fiduciary funds are reported on the accrual basis at the fund reporting level. 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.

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is 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-D). Revenue from grants and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On 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, charges for services and federal and state grants.

Deferred/Unearned 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.

Deferred revenue is reclassified as “*unearned revenue*” on the government-wide statement of net assets.

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.

Emanuel County, Georgia
Notes to the Basic Financial Statements
For the Year Ended September 30, 2012

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E. Assets, Liabilities and Fund Equity

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

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County. Time deposits are classified as cash and cash equivalent without regard to maturity date.

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 United States Government or Government agency
- Obligations of any corporation of the United States 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/payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

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. 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 (i.e., the purchases method). At year-end, fund balance is set-aside as nonexpendable in a like amount of inventory on hand.

1-E-5 Restricted Assets

Certain amounts are classified as restricted in the general fund because their use has been restricted to the purpose of a property tax.

1-E-6 Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. 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 government fund financial statements.

Emanuel County, Georgia
Notes to the Basic Financial Statements
For the Year Ended September 30, 2012

Note 1 - Summary of Significant Accounting Policies (Continued)

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 of roads and bridges. The County's infrastructure has been reported retroactively in 2003. 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:

Description	Governmental Activities	Business-Type Activities
	Estimated Lives	Estimated Lives
Buildings	25 - 50 years	25 - 50 years
Vehicles and equipment	5 - 20 years	5 - 20 years
Furniture and fixtures	5 - 10 years	5 - 10 years
Infrastructure	20 - 40 years	20 - 40 years

At the inception of capital leases at the governmental fund reporting level, expenditures and an "other financing source" of an equal amount are reported at the net present value of future minimum lease payments.

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.

Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the County's past experience of making termination payments.

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. Notes are recognized as a liability in the governmental fund financial statements when due.

*Emanuel County, Georgia
Notes to the Basic Financial Statements
For the Year Ended September 30, 2012*

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-9 Fund Equity

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

Fund Balance - Fund balances may be classified as follows:

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County Board of Commissioners or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the County Board of Commissioners through a motion. The fund balance must result from a specific revenue stream committed for a specific purpose. 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 Board of County Commissioners intent to be used for specific purposes, but are neither restricted nor committed. By motion, only the Board of County Commissioners can authorize an assignment of fund balances. Also, any of the fund balance reported at year-end that is included in the subsequent years' budget is reported as assigned.
- **Unassigned** - Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Net 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.

1-E-10 Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the funds. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of each fund. Nonoperating revenues are investment earnings and operating grants. Nonoperating expenses include the loss on the disposition of capital assets.

*Emanuel County, Georgia
Notes to the Basic Financial Statements
For the Year Ended September 30, 2012*

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-11 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 and the after non-operating revenues/expenses section in the proprietary fund. 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-12 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-13 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.

Note 2 – Stewardship, Compliance and Accountability

2-A. Budgetary Information – The County adopts an annual operating budget for all governmental funds except the capital projects funds, which have an adopted project budget. The County did not adopt a budget for the sheriff's social security fund special revenue fund. The budget resolution reflects the total of each department's appropriation in each fund.

Budgets are adopted on a basis consistent with GAAP with the exception of the capital projects funds, which have project length budgets, rather than annual budgets.

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. Department heads have the authority to transfer appropriations within a department (within the same fund) from one line item to another subject to the approval of the County Administrator.

Any change in total to a fund or departmental appropriation within a fund requires approval of the Board of County Commissioners. The Board of County Commissioners also must approve budget transfers within departments.

The original 2012 budget was amended during the year. All unexpended annual appropriations lapse at year-end.

2-B. Excess of Expenditures over Appropriations

The following departments overspent the final amended 2012 annual budget:

General fund:	
Elections	\$ 9,548
Buildings and plant	5,804
Magistrate court	1,571
Juvenile court	1,723
Uniform patrol	19,843
Rural fire department	55,351

Emanuel County, Georgia
Notes to the Basic Financial Statements
For the Year Ended September 30, 2012

Note 2 – Stewardship, Compliance and Accountability

Economic development	\$ 6,309
Debt service	106,688
East central Georgia drug task force fund:	
Public safety	\$ 12,261
Emergency 911 fund:	
Public safety	\$ 14,661

3 - Detailed Notes on All Funds

3-A. Deposits

Deposits – The County’s cash and investment policy limits deposits to demand and money market accounts, and time deposits at local banks. The County’s deposits shall be secured by Federal Depositary Insurance Corporation (FDIC) coverage and/or bank pledges. State statutes require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held.

Custodial Credit Risk – Deposits – The custodial credit risk for deposits is the risk that, in the event of a bank failure, the County’s deposits may not be recovered.

As of September 30, 2012, all of the County’s deposits were covered either by FDIC coverage or collateralized with securities held by the County’s agent in the County’s name.

Investments - Georgia Fund 1, created by OCGA 36-83-8, is a stable net asset value investment pool which follows Standard and Poor’s criteria for AAf/S1 rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool’s primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant’s shares sold and redeemed based on a \$1.00 per share value. The fair value of the School System’s position in the pool is the same as the value of pool shares (\$1 per share value). The regulatory oversight agency for Georgia Fund 1 is the Georgia Office of the State Treasurer.

Funds included in this Pool are not required to be collateralized.

The fair value of the County’s position in the pool approximates the value of the County’s pool shares. Credit risk, value, and interest risk at September 30, 2012 are as follows:

<u>Credit Risk</u>	<u>Value</u>	<u>Interest Risk</u>
AAf/S1+ rated	\$ 6,165,511	48 day WAM

Emanuel County, Georgia
Notes to the Basic Financial Statements
For the Year Ended September 30, 2012

3 - Detailed Notes on All Funds (Continued)

Primary government cash and cash equivalents reconciliation:

	<u>Cash and Cash Equivalents</u>
Primary Government - Fund Reporting Level:	
Governmental Funds - Balance Sheet	\$ 3,959,625
Governmental Funds - Balance Sheet - Restricted	53,458
Proprietary Fund Type Statement of Net Assets	823,176
Statement of Fiduciary Assets and Liabilities	<u>745,289</u>
Total	<u>\$ 5,581,548</u>

3-B. Receivables

Receivables at September 30, 2012, consisted of taxes, accounts (billings for user charges) 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, collectibility.

The allowances for uncollectibles are as follows:

- General fund - \$83,006

3-C. Restricted Assets

Restricted assets reported in the general fund are comprised of the following:

Development Authority of Emanuel County and the City of Swainsboro – (\$53,458) – these resources relate to property taxes levied by the County which relate to this development authority.

3-D. Property Taxes

The Board of Commissioners levy property taxes by or about September of each year. Property taxes attach as an enforceable lien on property as of January 1. The property taxes were levied on July 18, 2012. Property taxes were billed on September 20, 2012 and are due upon receipt, however, the actual due date was December 20, 2012.

The County bills and collects its own property taxes and also collects property taxes for the County Board of Education and the State of Georgia. The County also collects vehicle and mobile home taxes for the cities located in the County and the State of Georgia. Collection of the County's taxes and for the other governmental agencies is the responsibility of the Tax Commissioner's Office, which is accounted for in an agency fund.

Emanuel County, Georgia
Notes to the Basic Financial Statements
For the Year Ended September 30, 2012

Note 3 - Detailed Notes on All Funds (Continued)

3-E. Capital Assets

Capital asset activity for the primary government for the year ended September 30, 2012, was as follows:

	Balance 10/1/2011	Additions	Deductions	Balance 9/30/2012
Governmental activities:				
Nondepreciable capital assets:				
Land	\$ 878,274	\$ -	\$ -	\$ 878,274
Depreciable capital assets:				
Buildings and improvements	9,460,432	27,163	-	9,487,595
Machinery and equipment	8,071,975	148,895	764,189	7,456,681
Infrastructure	1,618,154	251,245	-	1,869,399
Total depreciable capital assets	19,150,561	427,303	764,189	18,813,675
Total capital assets	20,028,835	427,303	764,189	19,691,949
Accumulated depreciation:				
Buildings and improvements	2,542,575	197,469	-	2,740,044
Machinery and equipment	3,964,754	517,321	370,579	4,111,496
Infrastructure	189,106	46,736	-	235,842
Total accumulated depreciation	6,696,435	761,526	370,579	7,087,382
Governmental activities capital assets, net	<u>\$ 13,332,400</u>	<u>\$ (334,223)</u>	<u>\$ 393,610</u>	<u>\$ 12,604,567</u>
Governmental activities depreciation expense				
General government		\$ 13,108		
Judicial		76,918		
Public safety		315,261		
Public works		299,351		
Health and welfare		16,757		
Culture and recreation		10,879		
Housing and development		29,252		
Total governmental activities depreciation expense		<u>\$ 761,526</u>		
Business-type activities:				
Depreciable capital assets:				
Machinery and equipment	\$ 34,522	\$ -	\$ -	\$ 34,522
Less accumulated depreciation:	34,522	-	-	34,522
Capital assets, net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Emanuel County, Georgia
Notes to the Basic Financial Statements
For the Year Ended September 30, 2012

Note 3 - Detailed Notes on All Funds (Continued)

3-F. Interfund Balances and Transfers

Interfund Balances - Interfund balances at September 30, 2012, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made.

The following table includes the interfund receivables and payables at September 30, 2012:

Receivable to:	Payable from:			Total
	General fund	Development authority of Emanuel county and the city of Swainsboro	Emanuel county development authority	
General fund	\$ -	\$ -	\$ 211,161	\$ 211,161
Development authority of Emanuel county and the city of Swainsboro	57,866	-	-	57,866
Emanuel county development authority	-	516,706	-	516,706
Total	\$ 57,866	\$ 516,706	\$ 211,161	\$ 785,733

Interfund Transfers - Interfund transfers for the year ended September 30, 2012, consisted of the following:

Transfers to	Transfers from General fund
Enhanced E-911 fund	\$ 131,856

The transfer from the general fund to the E-911 fund is to reduce the E-911 fund (nonmajor governmental fund) deficit as the telephone surcharge is not adequate to balance this fund.

3-G. Long-Term Debt

Governmental Activities Bonds - The following is a summary of the outstanding long-term bonds at September 30, 2012:

2006 General Obligation Refunding Bonds – On April 12, 2006, the County issued general obligation sales tax bonds for \$8,765,000 with an average interest rate of 3.4 percent to finance various projects that the citizens of County approved in a special purpose local option sales tax referendum. These bonds were retired in this fiscal year.

2006 General Obligation Refunding Bonds – On May 25, 2006, the County issued \$1,920,000 in General Obligation Bonds with an average interest rate of 4.488 percent to advance refund \$1,800,000 of outstanding 1998 Series bonds with an average interest rate of 5.638 percent. These bonds mature on August 1, 2028.

Emanuel County, Georgia
Notes to the Basic Financial Statements
For the Year Ended September 30, 2012

Note 3 - Detailed Notes on All Funds (Continued)

Annual debt service requirements to these bonds payable as of September 30, 2012 follow:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 70,000	\$ 68,570	\$ 138,570
2014	70,000	65,595	135,595
2015	75,000	62,408	137,408
2016	80,000	59,220	139,220
2017	85,000	55,820	140,820
2018 - 2022	465,000	219,925	684,925
2023 - 2027	560,000	107,315	667,315
2028	125,000	5,750	130,750
Total	\$ 1,530,000	\$ 644,603	\$ 2,174,603

2011 General Obligation Sales Tax Bonds – On September 19, 2011, the County issued general obligation sales tax bonds for \$1,560,000 with an average interest rate of 1.72 % to finance various projects that the citizens of County approved in a special purpose local option sales tax referendum. These bonds mature on March 1, 2018.

Annual debt service requirements to these bonds payable as of September 30, 2012 follow:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$245,000	\$24,725	\$269,725
2014	250,000	20,468	270,468
2015	255,000	16,125	271,125
2016	260,000	11,696	271,696
2017	270,000	7,138	277,138
2018	280,000	2,408	282,408
	\$ 1,560,000	\$ 82,560	\$ 1,642,560

Governmental Capital Leases - The following is a summary of the outstanding long-term bonds at September 30, 2012:

2007 Bancorpsouth Equipment Finance #1 - On September 5, 2007, the County entered into a capital lease for a motor grader. The motor grader acquired by the lease is included in governmental activities general capital assets in the amount of \$83,032 (cost of \$119,565 less accumulated depreciation of \$36,533). The lease carries an interest rate of 4.450%. This lease matures on March 10, 2013. Annual debt service requirements to retire this note payable as of September 30, 2012 follow:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 26,083	\$ 1,185	\$ 27,268

2008 Bancorpsouth Equipment Finance #2 - On October 8, 2008, the County entered into a capital lease for a motor grader. The motor grader acquired by the lease is included in governmental activities general capital assets in the amount of \$141,168 (cost of \$192,500 less accumulated depreciation of \$51,332). The lease carries an interest rate of 3.45%. This lease matures on August 8, 2013.

Emanuel County, Georgia
Notes to the Basic Financial Statements
For the Year Ended September 30, 2012

Note 3 - Detailed Notes on All Funds (Continued)

Annual debt service requirements to retire this note payable as of September 30, 2012 follow:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	<u>\$ 22,793</u>	<u>\$ 799</u>	<u>\$ 23,592</u>

2011 Bancorpsouth Equipment Finance #3 - On September 5, 2007, the County entered into a capital lease for seven motor graders. The motor graders acquired by the lease are included in governmental activities general capital assets in the amount of \$910,696 (cost of \$1,011,888 less accumulated depreciation of \$101,192). The lease carries an interest rate of 2.000%. This lease matures on March 10, 2013 with a balloon payment. Annual debt service requirements to retire this note payable as of September 30, 2012 follow:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 82,401	\$ 24,266	\$ 106,667
2014	84,064	22,623	106,687
2015	85,761	20,926	106,687
2016	951,005	19,195	970,200
	<u>\$ 1,203,231</u>	<u>\$ 87,010</u>	<u>\$ 1,290,241</u>

2011 Durden Banking Company - On June 30, 2011, the County issued a note payable to Durden Banking Company in the amount of \$199,626, the proceeds used for the purchase of a Mack Truck. This note matures on October 1, 2012. Annual debt service requirements to this note payable as of September 30, 2012 follow:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	<u>\$ 149,626</u>	<u>\$ 5,461</u>	<u>\$ 155,087</u>

Business-type Activities - The County has one outstanding bond payable and one outstanding note payable for the Emanuel County Development Authority fund.

2001 Industrial Development Bonds - In 2001, the Emanuel County Development Authority (a blended component unit) issued industrial development bonds for \$3,550,000 with interest rates of 5.100 - 6.500% percent for the City of Swainsboro golf course project (\$1,250,000) and for Jabo Metal Fabrication (\$2,300,000). These bonds mature on 2016.

Annual debt service requirements to these bonds payable as of September 30, 2012 follow:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 85,000	\$ 24,665	\$ 109,665
2014	95,000	19,310	114,310
2015	100,000	13,325	113,325
2016	105,000	6,825	111,825
	<u>\$ 385,000</u>	<u>\$ 64,125</u>	<u>\$ 449,125</u>

Emanuel County, Georgia
Notes to the Basic Financial Statements
For the Year Ended September 30, 2012

Note 3 - Detailed Notes on All Funds (Continued)

Spivey National Bank Note Payable – On September 8, 2008, the Emanuel County Development Authority (a blended component unit) issued a note for \$247,125 at an interest rate 3.750%, the note was issued for equipment purchased from Advanced Metal Components, Inc. This note matures in 2013.

Annual debt service requirements to retire this note payable as of September 30, 2012 follow:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	<u>\$ 51,551</u>	<u>\$ 1,061</u>	<u>\$ 52,612</u>

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

	<u>Outstanding</u> <u>10/1/2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding</u> <u>9/30/2012</u>	<u>Amounts Due</u> <u>in One Year</u>
Governmental Activities:					
General Obligation Sales Tax Bonds:					
Series 2005	\$ 1,590,000	\$ -	\$ 1,590,000	\$ -	\$ -
Series 2006	1,600,000	-	70,000	1,530,000	70,000
Series 2011	1,560,000	-	-	1,560,000	245,000
Capital Leases					
Bancorpsouth Equipment Finance#1	51,033	-	24,950	26,083	26,083
Bancorpsouth Equipment Finance#2	44,813	-	22,020	22,793	22,793
Bancorpsouth Equipment Finance#3	1,284,002	-	80,771	1,203,231	82,401
Durden Banking Company	199,626	-	50,000	149,626	149,626
Compensated Absences	149,759	130,005	112,319	167,445	125,584
Landfill Closure and Postclosure Care	1,184,216	-	50,109	1,134,107	-
Total Governmental Activities	\$ 7,663,449	\$ 130,005	\$ 2,000,169	\$ 5,793,285	\$ 721,487
Business-type Activities:					
Industrial Development Bonds	\$ 735,000	\$ -	\$ 350,000	\$ 385,000	\$ 85,000
Note Payable	102,868	-	51,317	51,551	51,551
Total Business-type Activities	\$ 837,868	\$ -	\$ 401,317	\$ 436,551	\$ 136,551
Discretely Presented Component Unit:					
Emanuel County Health Department					
Compensated Absences	\$ 56,644	\$ -	\$ 4,448	\$ 52,196	\$ -

The general fund retires capital leases #2 and #3. The SPLOST fund retires the bonds, capital lease #1 and the note payable to the Durden Banking Company. The business-type industrial development bonds and the note payable are retired by the Emanuel County Development Authority. The governmental activities compensated absences liability will be paid from the fund from which the employees' salaries are paid, primarily the general fund. The landfill closure and postclosure care is funded by the general fund.

*Emanuel County, Georgia
Notes to the Basic Financial Statements
For the Year Ended September 30, 2012*

Note 3 - Detailed Notes on All Funds (Continued)

3-H. Landfill Closure and Postclosure Care

State and federal laws and regulations required the County to place a final cover on the Emanuel County Landfill site when it stopped accepting waste in 1998 and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The landfill's final cover was completed in 2000 and the final closure certificate was issued January 12, 2001. The estimated post closure cost of \$46,000 per year plus inflation for the 30 years is based on engineers' estimates at November 1, 1995. This represents all of the post closure cost liability (none remaining to be recognized) but it must be updated annually to adjust for inflation or deflation, and changes in technology, or applicable laws or regulations. The County has estimated a \$1,134,107 liability for closure and postclosure.

3-I. Pension

The County adopted a non-contributory defined contribution pension plan on August 31, 1998 and it went into effect on February 3, 1999. All full-time employees with two years of service are eligible for coverage. Coverage begins on the next entry date immediately following the anniversary hire date. The plan, Emanuel County Board of Commissioners Retirement Saving Plan, is administered by GEB Corp. The County has the authority to establish or amend plan provisions. The investment objective of the plan is to protect against loss of principal while providing returns in excess of money market funds and one-year Treasury bills. The County is responsible for establishing or amending the pension plan contribution requirements. The County's pension contribution for the fiscal year ended September 30, 2012 was \$204,360 on covered payroll of \$2,554,676.

Employees, at their option, may contribute as much as 25% of their salary to a 457 deferred compensation plan. Employees do not contribute to the 401(a) plan. The County makes contributions to a 401(a) plan based on the employee's contribution to the 457 plan as follows:

Employee Contribution	County Contribution
0%	5.5%
2%	6.0%
4% or more	6.5%

The following plans are in effect for the constitutional officers of Emanuel County. The County does not contribute directly to the plans. Contributions are made through an increase in the fine amounts. The County exercises no control of these plans.

Probate Judge's Retirement Fund of Georgia – The Probate Judge is covered under a pension plan, which requires that certain sums from marriage licenses and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

Clerk of Superior Court Retirement Fund – The Clerk of Superior Court is covered under a pension plan, which requires that certain sums from fees and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

Sheriff's Retirement Fund/Peace Officers' Annuity and Benefit Fund – The Sheriff and sheriff deputies are covered under separate pension plans which require that certain sums from fines or bond forfeitures be remitted by the Probate Judge or Clerk of Superior Court to the pension plan before the payment of any costs or other claims.

Emanuel County, Georgia
Notes to the Basic Financial Statements
For the Year Ended September 30, 2012

Note 3 - Detailed Notes on All Funds (Continued)

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	<u>\$ 129,988</u>
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- **Restricted** – The following fund balances are legally restricted to specified purposes:

Major SPLOST Fund

Capital projects	<u>\$ 3,120,650</u>
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**Major East Central Georgia Drug
Task Force Fund**

Public safety	<u>\$ 176,805</u>
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Nonmajor Special Revenue Funds:

Capital outlay	<u>\$ 365</u>
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- **Unassigned** – The following fund balances include the general fund unassigned amount:

General Fund:

Prepaid items	<u>\$ 7,933,154</u>
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Invested in Capital Assets, Net of Related Debt

The “invested in capital assets, net of related debt” reported on the government-wide statement of net assets as of September 30, 2012 are as follows:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Investments in capital assets, net of related debt:		
Cost of capital assets	\$ 19,691,949	\$ 34,522
Less accumulated depreciation	<u>7,087,382</u>	<u>34,522</u>
Book value	12,604,567	-
Less capital related debt	<u>4,491,733</u>	<u>-</u>
Invested in capital assets, net of related debt	<u>\$ 8,112,834</u>	<u>\$ -</u>

Emanuel County, Georgia
Notes to the Basic Financial Statements
For the Year Ended September 30, 2012

Note 4 - Other Notes

4-A. Risk Management

Interlocal Risk Management Agency - The County is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other counties in the state as part of the Interlocal Risk Management Agency (IRMA) for property and liability insurance and the ACCG-Group Self-Insurance Workers' Compensation Fund (WCSIF), public entity risk pools currently operating as common risk management and insurance programs for member local governments. The Association County Commissioners of Georgia (ACCG) administers both risk pools.

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

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

Settled claims in the past three years have not exceeded the coverage.

4-B. 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 September 30, 2012. In the opinion of County management, the outcome of these contingencies will not have a material effect on the financial position of the County.

4-C. Commitments

The County has entered into a contract with Emanuel County Hospital (Hospital Authority) wherein the County is obligated to make payments to the Hospital Authority sufficient to pay the principal of and interest on \$4,715,000 Emanuel County Hospital Authority (Georgia), Refunding and Improvement Revenue Anticipation Certificates, Series 1997 and \$10,000,000 Emanuel County Hospital Authority (Georgia) Revenue Anticipation Certificates, Series 2002 as the same become due and payable, to the extent funds of the Hospital Authority pledged to such payment are insufficient for such purposes. The County is obligated under the contract to levy an annual ad valorem tax on all taxable property located within the territorial limits of the County, at such rate within the seven mil limit or such greater millage limit hereafter authorized to produce in each year revenues which are sufficient to fulfill the County's obligations under the contract. The certificates do not constitute a debt of the County. The Series 1997 certificates mature from 1998 thru 2013 with varying interest rates from 3.90% to 5.10%. The Series 2002 certificates mature from 2003 thru 2021 with varying interest rates from 2.00% to 4.60%.

4-D. Joint Ventures

Under Georgia law, the County, in conjunction with other cities or counties in the middle Georgia area, is a member of Heart of Georgia Altamaha Regional Development Center (RDC) and is required to pay annual dues thereto. Membership in an RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RDC in Georgia. The RDC 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 an RDC.

Emanuel County, Georgia
Notes to the Basic Financial Statements
For the Year Ended September 30, 2012

Note 4 - Other Notes (Continued)

Separate financial statements may be obtained from:

Heart of Georgia Altamaha Regional Development Center
501 Oak Street
Eastman, Georgia 31023

Emanuel County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes	\$ 7,248,299	\$ 7,248,299	\$ 7,266,033	\$ 17,734
Licenses and permits	20,542	20,542	21,250	708
Intergovernmental	11,375	11,375	65,720	54,345
Charges for services	1,103,533	1,103,533	1,155,206	51,673
Fines and forfeitures	553,542	553,542	491,726	(61,816)
Investment earnings	35,016	-	20,555	20,555
Miscellaneous	168,140	168,140	277,048	108,908
Total Revenues	<u>9,140,447</u>	<u>9,105,431</u>	<u>9,297,538</u>	<u>192,107</u>
Expenditures				
Current:				
General government	2,468,410	2,468,410	2,380,828	87,582
Judicial	995,767	995,767	986,985	8,782
Public safety	2,279,603	2,279,603	2,248,564	31,039
Public works	2,374,209	2,374,209	2,231,023	143,186
Health and welfare	199,148	199,148	198,104	1,044
Culture and recreation	496,496	496,496	462,939	33,557
Housing and development	325,296	325,296	259,051	66,245
Debt Service:				
Principal	23,591	23,591	102,791	(79,200)
Interest and fiscal charges	-	-	27,488	(27,488)
Total Expenditures	<u>9,162,520</u>	<u>9,162,520</u>	<u>8,897,773</u>	<u>264,747</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(22,073)</u>	<u>(57,089)</u>	<u>399,765</u>	<u>456,854</u>
Other Financing Sources (Uses)				
Proceeds from the sale of capital assets	-	-	13,770	13,770
Transfers out	-	-	(131,956)	(131,956)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(118,186)</u>	<u>(118,186)</u>
Net Change in Fund Balances	<u>\$ (22,073)</u>	<u>\$ (57,089)</u>	<u>281,579</u>	<u>\$ 338,668</u>
Fund Balances Beginning of Year			<u>7,844,920</u>	
Fund Balances End of Year			<u>\$ 8,126,499</u>	

Emanuel County, Georgia
East Central Georgia Drug Task Force Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012
(With Comparative Actual Amounts for The Year Ended September 30, 2011)

	2012				2011
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	\$ 284,609	\$ 284,609	\$ 213,457	\$ (71,152)	\$ 377,680
Investment earnings	-	-	74	74	-
Miscellaneous	-	-	78,382	78,382	89
Total Revenues	284,609	284,609	291,913	7,304	377,769
Expenditures					
Current:					
Public safety	284,609	284,609	296,870	(12,261)	289,213
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	(4,957)	\$ (4,957)	88,556
Fund Balances Beginning of Year			181,762		93,206
Fund Balances End of Year			\$ 176,805		\$ 181,762

***Emanuel County, Georgia
Notes to Required Supplementary Information
For the Year Ended September 30, 2012***

Note 1 – Budgetary Basis of Accounting

The General Fund and the East Central Georgia Task Force Fund adopt their operating budget on the modified accrual basis of accounting (GAAP basis budget).

Emanuel County, Georgia
General Fund
Comparative Balance Sheet
September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Assets		
Cash and cash equivalents	\$ 2,123,059	\$ 2,350,542
Restricted cash	53,458	37,069
Investments	5,152,430	4,505,230
Receivables:		
Accounts	53,878	46,217
Property taxes	232,943	187,928
Sales taxes	238,424	223,507
Intergovernmental	526,602	492,929
Interfund	211,161	275,857
Inventory	129,988	124,956
Total Assets	<u>\$ 8,721,943</u>	<u>\$ 8,244,235</u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 274,008	\$ 146,715
Accrued expenditures	54,853	84,172
Interfund payable	57,886	-
Deferred revenue	208,697	168,428
Total Liabilities	<u>595,444</u>	<u>399,315</u>
Fund Balances		
Nonspendable - not in spendable form	129,988	124,956
Unassigned	7,996,511	7,719,964
Total Fund Balances	<u>8,126,499</u>	<u>7,844,920</u>
Total Liabilities and Fund Balances	<u>\$ 8,721,943</u>	<u>\$ 8,244,235</u>

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Emanuel County, Georgia
General Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Years Ended September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Revenues		
Taxes	\$ 7,266,033	\$ 7,267,703
Intergovernmental	65,720	310,321
Licenses and permits	21,250	20,025
Charges for services	1,155,206	1,233,829
Fines and forfeitures	491,726	532,770
Investment earnings	20,555	52,638
Miscellaneous	277,048	174,568
Total Revenues	<u>9,297,538</u>	<u>9,591,854</u>
Expenditures		
Current:		
General government	2,380,828	2,405,814
Judicial	986,985	1,154,199
Public safety	2,248,564	2,091,191
Public works	2,231,023	1,710,125
Health and welfare	198,104	1,205,553
Culture and recreation	462,939	457,658
Housing and development	259,051	849,195
Capital Outlay	-	2,211,663
Debt Service:		
Principal	102,791	127,963
Interest and fiscal charges	27,488	2,316
Total Expenditures	<u>8,897,773</u>	<u>12,215,677</u>
Excess (Deficiency) of Revenues		
Over (Under) Expenditures	<u>399,765</u>	<u>(2,623,823)</u>
Other Financing Sources (Uses)		
Transfers out	(131,956)	(102,751)
Inception of capital leases	-	1,390,690
Issuance of loans	-	199,626
Proceeds from the sale of capital assets	13,770	866,000
Other Financing Sources	<u>(118,186)</u>	<u>2,353,565</u>
Net Change in Fund Balances	281,579	(270,258)
Fund Balances Beginning of Year	<u>7,844,920</u>	<u>8,115,178</u>
Fund Balances End of Year	<u>\$ 8,126,499</u>	<u>\$ 7,844,920</u>
	8,126,499	-

Emanuel County, Georgia
General Fund
Schedule of Revenues and Other Financing Sources - Budget and Actual
For the Year Ended September 30, 2012
(With Comparative Actual Amounts for The Year Ended September 30, 2011)

	2012			2011	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Taxes					
Real property					
Current	\$ 5,045,473	\$ 5,045,473	\$ 4,964,511	\$ (80,962)	\$ 5,052,384
Timber	117,258	117,258	92,541	(24,717)	110,463
Railroad	15,252	15,252	13,126	(2,126)	14,218
Real estate transfer tax	5,000	5,000	7,873	2,873	7,903
Franchise taxes	23,862	23,862	31,771	7,909	28,009
Local option sales and use tax	1,283,559	1,283,559	1,379,839	96,280	1,318,563
Alcoholic beverage excise tax	57,555	57,555	55,179	(2,376)	54,576
Insurance premium tax	541,285	541,285	526,602	(14,683)	492,927
Financial institution tax	33,867	33,867	37,126	3,259	33,867
Interest and penalties	125,188	125,188	157,465	32,277	154,793
Total Taxes	7,248,299	7,248,299	7,266,033	17,734	7,267,703
Licenses and Permits					
Business licenses - alcoholic beverages	15,100	15,100	15,200	100	14,600
Non-business licenses and permits	5,442	5,442	6,050	608	5,425
Total Licenses and Permits	20,542	20,542	21,250	708	20,025
Intergovernmental					
Federal	9,375	9,375	2,170	(7,205)	307,105
State	2,000	2,000	63,550	61,550	3,216
Total Intergovernmental	11,375	11,375	65,720	54,345	310,321
Totals carried forward	7,280,216	7,280,216	7,353,003	72,787	7,598,049

(continued)

Emanuel County, Georgia
General Fund
Schedule of Revenues and Other Financing Sources - Budget and Actual
For the Year Ended September 30, 2012
(With Comparative Actual Amounts for The Year Ended September 30, 2011)

(continued)

	2012				2011
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Brought forward	\$ 7,280,216	\$ 7,280,216	\$ 7,353,003	\$ 72,787	\$ 7,598,049
Revenues					
Charges for Services					
General government					
Court costs, fees and charges	148,523	148,523	124,904	(23,619)	101,125
Election qualifying fees	37,000	37,000	8,252	(28,748)	957
Printing and duplicating services	1,445	1,445	-	(1,445)	-
Motor vehicle tag collection fees	-	-	37,642	37,642	37,059
Other:					
Commissions on tax collections	150,000	150,000	164,805	14,805	164,880
Other charges	-	-	-	-	378
Public safety	531,355	531,355	492,366	(38,989)	628,515
Utilities/enterprise-sanitation	235,210	235,210	326,858	91,648	291,567
Other fees	-	-	379	379	-
Total Charges for Services	1,103,533	1,103,533	1,155,206	51,673	1,224,481
Fines and Forfeitures					
Court	553,542	553,542	491,726	(61,816)	532,770
Investment Earnings	35,016	35,016	20,555	(14,461)	52,639
Miscellaneous					
Rents and royalties	118,818	118,818	153,907	35,089	118,358
Other	49,322	49,322	123,141	73,819	56,210
Total Miscellaneous	168,140	168,140	277,048	108,908	174,568
Total Revenues	9,140,447	9,140,447	9,297,538	157,091	9,582,507
Other Financing Sources:					
Proceeds from the sale of capital assets	22,073	22,073	13,770	(8,303)	866,000
Transfers in	-	-	-	-	199,626
Other Financing Sources:	22,073	22,073	13,770	(8,303)	1,065,626
Total Revenues and Other Financing Sources	\$ 9,162,520	\$ 9,162,520	\$ 9,311,308	\$ 148,788	\$ 10,648,133

Emanuel County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended September 30, 2012
(With Comparative Actual Amounts for The Year Ended September 30, 2011)

	2012			Variance With Final Budget	2011
	Original Budget	Final Budget	Actual		Actual
Expenditures					
General Government					
Elections					
Personal services	\$ 53,322	\$ 53,322	\$ 52,869	\$ 453	\$ 57,893
Purchased/contracted services	27,134	27,134	38,065	(10,931)	30,783
Supplies	6,950	6,950	6,020	930	5,096
Total Elections	87,406	87,406	96,954	(9,548)	93,772
Financial Administration					
Personal services	233,470	233,470	229,718	3,752	228,542
Purchased/contracted services	107,853	107,853	106,127	1,726	103,190
Supplies	8,036	8,036	7,456	580	6,277
Contingency	50,000	50,000	5,000	45,000	5,379
Total Financial Administration	399,359	399,359	348,301	51,058	343,388
Human Resources					
Personal services	833,350	833,350	793,396	39,954	827,983
Purchased/contracted services	298,715	298,715	311,827	(13,112)	298,944
Supplies	-	-	27	(27)	-
Total Human Resources	1,132,065	1,132,065	1,105,250	26,815	1,126,927
Tax Commissioner					
Personal services	184,982	184,982	176,472	8,510	174,610
Purchased/contracted services	35,869	35,869	40,315	(4,446)	40,495
Supplies	23,800	23,800	6,431	17,369	5,480
Total Tax Commissioner	244,651	244,651	223,218	21,433	220,585
Tax Assessor					
Personal services	235,565	235,565	235,685	(120)	240,432
Purchased/contracted services	43,995	43,995	43,861	134	46,838
Supplies	12,965	12,965	9,351	3,614	12,745
Total Tax Assessor	292,525	292,525	288,897	3,628	300,015
Totals carried forward	2,156,006	2,156,006	2,062,620	93,386	2,084,687

(continued)

Emmanuel County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended September 30, 2012
(With Comparative Actual Amounts for The Year Ended September 30, 2011)

(continued)

	2012			2011	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Totals brought forward	\$ 2,156,006	\$ 2,156,006	\$ 2,062,620	\$ 93,386	\$ 2,084,687
Expenditures					
Buildings and Plant					
Personal services	63,972	63,972	72,185	(8,213)	65,196
Purchased/contracted services	84,436	84,436	73,328	11,108	69,347
Supplies	163,996	163,996	172,695	(8,699)	183,584
Total Buildings and Plant	<u>312,404</u>	<u>312,404</u>	<u>318,208</u>	<u>(5,804)</u>	<u>318,127</u>
Total General Government	<u>2,468,410</u>	<u>2,468,410</u>	<u>2,380,828</u>	<u>87,582</u>	<u>2,402,814</u>
Judicial					
Superior Court					
Personal services	236,044	236,044	233,705	2,339	234,147
Purchased/contracted services	144,019	144,019	139,964	4,055	123,196
Supplies	12,418	12,418	15,794	(3,376)	10,110
Other	233,397	233,397	233,690	(293)	440,010
Total Superior Court	<u>625,878</u>	<u>625,878</u>	<u>623,153</u>	<u>2,725</u>	<u>795,463</u>
State Court					
Personal services	65,911	65,911	65,683	228	65,683
Purchased/contracted services	13,397	13,397	11,278	2,119	11,271
Supplies	200	200	-	200	-
Total State Court	<u>79,508</u>	<u>79,508</u>	<u>76,961</u>	<u>2,547</u>	<u>76,954</u>
Magistrate Court					
Personal services	134,396	134,396	134,941	(545)	134,321
Purchased/contracted services	11,843	11,843	13,144	(1,301)	10,595
Supplies	5,298	5,298	5,023	275	2,762
Total Magistrate Court	<u>151,537</u>	<u>151,537</u>	<u>153,108</u>	<u>(1,571)</u>	<u>147,678</u>
Totals carried forward	<u>3,325,333</u>	<u>3,325,333</u>	<u>3,234,050</u>	<u>91,283</u>	<u>3,422,909</u>

(continued)

Emanuel County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended September 30, 2012
(With Comparative Actual Amounts for The Year Ended September 30, 2011)

(continued)

	2012			Variance With Final Budget	2011
	Original Budget	Final Budget	Actual		Actual
Totals brought forward	\$ 3,325,333	\$ 3,325,333	\$ 3,234,050	\$ 91,283	\$ 3,422,909
Expenditures					
Judicial (Continued)					
Probate Court					
Personal services	118,511	118,511	112,820	5,691	106,751
Purchased/contracted services	13,914	13,914	13,431	483	10,124
Supplies	3,419	3,419	2,789	630	14,214
Total Probate Court	135,844	135,844	129,040	6,804	131,089
Juvenile Court					
Purchased/contracted services	3,000	3,000	4,723	(1,723)	3,015
Total Judicial	995,767	995,767	986,985	8,782	1,154,199
Public Safety					
Uniform Patrol					
Personal services	627,702	627,702	616,806	10,896	605,781
Purchased/contracted services	81,705	81,705	96,583	(14,878)	87,071
Supplies	116,117	116,117	131,978	(15,861)	142,335
Total Uniform Patrol	825,524	825,524	845,367	(19,843)	835,187
Special Detail					
Personal services	16,160	16,160	9,081	7,079	16,925
Court Services					
Purchased/contracted services	43,375	43,375	28,270	15,105	37,754
Jail Operations					
Personal services	612,874	612,874	595,357	17,517	578,499
Purchased/contracted services	91,106	91,106	85,480	5,626	79,252
Supplies	295,506	295,506	275,932	19,574	335,244
Total Jail Operations	999,486	999,486	956,769	42,717	992,995
Totals carried forward	5,348,722	5,348,722	5,207,300	141,422	5,439,874

(continued)

Emanuel County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended September 30, 2012
(With Comparative Actual Amounts for The Year Ended September 30, 2011)

(continued)

	2012				2011
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Totals brought forward	\$ 5,348,722	\$ 5,348,722	\$ 5,207,300	\$ 141,422	\$ 5,439,874
Expenditures					
Public Safety					
Rural Fire Department					
Purchased/contracted services	62,176	62,176	68,513	(6,337)	72,982
Supplies	9,126	9,126	58,140	(49,014)	6,119
Total Rural Fire Department	71,302	71,302	126,653	(55,351)	79,101
Animal Control					
Other	53,067	53,067	48,401	4,666	53,755
Emergency Management					
Personal services	4,650	4,650	4,650	-	4,650
Purchased/contracted services	5,682	5,682	2,739	2,943	3,130
Supplies	11,741	11,741	4,703	7,038	1,898
Total Emergency Management	22,073	22,073	12,092	9,981	9,678
Emergency Medical Services					
Purchased/contracted services	31,600	31,600	35,890	(4,290)	27,483
Supplies	55,041	55,041	52,444	2,597	52,587
Other	134,962	134,962	107,891	27,071	92,899
Total Emergency Medical Services	221,603	221,603	196,225	25,378	172,969
Cornor/Medical Examiner					
Personal services	19,696	19,696	16,934	2,762	19,868
Purchased/contracted services	6,117	6,117	7,816	(1,699)	6,293
Supplies	1,200	1,200	156	1,044	88
Other	-	-	800	(800)	-
Total Cornor/Medical Examiner	27,013	27,013	25,706	1,307	53,755
Total Public Safety	2,279,603	2,279,603	2,248,564	31,039	2,252,119
Totals carried forward	5,743,780	5,743,780	5,616,377	127,403	5,809,132

(continued)

Emanuel County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended September 30, 2012
(With Comparative Actual Amounts for The Year Ended September 30, 2011)

(continued)

	2012			Variance With Final Budget	2011
	Original Budget	Final Budget	Actual		Actual
Totals brought forward	\$ 5,743,780	\$ 5,743,780	\$ 5,616,377	\$ 127,403	\$ 5,809,132
Expenditures					
Public Works					
Solid Waste					
Personal services	178,625	178,625	160,542	18,083	160,514
Purchased/contracted services	623,269	623,269	528,501	94,768	535,795
Supplies	122,931	122,931	104,092	18,839	114,281
Capital outlay	-	-	-	-	199,626
Total Solid Waste	924,825	924,825	793,135	131,690	1,010,214
Maintenance and Shop					
Personal services	860,190	860,190	825,325	34,865	816,443
Purchased/contracted services	98,720	98,720	91,174	7,546	91,021
Supplies	490,474	490,474	521,389	(30,915)	469,814
Total Maintenance and Shop	1,449,384	1,449,384	1,437,888	11,496	1,377,278
Total Public Works	2,374,209	2,374,209	2,231,023	143,186	2,387,492
Health and Welfare					
Health - public health administration	136,928	136,928	136,928	-	136,928
Health centers and general clinic			-	-	1,009,598
Intergovernmental welfare payments	62,220	62,220	61,176	1,044	59,027
Total Health and Welfare	199,148	199,148	198,104	1,044	1,205,553
Culture and Recreation					
Other	363,578	363,578	330,021	33,557	457,658
Branch Libraries					
Other	132,918	132,918	132,918	-	132,918
Housing and Development					
Agricultural Resources					
Personal services	49,908	49,908	32,974	16,934	22,180
Purchased/contracted services	37,014	37,014	40,663	(3,649)	36,974
Supplies	6,750	6,750	6,050	700	5,244
Total Agricultural Resources	93,672	93,672	79,687	13,985	64,398
Totals carried forward	8,907,305	8,907,305	8,588,130	319,175	10,057,151

(continued)

Emanuel County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended September 30, 2012
(With Comparative Actual Amounts for The Year Ended September 30, 2011)

(continued)

	2012			Variance	2011
	Original Budget	Final Budget	Actual	With Final Budget	Actual
Totals brought forward	\$ 8,907,305	\$ 8,907,305	\$ 8,588,130	\$ 319,175	\$ 10,057,151
Expenditures					
Housing and Development					
Forest Resources					
Purchased/contracted services	-	-	18	(18)	-
Supplies	1,000	1,000	222	778	270
Other	30,653	30,653	30,653	-	30,653
Total Forest Resources	31,653	31,653	30,893	760	30,923
Economic Development					
Other	101,239	101,239	107,629	(6,390)	602,892
Airport					
Other	53,814	53,814	-	53,814	110,659
Code Enforcement					
Personal services	31,101	31,101	31,076	25	31,048
Purchased/contracted services	7,600	7,600	4,960	2,640	4,465
Supplies	6,217	6,217	4,806	1,411	4,809
Total Code Enforcement	44,918	44,918	40,842	4,076	40,322
Total Housing and Development	325,296	325,296	259,051	66,245	849,194
Debt Service					
Principal	23,591	23,591	102,791	(79,200)	149,249
Interest and fiscal charges	-	-	27,488	(27,488)	2,316
Total Debt Service	23,591	23,591	130,279	(106,688)	151,565
Total Expenditures	9,162,520	9,162,520	8,897,773	264,747	11,057,910
Other Financing Uses					
Transfers out	-	-	131,956	(131,956)	-
Total Expenditures and Other Financing Uses	\$ 9,162,520	\$ 9,162,520	\$ 9,029,729	\$ 132,791	\$ 11,057,910

Emanuel County, Georgia
East Central Georgia Drug Task Force
Comparative Balance Sheet
September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Assets		
Cash and cash equivalents	\$ 208,662	\$ 98,364
Receivables:		
Accounts	34,234	-
Intergovernmental	<u>62,364</u>	<u>109,079</u>
Total Assets	<u>\$ 305,260</u>	<u>\$ 207,443</u>
 Liabilities and Fund Balances		
Liabilities		
Escrow deposits	\$ 128,455	\$ 6,765
Interfund payable	<u>-</u>	<u>18,916</u>
Total Liabilities	128,455	25,681
 Fund Balances		
Restricted for public safety	<u>176,805</u>	<u>181,762</u>
Total Liabilities and Fund Balances	<u>\$ 305,260</u>	<u>\$ 207,443</u>

Emanuel County, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
For the Year Ended September 30, 2012
(With Comparative Totals At September 30, 2011)

	2012			2011
	2003 Chip Grant	Enhanced 911	Total Nonmajor Special Revenue Funds	Total Nonmajor Special Revenue Funds
Assets				
Cash and cash equivalents	\$ 365	\$ -	\$ 365	\$ 98,729
Receivables:				
Accounts	-	96,570	96,570	63,012
Intergovernmental	-	-	-	109,079
Total Assets	\$ 365	\$ 96,570	\$ 96,935	\$ 270,820
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ -	\$ 5,143	\$ 5,143	\$ 1,962
Accrued expenditures	-	5,415	5,415	5,252
Escrow deposits	-	-	-	6,765
Interfund payable	-	-	-	18,916
Total Liabilities	-	10,558	10,558	32,895
Fund Balances				
Restricted	365	86,012	86,377	237,925
Total Liabilities and Fund Balances	\$ 365	\$ 96,570	\$ 96,935	\$ 270,820

Emanuel County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended September 30, 2012
(With Comparative Totals For the Year Ended September 30, 2011)

	2012			2011
	2003 Chip Grant	Enhanced 911	Total Nonmajor Special Revenue Funds	Total Nonmajor Special Revenue Funds
Revenues				
Charges for services	\$ -	\$ 388,477	\$ 388,477	\$ 369,659
Fines and forfeitures	-	-	-	377,680
Miscellaneous	-	-	-	89
Total Revenues	-	388,477	388,477	747,428
Expenditures				
Current:				
Public safety	-	490,219	490,219	761,623
(Deficiency) of Revenues (Under) Expenditures	-	(101,742)	(101,742)	(14,195)
Other Financing Sources				
Transfers in	-	131,956	131,956	102,751
Net Change in Fund Balances	-	30,214	30,214	88,556
Fund Balances Beginning of Year	365	55,798	56,163	149,369
Fund Balances End of Year	<u>\$ 365</u>	<u>\$ 86,012</u>	<u>\$ 86,377</u>	<u>\$ 237,925</u>

Emanuel County, Georgia
2003 Chip Grant Fund
Comparative Balance Sheet
September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Assets		
Cash and cash equivalents	<u>\$ 365</u>	<u>\$ 365</u>
Fund Balances		
Restricted for capital outlay	<u>\$ 365</u>	<u>\$ 365</u>

Emanuel County, Georgia
2003 Chip Grant Fund
Statement of Changes in Fund Balances
For the Year Ended September 30, 2012
(With Comparative Actual Amounts for The Year Ended September 30, 2011)

Fund Balances Beginning of Year	<u>\$</u>	<u>365</u>	<u>\$</u>	<u>365</u>
Fund Balances End of Year	<u>\$</u>	<u>365</u>	<u>\$</u>	<u>365</u>

Emanuel County, Georgia
Emergency 911 Fund
Comparative Balance Sheet
September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Assets		
Accounts receivable	<u>\$ 96,570</u>	<u>\$ 63,012</u>
Liabilities and Fund Balances		
Liabilities		
Accounts payable	\$ 5,143	\$ 1,962
Accrued expenditures	<u>5,415</u>	<u>5,252</u>
Total Liabilities	10,558	7,214
Fund Balances		
Restricted for public safety	<u>86,012</u>	<u>55,798</u>
Total Liabilities and Fund Balances	<u>\$ 96,570</u>	<u>\$ 63,012</u>

Emanuel County, Georgia
Emergency 911 Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2012
(With Comparative Actual Amounts for The Year Ended September 30, 2011)

	2012				2011
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Charges for services	\$ 475,558	\$ 475,558	\$ 388,477	\$ (87,081)	\$ 369,659
Expenditures					
Current:					
Public safety	475,558	475,558	490,219	(14,661)	472,410
(Deficiency) of Revenues (Under) Expenditures	-	-	(101,742)	(101,742)	(102,751)
Other Financing Sources					
Transfers in	-	-	131,956	131,956	102,751
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ -</u>	30,214	<u>\$ 30,214</u>	-
Fund Balances Beginning of Year			55,798		55,798
Fund Balances End of Year			<u>\$ 86,012</u>		<u>\$ 55,798</u>

Emanuel County, Georgia
SPLOST Fund
Comparative Balance Sheet
September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Assets		
Cash and cash equivalents	\$ 1,627,539	\$ 4,326,753
Investments	1,013,081	-
Sales taxes receivable	<u>480,030</u>	<u>498,075</u>
Total Assets	<u><u>\$ 3,120,650</u></u>	<u><u>\$ 4,824,828</u></u>
 Liabilities and Fund Balances		
Liabilities		
Accrued expenditures	\$ -	\$ 27,742
 Fund Balances		
Restricted for capital outlay	<u>3,120,650</u>	<u>4,797,086</u>
Total Liabilities and Fund Balances	<u><u>\$ 3,120,650</u></u>	<u><u>\$ 4,824,828</u></u>

Emanuel County, Georgia
SPLOST Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Years Ended September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Revenues		
Sales taxes	\$ 2,762,333	\$ 2,724,807
Intergovernmental	72,500	-
Investment earnings	9,805	21,502
Total Revenues	<u>2,844,638</u>	<u>2,746,309</u>
Expenditures		
Current:		
Public works	20,516	-
Intergovernmental	2,227,657	295,392
Capital Outlay	478,179	605,781
Debt Service:		
Principal	1,734,950	1,623,866
Interest	59,772	181,504
Bond issuance costs	-	48,834
Total Expenditures	<u>4,521,074</u>	<u>2,755,377</u>
(Deficiency) of Revenues (Under) Expenditures	(1,676,436)	(9,068)
Other Financing Sources		
Issuance of bonds	-	1,560,000
Net Change in Fund Balances	(1,676,436)	1,550,932
Fund Balances Beginning of Year	<u>4,797,086</u>	<u>3,246,154</u>
Fund Balances End of Year	<u>\$ 3,120,650</u>	<u>\$ 4,797,086</u>

Emanuel County, Georgia
Development Authority of Emanuel County
and the City of Swainsboro Fund
Comparative Statement of Net Assets
September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Assets		
Current Assets:		
Cash and cash equivalents	\$ 822,797	\$ 695,889
Receivables:		
Notes	4,222	4,222
Interfund	57,886	57,886
Land and building held for resale	<u>1,236,170</u>	<u>1,205,634</u>
Total Current Assets	2,121,075	1,963,631
Noncurrent Assets:		
Notes receivable	<u>37,800</u>	<u>37,800</u>
Total Assets	<u>2,158,875</u>	<u>2,001,431</u>
Liabilities		
Current Liabilities:		
Accounts payable	14,060	1,696
Accrued expenses	2,071	2,012
Interfund payable	<u>516,705</u>	<u>416,705</u>
Total Current Liabilities	<u>532,836</u>	<u>420,413</u>
Net Assets		
Unrestricted	<u>\$ 1,626,039</u>	<u>\$ 1,581,018</u>

Emanuel County, Georgia
Development Authority of Emanuel County
and the City of Swainsboro Fund
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Assets
For the Years Ended September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Operating Revenues		
Miscellaneous	\$ 20,212	\$ 1,020
Operating Expenses		
Personal services	73,602	70,649
Purchased services and supplies	611,249	1,826,703
Depreciation	-	1,085
Total Operating Expenses	<u>684,851</u>	<u>1,898,437</u>
Operating (Loss)	<u>(664,639)</u>	<u>(1,897,417)</u>
Non-operating Revenues (Expenses)		
Operating grants	287,911	831,607
Capital grants	436,844	-
Investment earnings	895	5,145
Gain (loss) on property sales	(15,990)	42,183
Revolving loan	-	490,990
Total Non-operating Revenues (Expenses)	<u>709,660</u>	<u>1,369,925</u>
Change in Net Assets	45,021	(527,492)
Net Assets Beginning of Year	<u>1,581,018</u>	<u>2,108,510</u>
Net Assets End of Year	<u>\$ 1,626,039</u>	<u>\$ 1,581,018</u>

Emanuel County, Georgia
Development Authority of Emanuel County
and the City of Swainsboro Fund
Comparative Statement of Cash Flows
For the Years Ended September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	\$ 20,212	\$ 40,407
Cash payments for personal services	(73,543)	(69,487)
Cash payments for goods and services	<u>(629,421)</u>	<u>(1,454,384)</u>
Net Cash Provided by (Used in) Operating Activities	<u>(682,752)</u>	<u>(1,483,464)</u>
Cash Flows from Noncapital Financing Activities		
Operating grants	287,911	1,369,925
Increase (decrease) in interfund loan payable	<u>100,000</u>	<u>-</u>
Net Cash Flows from Noncapital Financing Activities	<u>387,911</u>	<u>1,369,925</u>
Cash Flows from Capital and Related Financing Activities		
Capital grants	436,844	-
Other capital item	<u>(15,990)</u>	<u>-</u>
Total Cash Flows from Capital and Related Financing Activities	<u>420,854</u>	<u>-</u>
Cash Flows from Investing Activities		
Investment earnings	<u>895</u>	<u>360,640</u>
Net Increase (Decrease) in Cash and Cash Equivalents	126,908	247,101
Cash and Cash Equivalents Beginning of Year	<u>695,889</u>	<u>448,788</u>
Cash and Cash Equivalents End of Year	<u><u>\$ 822,797</u></u>	<u><u>\$ 695,889</u></u>
Reconciliation of Operating (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating (Loss)	\$ (664,639)	\$ (1,897,417)
Adjustments:		
Depreciation	-	1,085
(Increase) Decrease in Assets:		
Notes receivable	-	39,387
Land and building held for resale	(30,536)	374,276
Increase (Decrease) in Liabilities:		
Accounts payable	12,364	(1,957)
Accrued expenses	<u>59</u>	<u>1,162</u>
Net Cash Provided by (Used in) Operating Activities	<u><u>\$ (682,752)</u></u>	<u><u>\$ (1,483,464)</u></u>

Emanuel County, Georgia
Emanuel County Development Authority Fund
Comparative Statement of Net Assets
September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Assets		
Current Assets:		
Cash and cash equivalents	\$ 206	\$ 206
Receivables:		
Notes	131,550	501,300
Interest	4,651	6,942
Interfund	516,705	416,705
Land and building held for resale	<u>90,711</u>	<u>90,711</u>
Total Current Assets	743,823	1,015,864
Noncurrent Assets		
Notes receivable	<u>305,000</u>	<u>486,568</u>
Total Assets	<u>1,048,823</u>	<u>1,502,432</u>
Liabilities		
Current Liabilities:		
Accrued payables	4,650	4,650
Interfund payables	211,161	211,161
Notes payable	51,551	51,300
Bonds payable	<u>80,000</u>	<u>350,000</u>
Total Current Liabilities:	<u>347,362</u>	<u>617,111</u>
Long-term Liabilities (Net of Current Portion):		
Notes payable	-	51,568
Bonds payable	<u>305,000</u>	<u>385,000</u>
Total Long-term Liabilities:	<u>305,000</u>	<u>436,568</u>
Total Liabilities	<u>652,362</u>	<u>1,053,679</u>
Net Assets		
Unrestricted	<u>\$ 396,461</u>	<u>\$ 448,753</u>

Emanuel County, Georgia
Emanuel County Development Authority Fund
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Assets
For the Years Ended September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Operating Revenues		
Charges for services	\$ 33,467	\$ 40,857
Operating Expenses		
Personal services	<u>52,292</u>	<u>-</u>
Operating Income (Loss)	(18,825)	40,857
Non-operating Expenses		
Interest expense	<u>(33,467)</u>	<u>(40,857)</u>
Change in Net Assets	(52,292)	-
Net Assets Beginning of Year	<u>448,753</u>	<u>448,753</u>
Net Assets End of Year	<u><u>\$ 396,461</u></u>	<u><u>\$ 448,753</u></u>

Emanuel County, Georgia
Emanuel County Development Authority Fund
Comparative Statement of Cash Flows
For the Years Ended September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash received from customers	\$ 35,758	\$ 40,857
Cash payments for personal services	<u>(52,292)</u>	<u>-</u>
Net Cash Provided by (Used in) Operating Activities	<u>(16,534)</u>	<u>40,857</u>
Cash Flows from Noncapital Financing Activities		
(Increase) decrease in notes receivable	551,318	-
(Increase) decrease in interfund loan receivable	<u>(100,000)</u>	<u>-</u>
Net Cash Flows from Noncapital Financing Activities	<u>451,318</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities		
Interest	(33,467)	(40,857)
Principal on bonds payable	(350,000)	-
Principal on notes payable	<u>(51,317)</u>	<u>-</u>
Net Cash Provided by (Used in) Capital and Related Financing Activities	<u>(434,784)</u>	<u>(40,857)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	-
Cash and Cash Equivalents Beginning of Year	<u>206</u>	<u>206</u>
Cash and Cash Equivalents End of Year	<u><u>\$ 206</u></u>	<u><u>\$ 206</u></u>
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities		
Operating Income (Loss)	\$ (18,825)	\$ 40,857
(Increase) Decrease in Assets:		
Interest receivable	<u>2,291</u>	<u>-</u>
Net Cash Provided by (Used in) Operating Activities	<u><u>\$ (16,534)</u></u>	<u><u>\$ 40,857</u></u>

Emanuel County, Georgia
Emanuel County Revolving Loan Fund
Comparative Statement of Net Assets
September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Assets		
Current Assets:		
Cash and cash equivalents	\$ 173	\$ 173
Noncurrent Assets:		
Notes receivable	<u>490,990</u>	<u>490,990</u>
Total Assets	<u>491,163</u>	<u>491,163</u>
Net Assets		
Unrestricted	<u>\$ 491,163</u>	<u>\$ 491,163</u>

Emanuel County, Georgia
Emanuel County Revolving Loan Fund
Comparative Statement of Revenues,
and Changes in Fund Net Assets
For the Years Ended September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Non-operating Revenues		
Investment earnings	\$ -	\$ 235
Net Assets Beginning of Year	<u>491,163</u>	<u>490,928</u>
Net Assets End of Year	<u>\$ 491,163</u>	<u>\$ 491,163</u>

Emanuel County, Georgia
Emanuel County Revolving Loan Fund
Comparative Statement of Cash Flows
For the Years Ended September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Increase (Decrease) in Cash and Cash Equivalents		
Cash Flows from Noncapital Financing Activities		
Transfers out	\$ -	\$ (490,990)
Cash Flows from Investing Activities		
Investment earnings	<u>-</u>	<u>235</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	(490,755)
Cash and Cash Equivalents Beginning of Year	<u>173</u>	<u>490,928</u>
Cash and Cash Equivalents End of Year	<u><u>\$ 173</u></u>	<u><u>\$ 173</u></u>
Reconciliation of Operating (Loss) to Net Cash Provided by (Used in) Operating Activities		
Operating (Loss)	\$ -	\$ -
(Increase) Decrease in Assets:		
Accounts receivables	-	-
Increase (Decrease) in Liabilities:		
Accrued expenses payable	<u>-</u>	<u>-</u>
Net Cash Provided by (Used in) Operating Activities	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Emanuel County, Georgia
Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
For the Year Ended September 30, 2012

Tax Commissioner	Balance October 1, 2011	Additions	Deductions	Eliminations	Balance September 30, 2012
Assets					
Cash and cash equivalents	\$ 31,950	\$ 12,882,706	\$ 12,857,608	\$ -	\$ 57,048
Property taxes receivables	391,474	12,799,264	13,190,738	-	-
Total Assets	\$ 423,424	\$ 25,681,970	\$ 26,048,346	\$ -	\$ 57,048
Liabilities					
Intergovernmental payable	\$ 423,424	\$ 6,732,455	\$ 7,098,831	\$ -	\$ 57,048
Probate Court	Balance October 1, 2011	Additions	Deductions	Eliminations	Balance September 30, 2012
Assets					
Cash and cash equivalents	\$ 98	\$ 71,619	\$ 71,682	\$ -	\$ 35
Liabilities					
Due to others	\$ 98	\$ 71,289	\$ 71,352	\$ -	\$ 35
Clerk of Superior Court	Balance October 1, 2011	Additions	Deductions	Eliminations	Balance September 30, 2012
Assets					
Cash and cash equivalents	\$ 139,712	\$ 1,532,375	\$ 1,046,823	\$ -	\$ 625,264
Liabilities					
Due to others	\$ 139,712	\$ 1,551,769	\$ 1,066,217	\$ -	\$ 625,264

(continued)

Thomas County, Georgia
Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
For the Year Ended September 30, 2012

(continued)

Magistrate Court	Balance	Additions	Deductions	Eliminations	Balance
	October 1, 2011				September 30, 2012
Assets					
Cash and cash equivalents	\$ 99	\$ 517,049	\$ 517,045	\$ -	\$ 103
Liabilities					
Due to others	\$ 99	\$ 516,500	\$ 516,496	\$ -	\$ 103
Sheriff	Balance	Additions	Deductions	Eliminations	Balance
	October 1, 2011				September 30, 2012
Assets					
Cash and cash equivalents	\$ 54,478	\$ 118,744	\$ 110,383	\$ -	\$ 62,839
Due from others	-	1,000	-	-	1,000
Total Assets	<u>\$ 54,478</u>	<u>\$ 119,744</u>	<u>\$ 110,383</u>	<u>\$ -</u>	<u>\$ 63,839</u>
Liabilities					
Due to others	\$ 54,478	\$ 131,775	\$ 122,414	\$ -	\$ 63,839
Totals	Balance	Additions	Deductions	Eliminations	Balance
	October 1, 2011				September 30, 2012
Assets					
Cash and cash equivalents	\$ 226,337	\$ 15,122,493	\$ 14,603,541	\$ -	\$ 745,289
Property taxes receivable	391,474	12,799,264	13,190,738	-	-
Due from others	-	1,000	-	-	1,000
Total Assets	<u>\$ 617,811</u>	<u>\$ 27,922,757</u>	<u>\$ 27,794,279</u>	<u>\$ -</u>	<u>\$ 746,289</u>
Liabilities					
Intergovernmental payable	\$ 423,424	\$ 6,732,455	\$ 7,098,831	\$ -	\$ 57,048
Due to others	194,387	2,271,333	1,776,479	-	689,241
Total Liabilities	<u>\$ 617,811</u>	<u>\$ 9,003,788</u>	<u>\$ 8,875,310</u>	<u>\$ -</u>	<u>\$ 746,289</u>

EMANUEL COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL SALES TAX PROCEEDS
September 30, 2012

	ORIGINAL ESTIMATED COST	CURRENT ESTIMATED COST	EXPENDITURES		ESTIMATED PERCENTAGE OF COMPLETION
			PRIOR YEARS	CURRENT YEAR	
				TOTAL	
<u>PROJECTS UNDER 2005 REFERENDUM</u>					
Industrial Development	\$ 1,190,000	\$ 1,190,000	\$ 1,101,200	\$ -	\$ 1,101,200 93%
Recreation and Leisure	500,000	500,000	235,431	-	235,431 47%
Road Improvements	1,303,887	1,303,887	992,317	-	992,317 76%
Solid Waste	650,000	650,000	764,336		764,336 100%
Road and Construction Equipment	350,000	350,000	1,407,595		1,407,595 100%
Rural Fire Department	350,000	350,000	211,305		211,305 60%
Emergency Medical Services	300,000	300,000	337,550		337,550 113%
Public Safety (911 Phase II Equipment)	500,000	500,000	524,678		524,678 105%
Jail	2,275,000	2,275,000	2,351,741		2,351,741 100%
Firetrucks	786,000	786,000	774,932		774,932 100%
Parks	300,000	300,000	191,033		191,033 100%
Interest	1,101,004	1,101,004	1,201,266		1,201,266 109%
County Buildings	300,000	300,000	325,909		325,909 109%
City of Swainsboro	3,000,000	3,000,000	2,176,585		2,176,585 73%
City of Twin City	750,000	750,000	793,320		793,320 100%
City of Adrian	50,000	50,000	53,090	-	53,090 100%
City of Garfield	50,000	50,000	53,090	-	53,090 100%
City of Nunez	50,000	50,000	53,090	-	53,090 100%
City of Oak Park	50,000	50,000	53,090	-	53,090 100%
City of Stillmore	50,000	50,000	53,090	-	53,090 100%
City of Summertown	50,000	50,000	53,090	-	53,090 100%
Debt Service - Courthouse	997,473	997,473	562,839		562,839 56%
	<u>\$ 14,953,364</u>	<u>\$ 14,953,364</u>	<u>\$ 14,270,577</u>	<u>\$ -</u>	<u>\$ 14,270,577 93%</u>
Current SPLOST Expenditures (above)			\$	-	
SPLOT Bond Principal				-	
Bond Issuance Costs				-	
Total SPLOT Expenditures (page 17)			\$	-	

EMANUEL COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL SALES TAX PROCEEDS
September 30, 2012

	ORIGINAL ESTIMATED COST	CURRENT ESTIMATED COST	EXPENDITURES			ESTIMATED PERCENTAGE OF COMPLETION
			PRIOR YEARS	CURRENT YEAR	TOTAL	
PROJECTS UNDER 2010 REFERENDUM						
General Obligation Bonds-principal	\$ 828,379	\$ 828,379	\$ -	\$ -	\$ -	0%
Hospital Authority Debt	4,775,062	4,775,062		1,008,626	1,008,626	21%
Bonds-County Projects	1,560,000	1,560,000				0%
Interest	1,000,000	1,000,000				0%
City of Adrian	232,996	232,996		16,431	16,431	7%
City of Garfield	66,000	66,000		7,764	7,764	12%
City of Nunez	63,008	63,008		7,608	7,608	12%
City of Oak Park	151,402	151,402		12,196	12,196	8%
City of Stillmore	292,832	292,832		19,537	19,537	7%
City of Summertown	61,378	61,378		7,523	7,523	12%
City of Swainsboro	2,728,866	2,728,866		400,108	400,108	15%
City of Twin City	694,456	694,456		100,684	100,684	14%
County Buildings	100,000	100,000		67,468	67,468	67%
Solid Waste	100,000	100,000		59,404	59,404	59%
Jail	2,000	2,000		992	992	50%
Recreation and Leisure	250,000	250,000		199,007	199,007	80%
Public Safety	400,000	400,000		240,929	240,929	60%
Emergency Medical Services	50,000	50,000		17,957	17,957	36%
Rural Fire Department	100,000	100,000		81,939	81,939	82%
County Buildings	1,085,442	1,085,442				0%
Economic Development	478,179	478,179		478,179	478,179	100%
	<u>\$ 15,020,000</u>	<u>\$ 15,020,000</u>	<u>\$ -</u>	<u>\$ 2,726,352</u>	<u>\$ 2,726,352</u>	<u>5%</u>
Current SPLOST Expenditures (above)				\$ 2,726,352		
SPLOST Bond Principal				1,734,950		
Bond Issuance Costs				59,772		
Total SPLOST Expenditures (page 65)				<u>\$ 4,521,074</u>		

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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*

The Commissioners of Roads and Revenues
Emanuel County, Georgia

I have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Emanuel County, Georgia, as of and for the year ended September 30, 2012, which collectively comprise the Emanuel County, Georgia's basic financial statements and have issued my report thereon dated March 13, 2013. I conducted my 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 my audit, I considered Emanuel County, Georgia's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Emanuel County, Georgia's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Emanuel 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.

My 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. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Emanuel County, Georgia's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

I noted certain matters that I reported to management of Emanuel County, Georgia, in a separate letter dated March 13, 2013.

This report is intended solely for the information and use of management, county commissioners, others within the organization, 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.

A handwritten signature in cursive script, reading "Steve Avery". The signature is written in black ink and is positioned below the disclaimer text.

March 13, 2013