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# UPSON COUNTY, GEORGIA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

**For the Year Ended  
December 31, 2010**

**PREPARED BY:  
FINANCE OFFICE**

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**UPSON COUNTY, GEORGIA**  
**Comprehensive Annual Financial Report**  
For the Year Ended December 31, 2010

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UPSON COUNTY BOARD OF COMMISSIONERS  
106 East Lee Street, Suite 110  
Thomaston, GA 30286  
(706) 647-7012

Maurice Raines - Chairman  
Sandra T. Trice - District 1  
Steve Hudson - District 2  
Rusty Blackston - District 3  
Frank Spraggins - District 4

May 9, 2011

Honorable Members of the Upson County Board of Commissioners  
and the Citizens of Upson County, Georgia:

State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements based on accounting principles generally accepted accounting principles generally accepted in the United States of America and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Upson County, Georgia for the year ended December 31, 2010.

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

Upson County's financial statements have been audited by Driver & Adams, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Upson County, Georgia for the year ended December 31, 2010, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principals used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that Upson County's financial statements for the year ended December 31, 2010, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

## **Profile of the Government**

Upson County, Georgia, (incorporated in 1824, is located in west central Georgia, approximately 68 miles south of Atlanta, and serves a population of approximately 27,000 . Upson County is an area approximately 333 square miles, ranked 84<sup>th</sup> in size among Georgia's 159 counties. Upson County is empowered to levy a property tax on both real and personal properties located within its boundaries.

The governing body (Upson County Board of Commissioners) of the County is responsible, among other things, for passing ordinances, adopting the budget, appointing department heads, making appointments to agencies and authorities within the county, and hiring both the county attorney and county auditor. The Commission is elected on a non-partisan basis and each serve four-year terms.

The annual budget serves as the foundation for Upson County's financial planning and control. All departments and agencies funded by Upson County are required to submit requests for appropriation to the county's finance department each year. The commission is required to hold public hearings on the proposed budget and to adopt a final budget by no later than December 1, for the fiscal year commencing the following January 1. The appropriated budget is prepared by fund (e.g., general), function (e.g., public works), and department (e.g., engineering). Management is authorized to transfer budget amounts between expenditure character within individual departments. Transfers between departments or revisions which increase total expenditures of a fund must be approved by the County Commission.

## **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Upson County operates.

Upson County, Georgia is located in west central Georgia, approximately 68 miles south of Atlanta, 45 miles west of Macon and 57 miles northeast of Columbus. The forever increasing industrial, commercial and residential growth from south of Atlanta together with a new four-lane highway connector from Thomaston to this area, places the County in a very favorable geographic location destined for future growth.

Also underway is the continuing enhancement of our new \$15 million airport facility for our area to serve existing air traffic capabilities for new and existing industry. The new airport became operational during 1994. The airport facility continues to expand due to F.A.A., D.O.T., and local financial efforts to purchase additional adjacent land, and the widening and strengthening of the runway and taxiway to accommodate larger aircraft.

Upson County has completed two S.P.L.O.S.T. construction initiatives. The first S.P.L.O.S.T. totaling \$7,000,000 was used to build a new governmental complex and improve our recreational facilities. The second S.P.L.O.S.T. totaling \$11,960,000 was used to improve and extend sewer lines, improve and renovate our historic courthouse and construct a new county jail facility.

Underway and almost complete is the current \$18,000,000 S.P.L.O.S.T. project. Many useful infrastructure improvements have been made.

Construction has been completed on a new speculative building within our newly acquired industrial park. This building is located in close proximity to our new airport. We expect to receive numerous industrial prospects from this effort, as well as the continued cooperative efforts from the Georgia Department of Industry and Trade.

## **Awards and Acknowledgments**

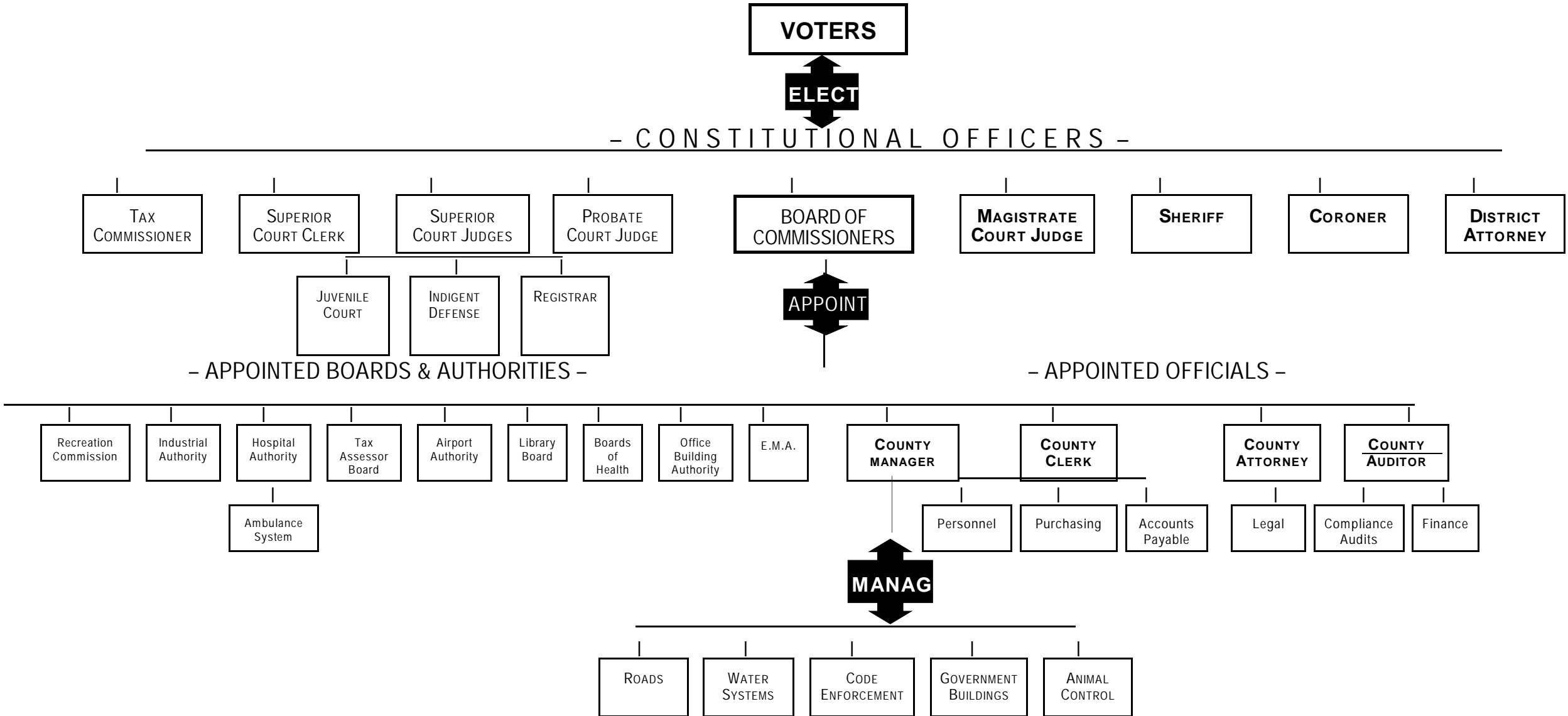
The preparation of this report could not have been accomplished without the efficient and dedicated service of the entire finance office staff. I would like to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit must also be given to the Upson County Board of Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of Upson County, Georgia's finances.

Respectfully submitted,

Kyle Hood  
County Manager



# UPSON COUNTY, GEORGIA ORGANIZATIONAL CHART



UPSON COUNTY, GEORGIA  
List of Elected and Appointed Officials  
December 31, 2010

Elected Officials

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**BOARD OF COMMISSIONERS**

Maurice Raines, Chairman

Steve Hudson

Rusty Blackston

Frank Spraggins

Sandra T. Trice

**CONSTITUTIONAL OFFICERS**

Teresa Harper, Clerk of Superior Court

Berry Cook, Tax Commissioner

Don Peacock, Sheriff

Gary Hamby, Probate Court Judge

Danny Bentley, Magistrate Court Judge

May 1, 2010

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners  
of Upson County, Georgia  
Thomaston, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Upson County, Georgia, as of and for the year ended December 31, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These basic financial statements are the responsibility of management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Upson County Department of Health, a non-major component unit. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for each of these component units, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Upson County, Georgia as of December 31, 2009, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund and 911 Fund, 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*, we have also issued our report dated May 1, 2009 on our consideration of Upson County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis is not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Upson County, Georgia basic financial statements. The accompanying information identified in the table of contents as the introductory section, supplementary information, which includes the schedule of federal awards on page 116, and statistical tables is presented for purposes of additional analysis and is not a required part of the basic financial statements of Upson County, Georgia. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of Upson County, Georgia. The combining and individual nonmajor fund financial statements and schedules, the budgetary comparison schedules, the schedule of projects constructed with special sales tax proceeds, and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section, supplementary information, and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

## Management's Discussion and Analysis

As management of Upson County, Georgia, we offer readers of the County's financial statement this narrative overview and analysis of the financial activities of the County for the year ended December 31, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-3 of this report.

### Financial Highlights

- The assets of the County exceeded its liabilities as of December 31, 2010, by \$41,884,681 (net assets).
- The government's total net assets increased by \$1,526,933 for year 2010.
- As of December 31, 2010, the County's governmental funds reported combined ending fund balances of \$7,563,985, an increase of \$570,666 from prior year fund balances. Approximately 42% or \$3,144,501 of this total amount is available at the County's discretion (unreserved fund balance).
- At December 31, 2010, unreserved fund balance of the General Fund increased by \$249,985 to \$3,144,501 or 23.5% of total General Fund expenditures.
- Upson County's total long-term debt increased by \$76,508 during year 2010. The main components of this increase was a \$37,722 principal payment on existing G.E.F.A. loans, principal payments on capital leases totaling \$128,132, and additional G.E.F.A. loan proceeds of \$242,362.

### Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The basic financial statements comprise three components:

1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The statements within the first component are government-wide financial statements that provide both long-term and short-term information about the County's overall financial status in a manner similar to a private-sector business.

The statements within the second component are fund financial statements that focus on individual parts of the County government, reporting the County's operations in more detail than the government-wide statements.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances. These two statements are the 1) statement of net assets and 2) statement of activities.

The *statement of net assets* presents information on all of the County's assets and liabilities, with the difference between the two 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 is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, health and welfare, and culture and recreation. The business-type activities are the Northside, Sunset and Lincoln Park Water Systems.

The government-wide financial statements include not only Upson County government itself (known as the primary government), but also the component units of Upson County. Financial information for the component units is reported separately from the financial information presented for the primary government itself. The Thomaston-Upson County Airport Authority, the Thomaston-Upson County Recreation Commission, and Industrial Development Authority are considered major component units and, as such, are presented in separate columns while data for the remaining two non-major component units are combined into a single aggregated presentation. Additional information for all non-major component units can be found in the combining statements on pages 85-86 of this report.

The government-wide financial statements can be found on pages 14-17 of this report.

**Fund financial statements.** The remaining statements are fund financial statements that focus on individual parts of the County government, reporting the County's operations in more detail than the government-wide statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Upson County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Upson County can be divided into three (3) categories: 1) governmental funds, 2) proprietary funds, and 3) fiduciary funds.

**Governmental funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Upson County maintains five (5) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, the 911 Fund and 2005 S.P.L.O.S.T. Capital Projects Fund and are considered to be major funds. Data from the other two (2) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of both combining statements and individual fund statements elsewhere in this report.

The County adopts an annual appropriated budget for its general fund, special revenue funds and capital projects. A budgetary comparison statement has been provided for each fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 18-24 of this report.

**Proprietary funds.** The County maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses an enterprise fund to account for the County Water Districts.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Northside, Sunset and Lincoln Park Water Districts.

The basic proprietary fund financial statements can be found on pages 25-27 of this report.

**Fiduciary funds.** Fiduciary fund statements provide information about the financial relationships such as the pension plan for Upson County employees, in which the County acts solely as a trustee or agent for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Individual fund data for the fiduciary funds is provided in the form of both combining statements and individual fund statements elsewhere in this report.

**Notes to the financial statements.** The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30 through 53 of this report.

## Government-wide Financial Analysis

Net assets may serve over time as a useful indicator of a government's financial position. In the case of Upson County, assets exceeded liabilities by \$41,884,681 at the close of the most recent fiscal year.

By far the largest portion of the County's net assets reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and vehicles); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although Upson County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

### Upson County, Georgia's Net Assets

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
Current and other assets	\$ 7,664,029	\$ 7,167,459	\$ 618,260	\$ 437,056	\$ 8,282,289	\$ 7,604,515
Capital assets	<u>33,047,903</u>	<u>32,603,159</u>	<u>5,220,119</u>	<u>4,917,427</u>	<u>38,268,022</u>	<u>37,520,586</u>
Total assets	<u>\$ 40,711,932</u>	<u>\$ 39,770,618</u>	<u>\$ 5,838,379</u>	<u>\$ 5,354,483</u>	<u>\$ 46,550,311</u>	<u>\$ 45,125,101</u>
Total liabilities	<u>\$ 745,644</u>	<u>\$ 947,892</u>	<u>\$ 3,919,986</u>	<u>\$ 3,819,461</u>	<u>\$ 4,665,630</u>	<u>\$ 4,767,353</u>
<u>Net assets:</u>						
Invested in capital assets, net of related debt	\$ 32,402,303	\$ 31,829,427	\$ 1,430,396	\$ 1,332,341	\$ 33,832,699	\$ 33,161,768
Restricted	4,419,484	4,098,783	--	--	4,419,484	4,098,783
Unrestricted	<u>3,144,501</u>	<u>2,894,516</u>	<u>487,997</u>	<u>202,681</u>	<u>3,632,498</u>	<u>3,097,197</u>
Total net assets	<u>\$ 39,966,288</u>	<u>\$ 38,822,726</u>	<u>\$ 1,918,393</u>	<u>\$ 1,535,022</u>	<u>\$ 41,884,681</u>	<u>\$ 40,357,748</u>

There was a net increase of \$320,701 in restricted net assets reported for the County's governmental activities. The major factor for the increase was the accumulation of SPLOST proceeds for a level 1 project for Highway 36 expansion

There was an increase of \$249,985 in unrestricted net assets reported in the County's governmental activities. The statement on pages 20 and 21 reflect the key elements of the decrease.

## Upson County, Georgia's Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2010	2009	2010	2009	2010	2009
<b>Revenues:</b>						
Program Revenues:						
Charges for services	\$ 2,473,289	\$ 2,377,207	\$ 1,163,488	\$ 989,518	\$ 3,636,777	\$ 3,366,725
Operating grants & contributions	44,107	157,067	--	--	44,107	157,067
Capital grants & contributions	--	--	239,074	105,437	239,074	105,437
General Revenues:						
Property Taxes	8,535,057	8,821,475	--	--	8,535,057	8,821,475
Other Taxes	6,084,263	6,061,361	--	--	6,084,263	6,061,361
Interest	6,123	7,947	184	242	6,307	8,189
Other	102,065	109,674	--	--	102,065	109,674
Total Revenues	<u>\$ 17,244,904</u>	<u>\$ 17,534,731</u>	<u>\$ 1,402,746</u>	<u>\$ 1,095,197</u>	<u>\$ 18,647,650</u>	<u>\$ 18,629,928</u>
<b>Expenses:</b>						
General government	\$ 6,901,756	\$ 7,275,699	--	--	\$ 6,901,756	\$ 7,275,699
Public safety	3,943,478	4,245,847	--	--	3,943,478	4,245,847
Public works	1,593,621	1,542,130	--	--	1,593,621	1,542,130
Health and welfare	1,128,340	1,116,311	--	--	1,128,340	1,116,311
Culture and recreation	195,507	195,507	--	--	195,507	195,507
Intergovernmental	2,200,744	2,213,087	--	--	2,200,744	2,213,087
Interest on debt	96,663	185,005	--	--	96,663	185,005
Water Systems	--	--	1,019,375	1,157,284	1,019,375	1,157,284
Total Expenses	<u>\$ 16,060,109</u>	<u>\$ 16,773,586</u>	<u>\$ 1,019,375</u>	<u>\$ 1,157,284</u>	<u>\$ 17,079,484</u>	<u>\$ 17,930,870</u>
Increase in net assets	<u>\$ 1,143,562</u>	<u>\$ 761,145</u>	<u>\$ 383,371</u>	<u>\$ (62,087)</u>	<u>\$ 1,526,933</u>	<u>\$ 699,058</u>

### **Governmental Activities:**

Property taxes, which taxes are the largest source of revenue for financing governmental activities, decreased by \$286,418 for the year 2010. Prior year 2009 property tax revenue included collections of delinquent taxes. Otherwise, tax millage rates and taxable digest values remained relatively the same for both years.

### **Business-type activities:**

The County charges fees to customers of the Water System Enterprise Fund for costs of services it provides. These activities increased the County's net assets by \$383,371 as compared to an decrease of \$62,087 in the prior year.



## **Financial Analysis of the Government's Funds**

The fund financial statements provide more detailed information about the County's most significant funds, not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by State law and by bond covenants. The Board of Commissioners establishes other funds to control and manage money for particular purposes (like the purchase or construction on major capital facilities within the County) or to show that it is properly using certain taxes and grants.

**Governmental funds.** Most of the County's basic services are included here, such as public safety, public works, culture and recreation, and general administration. These focus on (1) cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Such information is useful in assessing Upson County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Upson County's governmental funds reported combined ending fund balances of \$7,563,985, an increase of \$570,686 in comparison with the prior year. Approximately 41.5 percent of this amount (\$3,144,501) constitutes unreserved fund balance which is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed to be used for capital outlay (\$4,098,783).

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unreserved fund balance of the general fund was \$3,144,501. As a measure of the general fund's liquidity, it may be useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance represents 23.5 percent of total general fund expenditures.

The fund balance of the County's general fund increased by \$570,686 during the current year.

**Proprietary funds.** Upson County's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of this fund have been previously discussed with the County's business-type activities.

### **Capital Assets and Debt Administration**

**Capital assets.** Upson County's investment in capital assets for its governmental and business-type activities as of December 31, 2010, amounts to \$38,268,022 (net of accumulated depreciation). This investment includes land, buildings and systems, machinery, vehicles and infrastructure.

Information on the County's capital assets can be found in the notes to the financial statements on pages 41-42 of this report.

**Long-term debt.** At the end of the current year, the County had total debt outstanding of \$4,435,326, all of which is backed by the full faith and credit of the County. Information on the County's long-term debt can be found in the notes to the financial statements on pages 44-45.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of the assessed value of all taxable property (tax digest) within said county. The current debt limitation for Upson County is significantly in excess of the County's outstanding general obligation debt.

Additional information surrounding the County's long-term debt can be found on the comparative schedule of general long-term debt and in the notes to the financial statements on page 86 and on pages 43-46 of this report, respectively.

### **Requests for Information**

This financial report is designed to provide a general overview of Upson County, Georgia's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the County Commissioners, Governmental Complex, 106 East Lee Street, Suite 110, Thomaston, Georgia 30286.

**UPSON COUNTY, GEORGIA**  
**Statement of Net Assets**  
**December 31, 2010**

	<b>PRIMARY GOVERNMENT</b>		
	Governmental Activities	Business-type Activities	Total
<b><u>ASSETS:</u></b>			
Cash and cash equivalents	\$ 5,811,494	\$ 347,844	\$ 6,159,338
Receivables (net of allowance for uncollectibles)			
Taxes	1,824,437	-	1,824,437
Accounts	-	99,659	99,659
Grants	-	-	-
Internal Balances	19,233	(19,233)	-
Prepaid items	8,865	-	8,865
Restricted assets:			
Temporarily restricted:			
Cash and cash equivalents	-	189,990	189,990
Capital assets (net of accumulated depreciation)			
Land	2,149,190	-	2,149,190
Other capital assets, net of depreciation	<u>30,898,713</u>	<u>5,220,119</u>	<u>36,118,832</u>
Total Assets	<u>\$ 40,711,932</u>	<u>\$ 5,838,379</u>	<u>\$ 46,550,311</u>
<b><u>LIABILITIES:</u></b>			
Accounts payable	\$ 100,044	\$ 8,815	\$ 108,859
Liabilities payable from restricted assets	-	121,448	121,448
Noncurrent liabilities:			
Due within one year	133,280	44,521	177,801
Due in more than one year	<u>512,320</u>	<u>3,745,202</u>	<u>4,257,522</u>
Total Liabilities	<u>\$ 745,644</u>	<u>\$ 3,919,986</u>	<u>\$ 4,665,630</u>
<b><u>LIABILITIES:</u></b>			
Accounts payable	\$ 100,044	\$ 8,815	\$ 108,859
Liabilities payable from restricted assets	-	121,448	121,448
Noncurrent liabilities:			
Due within one year	133,280	44,521	177,801
Due in more than one year	<u>512,320</u>	<u>3,745,202</u>	<u>4,257,522</u>
Total Liabilities	<u>\$ 745,644</u>	<u>\$ 3,919,986</u>	<u>\$ 4,665,630</u>
<b><u>NET ASSETS:</u></b>			
Invested in capital assets, net of related debt	\$ 32,402,303	\$ 1,430,396	\$ 33,832,699
Restricted for capital outlay	4,378,950	-	4,378,950
Restricted for other purposes	40,534	-	40,534
Unrestricted	<u>3,144,501</u>	<u>487,997</u>	<u>3,632,498</u>
<b>TOTAL NET ASSETS</b>	<b><u>\$ 39,966,288</u></b>	<b><u>\$ 1,918,393</u></b>	<b><u>\$ 41,884,681</u></b>

The notes to the financial statements are an integral part of this statement.

**UPSON COUNTY, GEORGIA**  
**Statement of Net Assets**  
**December 31, 2010**

**COMPONENT UNITS**

Thomaston-Upson County Airport Authority	Thomaston-Upson County Industrial Development Authority	Thomaston-Upson County Recreation Commission	Non-Major Component Units
\$ 193,338	\$ 445,833	\$ 30,106	\$ 672,136
-	-	-	-
-	-	-	32,088
658,964	-	-	-
-	-	-	-
44,756	-	-	-
-	-	-	-
-	-	523,000	173,772
3,316,133	2,629,366	513,526	1,644,045
<u>11,573,326</u>	<u>2,969,818</u>	<u>-</u>	<u>-</u>
<u>\$ 15,786,517</u>	<u>\$ 6,045,017</u>	<u>\$ 1,066,632</u>	<u>\$ 2,522,041</u>
\$ 449,535	-	\$ 44,316	\$ 404,638
-	-	-	-
-	-	-	-
32,796	140,233	-	-
2,180,743	2,250,346	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 2,663,074</u>	<u>\$ 2,390,579</u>	<u>\$ 44,316</u>	<u>\$ 404,638</u>
\$ 12,675,920	\$ 3,622,335	\$ 1,036,526	\$ 1,817,817
-	-	-	-
-	-	-	-
447,523	32,103	(14,210)	299,586
<u>\$ 13,123,443</u>	<u>\$ 3,654,438</u>	<u>\$ 1,022,316</u>	<u>\$ 2,117,403</u>

The notes to the financial statements are an integral part of this statement.

**UPSON COUNTY, GEORGIA**  
**Statement of Activities**  
**December 31, 2010**

	Program Revenues			
<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
<b>Functions/Programs</b>				
<b>Primary Government:</b>				
Governmental Activities:				
General government	\$ 6,901,756	\$ 1,824,741	\$ 44,107	\$ -
Public safety	3,943,478	648,548	-	-
Public works	1,593,621	-	-	-
Health and welfare	1,128,340	-	-	-
Culture and recreation	195,507	-	-	-
Intergovernmental	2,200,744	-	-	-
Interest on short and long-term debt	96,663	-	-	-
Total governmental activities	<u>\$ 16,060,109</u>	<u>\$ 2,473,289</u>	<u>\$ 44,107</u>	<u>\$ -</u>
Business-type activities:				
Water Systems	\$ 1,019,375	\$ 1,163,488	\$ -	\$ 239,074
Total business-type activities	<u>\$ 1,019,375</u>	<u>\$ 1,163,488</u>	<u>\$ -</u>	<u>\$ 239,074</u>
Total Primary Government	<u>\$ 17,079,484</u>	<u>\$ 3,636,777</u>	<u>\$ 44,107</u>	<u>\$ 239,074</u>
<b>Component Units:</b>				
Upson County Dept. of Public Health	\$ 923,451	\$ 384,200	\$ 500,000	\$ -
Thomaston-Upson County:				
Industrial Development Authority	208,520	4,576	317,821	15,500
Airport Authority	1,209,987	765,251	173,715	1,428,543
Recreation Commission	846,959	46,980	659,955	-
Solid Waste Disposal Facility	260,437	-	270,000	-
Total Component Units	<u>\$ 3,449,354</u>	<u>\$ 1,201,007</u>	<u>\$ 1,921,491</u>	<u>\$ 1,444,043</u>
General revenues:				
Property tax				
Sales tax				
Insurance premium tax				
Beer & wine tax				
Franchise tax				
Intangible tax				
Real estate transfer tax				
Hotel/Motel tax				
Interest revenue				
Miscellaneous				
Total general revenues				
Change in Net Assets				
Net assets - Beginning				
Net assets - Ending				

The notes to the financial statements are an integral part of this statement.

**UPSON COUNTY, GEORGIA**  
**Statement of Activities**  
**December 31, 2010**

Net (Expense) Revenue and Changes in Net Assets						
Primary Government			Component Units			
Governmental Activities	Business-type Activities	Total	Thomaston- Upson County Airport Authority	Thomaston- Upson County Industrial Development Authority	Thomaston- Upson County Recreation Commission	Total Non-Major Component Units
\$ (5,032,908)	\$ —	\$ (5,032,908)				
(3,294,930)	—	(3,294,930)				
(1,593,621)	—	(1,593,621)				
(1,128,340)	—	(1,128,340)				
(195,507)	—	(195,507)				
(2,200,744)	—	(2,200,744)				
(96,663)	—	(96,663)				
<u>\$(13,542,713)</u>	<u>\$ —</u>	<u>\$ (13,542,713)</u>				
<u>\$ —</u>	<u>\$ 383,187</u>	<u>\$ 383,187</u>				
<u>\$ —</u>	<u>\$ 383,187</u>	<u>\$ 383,187</u>				
<u>\$(13,542,713)</u>	<u>\$ 383,187</u>	<u>\$ (13,159,526)</u>				
			\$ —	\$ —	\$ —	\$ (39,251)
			—	129,377	—	—
			1,157,522	—	—	—
			—	—	(140,024)	—
			—	—	—	9,563
			<u>\$ 1,157,522</u>	<u>\$ 129,377</u>	<u>\$ (140,024)</u>	<u>\$ (29,688)</u>
\$ 8,535,057	\$ —	\$ 8,535,057	\$ —	\$ —	\$ —	\$ —
4,980,673	—	4,980,673	—	—	—	—
847,392	—	847,392	—	—	—	—
138,097	—	138,097	—	—	—	—
90,501	—	90,501	—	—	—	—
59,905	—	59,905	—	—	—	—
12,683	—	12,683	—	—	—	—
7,012	—	7,012	—	—	—	—
6,123	184	6,307	560	3,163	125	3,340
102,065	—	102,065	—	—	—	—
<u>\$ 14,707,508</u>	<u>\$ 184</u>	<u>\$ 14,779,692</u>	<u>\$ 560</u>	<u>\$ 3,163</u>	<u>\$ 125</u>	<u>\$ 3,340</u>
<u>\$ 1,143,562</u>	<u>\$ 383,371</u>	<u>\$ 1,526,933</u>	<u>\$ 1,158,082</u>	<u>\$ 132,540</u>	<u>\$ (139,899)</u>	<u>\$ (26,348)</u>
<u>\$ 38,822,726</u>	<u>\$ 1,535,022</u>	<u>\$ 40,357,748</u>	<u>\$ 11,965,361</u>	<u>\$ 3,521,898</u>	<u>\$ 1,162,215</u>	<u>\$ 2,143,751</u>
<u><b>\$ 39,966,288</b></u>	<u><b>\$ 1,918,393</b></u>	<u><b>\$ 41,884,681</b></u>	<u><b>\$ 13,123,443</b></u>	<u><b>\$ 3,654,438</b></u>	<u><b>\$ 1,022,316</b></u>	<u><b>\$ 2,117,403</b></u>

The notes to the financial statements are an integral part of this statement.

**UPSON COUNTY, GEORGIA**

**Balance Sheet  
Governmental Funds  
December 31, 2010**

	<u>General Fund</u>	<u>Capital Projects Fund SPLOST Projects</u>	<u>911 Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b><u>ASSETS</u></b>					
Cash in banks	\$ 1,392,010	\$ 4,378,950	\$ 9,168	\$ 31,366	\$ 5,811,494
Receivables (net of allowance for estimated uncollectibles):					
Taxes	1,824,437	-	-	-	1,824,437
Due from other funds	19,233	-	-	-	19,233
Prepaid items	<u>8,865</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,865</u>
 Total Assets	 <u>\$ 3,244,545</u>	 <u>\$ 4,378,950</u>	 <u>\$ 9,168</u>	 <u>\$ 31,366</u>	 <u>\$ 7,664,029</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>					
Liabilities:					
Accounts payable	\$ 100,044	\$ -	\$ -	\$ -	\$ 100,044
Total Liabilities	<u>\$ 100,044</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 100,044</u>
Fund Balances:					
Reserved:					
Reserved for capital outlay	\$ -	\$ 4,378,950	\$ -	\$ -	\$ 4,378,950
Unreserved, reported in Special Revenue funds	-	-	9,168	31,366	40,534
Undesignated:					
General Fund	<u>3,144,501</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,144,501</u>
 Total Fund Balances	 <u>\$ 3,144,501</u>	 <u>\$ 4,378,950</u>	 <u>\$ 9,168</u>	 <u>\$ 31,366</u>	 <u>\$ 7,563,985</u>
 Total Liabilities and Fund Balances	 <u>\$ 3,244,545</u>	 <u>\$ 4,378,950</u>	 <u>\$ 9,168</u>	 <u>\$ 31,366</u>	 <u>\$ 7,664,029</u>

The notes to the financial statements are an integral part of this statement.

**UPSON COUNTY, GEORGIA**  
**Reconciliation of the Balance Sheet**  
**of Governmental Funds**  
**to the Statement of Net Assets**  
December 31, 2010

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Total Fund Equity per Balance Sheet of Governmental Funds	<u>\$ 7,563,985</u>
<p>Amounts reported for governmental activities in the Statement of Net Assets differ from amounts reported in the Balance Sheet of Governmental Funds due to the following:</p>	
<p>Capital Assets</p> <p>Capital assets used in governmental activities are not financial resources and are not reported in the governmental funds but are reported in the Statement of Net Assets.</p>	
Cost of the assets	\$ 61,605,195
Accumulated depreciation	(28,557,292)
<p>Long-term Liabilities</p> <p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities both current and long-term are reported in the Statement of Net Assets. Long-term liabilities at year-end consist of the following:</p>	
Capital leases payable	<u>(645,600)</u>
Total Adjustments	<u>\$ 32,402,303</u>
Total Net Assets of Governmental Activities	<u>\$ 39,966,288</u>

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The notes to the financial statements are an integral part of this statement.



UPSON COUNTY, GEORGIA  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
December 31, 2010

	General Fund	Capital Projects Fund SPLOST Projects	911 Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>					
Taxes:					
General property tax	\$ 8,535,057	\$ -	\$ -	\$ -	\$ 8,535,057
Sales tax	1,739,340	3,169,333	-	-	4,908,673
Insurance premium tax	847,392	-	-	-	847,392
Beer & wine tax	138,097	-	-	-	138,097
Franchise tax	90,501	-	-	-	90,501
Intangible tax	59,905	-	-	-	59,905
Real estate transfer tax	12,683	-	-	-	12,683
Hotel / Motel tax	-	-	-	7,012	7,012
Licenses and permits	167,795	-	-	-	167,795
Intergovernmental	44,107	-	-	-	44,107
Charges for services	1,225,575	-	431,371	-	1,656,946
Fines	632,974	-	-	15,574	648,548
Interest earnings	1,528	4,461	88	46	6,123
Other revenues	102,065	-	-	-	102,065
<b>Total Revenues</b>	<b>\$ 13,597,019</b>	<b>\$ 3,173,794</b>	<b>\$ 431,459</b>	<b>\$ 22,632</b>	<b>\$ 17,224,904</b>
<b>Expenditures:</b>					
Current:					
General government	\$ 6,455,706	\$ 4,072	\$ -	\$ 21,043	\$ 6,480,821
Public safety	3,091,170	-	442,058	-	3,533,228
Public works	874,143	-	-	-	874,143
Health and welfare	1,097,160	-	-	-	1,097,160
Culture and recreation	177,297	-	-	-	177,297
Intergovernmental	1,426,763	773,981	-	-	2,200,744
Debt service:					
Principal	128,132	-	-	-	128,132
Interest	96,663	-	-	-	96,663
Capital outlay:					
General government	-	2,066,030	-	-	2,066,030
Public safety	-	-	-	-	0
Public works	-	-	-	-	0
Health and welfare	-	-	-	-	0
Culture and recreation	-	-	-	-	0
<b>Total Expenditures</b>	<b>\$ 13,347,034</b>	<b>\$ 2,844,083</b>	<b>\$ 442,058</b>	<b>\$ 21,043</b>	<b>\$ 16,654,218</b>
Excess (Deficiency) of Revenues over (Under) Expenditures	\$ 249,985	\$ 329,711	\$ (10,599)	\$ 1,589	\$ 570,686

The notes to the financial statements are an integral part of this statement

**UPSON COUNTY, GEORGIA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
December 31, 2010

	<u>General Fund</u>	<u>Capital Projects Fund SPLOST Projects</u>	<u>911 Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Net change in fund balances	\$ 249,985	\$ 329,711	\$ (10,599)	\$ 1,589	\$ 570,686
Fund balance — Beginning of year	<u>2,894,516</u>	<u>4,049,239</u>	<u>19,767</u>	<u>29,777</u>	<u>6,993,299</u>
Fund balance — End of year	<u>\$ 3,144,501</u>	<u>\$ 4,378,950</u>	<u>\$ 9,168</u>	<u>\$ 31,366</u>	<u>\$ 7,563,985</u>

The notes to the financial statements are an integral part of this statement

**UPSON COUNTY, GEORGIA**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes**  
**in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**For the Year Ended December 31, 2010**

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Excess (Deficit) of Revenues and Other Financing Sources over (Under) Expenditures and Other Uses per Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances	<u>\$ 570,686</u>
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Amounts reported for governmental activities in the Statement of Activities differ from amounts reported in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances due to the following:

**Capital Assets**

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are depreciated over their estimated useful lives and reported as depreciation expense.

Total capital outlays	\$ 2,066,030
Total depreciation	(1,600,053)
Disposals	(21,233)

**Long-term Debt**

The issuance of bonds and similar long-term debt provides current financial resources to governmental funds and thus contributes to the change in fund balance. In the Statement of Net Assets, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the Statement of Net Assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The amounts of the items that make up these differences in the treatment of long-term debt and related items are as follows:

Debt issued or incurred	( -0- )
Principal repayments:	
Paid by governmental funds	<u>128,132</u>
Total Adjustments	<u>\$ 572,876</u>
Change in Net Assets of Governmental Activities	<u>\$ 1,143,562</u>

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The notes to the financial statements are an integral part of this statement.

**UPSON COUNTY, GEORGIA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**- Budget and Actual -**  
**GENERAL FUND AND SPECIAL REVENUE FUND**  
For the Year Ended December 31, 2010

	<b>GENERAL FUND</b>			Variance with Final Budget Positive (Negative)
	<u>Budget</u>		<u>Actual</u>	
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Taxes	\$ 11,195,000	\$ 11,195,000	\$ 11,422,975	\$ 227,975
Licenses and permits	166,000	166,000	167,795	1,795
Intergovernmental revenue	41,000	41,000	44,107	3,107
Charges for services	1,190,000	1,190,000	1,225,575	35,575
Fines and forfeitures	620,000	620,000	632,974	12,974
Interest earnings	1,500	1,500	1,528	28
Miscellaneous	<u>95,000</u>	<u>95,000</u>	<u>102,065</u>	<u>7,065</u>
Total Revenues	<u>\$ 13,308,500</u>	<u>\$ 13,308,500</u>	<u>\$ 13,597,019</u>	<u>\$ 288,519</u>
<b>Expenditures:</b>				
Current:				
General government	\$ 6,613,000	\$ 6,613,000	\$ 6,455,706	\$ 157,294
Public safety	3,235,000	3,235,000	3,091,170	143,830
Public works	900,000	900,000	874,143	25,857
Health and welfare	1,101,240	1,101,240	1,097,160	4,080
Culture and recreation	177,297	177,297	177,297	0
Intergovernmental	1,428,801	1,428,801	1,426,763	2,038
Debt service:				
Principal	130,000	130,000	128,132	1,868
Interest	<u>110,000</u>	<u>110,000</u>	<u>96,663</u>	<u>13,337</u>
Total Expenditures	<u>\$ 13,672,337</u>	<u>\$ 13,672,337</u>	<u>\$ 13,347,034</u>	<u>\$ 325,303</u>
Excess of Revenues over (Under) Expenditures	<u>\$ (363,837)</u>	<u>\$ (363,837)</u>	<u>\$ 249,985</u>	<u>\$ 613,822</u>
<b>Other Financing Sources (Uses):</b>				
Transfers from other funds	-	-	-	-
Transfers to other funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	\$ (363,837)	\$ (363,837)	\$ 249,985	\$ 613,822
Fund balances — Beginning of year	<u>2,894,516</u>	<u>2,894,516</u>	<u>2,894,516</u>	<u>0</u>
Fund balances — End of year	<u>\$ 2,530,679</u>	<u>\$ 2,530,679</u>	<u>\$ 3,144,501</u>	<u>\$ 613,822</u>

The notes to the financial statements are an integral part of this statement.

**UPSON COUNTY, GEORGIA**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**- Budget and Actual -**  
**GENERAL FUND AND SPECIAL REVENUE FUND**  
For the Year Ended December 31, 2010

<b>9 1 1 FUND</b>				
	<u>Budget</u>		<u>Actual</u>	VARIANCE FAVORABLE (UNFAVORABLE)
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Licenses and permits	0	0	0	0
Intergovernmental revenue	0	0	0	0
Charges for services	472,276	472,276	431,371	(40,905)
Fines and forfeitures	0	0	0	0
Interest earnings	400	400	88	(312)
Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>\$ 472,676</u>	<u>\$ 472,676</u>	<u>\$ 431,459</u>	<u>\$ (41,217)</u>
<b>Expenditures:</b>				
Current:				
General government	\$ 0	\$ 0	\$ 0	\$ 0
Public safety	472,676	472,676	431,459	(41,217)
Public works	0	0	0	0
Health and welfare	0	0	0	0
Culture and recreation	0	0	0	0
Intergovernmental	0	0	0	0
Debt service:				
Principal	0	0	0	0
Interest	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$ 472,676</u>	<u>\$ 472,676</u>	<u>\$ 431,459</u>	<u>\$ 41,217</u>
Excess of Revenues over (Under) Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (10,599)</u>	<u>\$ 0</u>
<b>Other Financing Sources (Uses):</b>				
Transfers from other funds	\$ 0	\$ 0	\$ 0	\$ 0
Transfers to other funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Net change in fund balance	\$ 0	\$ 0	\$ (10,599)	\$ (10,599)
Fund balances — Beginning of year	<u>19,767</u>	<u>19,767</u>	<u>19,767</u>	<u>0</u>
Fund balances — End of year	<u>\$ 19,767</u>	<u>\$ 19,767</u>	<u>\$ 9,168</u>	<u>\$ (10,599)</u>

The notes to the financial statements are an integral part of this statement.

**UPSON COUNTY, GEORGIA**  
**Statement of Net Assets**  
**Proprietary Fund**  
**December 31, 2010**

	Business-type Activities - Enterprise Funds		Business-type Activities - Enterprise Fund
	Water Systems Enterprise Fund		Water Systems Enterprise Fund
<b>ASSETS</b>		<b>LIABILITIES</b>	
Current Assets:		Current Liabilities	
Petty Cash	\$ 100	Current portion of notes payable	\$ 44,521
Cash in banks	347,744	Due to general fund	19,233
Restricted cash - deposits	189,990	Accounts payable	8,815
		Total	<u>\$ 72,569</u>
Accounts receivable, net of allowance	99,659	Current liabilities payable from restricted assets:	
Total Current Assets	<u>\$ 637,493</u>	Customer deposits	\$ 121,448
		Total current liabilities payable from restricted assets	<u>\$ 121,448</u>
Capital assets:		Total Current Liabilities	<u>\$ 194,017</u>
Water distribution & storage system	\$ 6,296,527	Noncurrent Liabilities:	
Equipment and vehicles	231,969	Notes payable	\$ 3,745,202
Less accumulated depreciation	<u>(1,308,377)</u>	Total Noncurrent Liabilities	<u>\$ 3,745,202</u>
Total capital assets (net of accumulated depreciation)	<u>\$ 5,220,119</u>	Total Liabilities	<u>\$ 3,939,219</u>
Total Assets	<u><u>\$ 5,857,612</u></u>	<b>NET ASSETS</b>	
		Invested in capital assets, net of related debt	\$ 1,430,396
		Unrestricted	<u>487,997</u>
		<b>TOTAL NET ASSETS</b>	<u><u>\$ 1,918,393</u></u>

The notes to the financial statements are an integral part of this statement.

**UPSON COUNTY, GEORGIA**  
**Statement of Revenues, Expenses, and Changes in Fund Net Assets**  
**Proprietary Fund**  
**For the year ended December 31, 2010**

	Business-type Activities - Enterprise Fund
	Water Systems Enterprise Fund
<b><u>OPERATING REVENUES:</u></b>	
Charges for sales and services	\$ 1,163,488
Total Operating Revenues	<u>\$ 1,163,488</u>
<b><u>OPERATING EXPENSES:</u></b>	
Administration	\$ 803,651
Depreciation	<u>191,659</u>
Total Operating Expenses	<u>\$ 995,310</u>
<b>OPERATING INCOME (LOSS)</b>	<u>\$ 168,178</u>
<b><u>NONOPERATING REVENUES (EXPENSES):</u></b>	
Interest income	\$ 184
Interest expenses and fiscal charges	(24,065)
Grant - C.D.B.G.	239,074
Total Nonoperating Revenues (Expenses)	<u>\$ 215,193</u>
Change in Net Assets	\$ 383,371
Total Net Assets - Beginning	<u>1,535,022</u>
<b>Total Net Assets - Ending</b>	<b><u>\$ 1,918,393</u></b>

The notes to the financial statements are an integral part of this statement.

**UPSON COUNTY, GEORGIA**  
**Statement of Cash Flows**  
**Proprietary Fund**  
**For the year ended December 31, 2010**

	Business-type Activities - Enterprise Fund		Business-type Activities - Enterprise Funds
	Water Systems Enterprise Fund		Water Systems Enterprise Fund
<u>Cash Flows from Operating Activities:</u>		<u>Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities:</u>	
Receipts from customers	\$ 1,181,115	Net Operating Income (Loss)	\$ 168,178
Payments to employees	(237,908)		
Payments to suppliers	(680,189)	Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:	
Net Cash Provided (Used) by Operating Activities	<u>\$ 263,018</u>	Depreciation	\$ 191,659
<u>Cash Flows from Capital and Related Financing Activities:</u>		Changes in Assets and Liabilities:	
Loan proceeds	\$ 242,362	(Increase) decrease in receivables	(11,940)
Principal payments on notes	(37,725)	Increase (decrease) in payables	(78,081)
Interest and fiscal charges on revenue bonds and notes	(24,056)	Increase (decrease) in customer deposits	(6,798)
Acquisition of capital assets	(494,360)	Other	
Grant proceeds - C.D.B.G.	239,074	Total Adjustments	<u>\$ 94,840</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>\$ (74,705)</u>	Net Cash Provided (Used) by Operating Activities	<u>\$ 263,018</u>
<u>Cash Flows from Investing Activities:</u>			
Interest received	\$ 184		
Net Cash Provided (Used) by Investing Activities	<u>\$ 184</u>		
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 188,497		
Cash and Cash Equivalents - Beginning of Year	349,237		
Cash and Cash Equivalents - End of Year	<u>\$ 537,734</u>		
<u>Classified as:</u>			
Current assets	\$ 347,744		
Restricted assets	189,990		
Total	<u>\$ 537,734</u>		

The notes to the financial statements are an integral part of this statement.



UPSON COUNTY, GEORGIA  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**December 31, 2009**

	Employee Pension Trust Fund	Agency Funds
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 5,818,767	\$
Taxes receivable	<u>          -</u>	
Total Assets	<u>\$ 5,818,767</u>	<u>\$</u>
<b>LIABILITIES:</b>		
Due to others	<u>\$ -</u>	<u>\$</u>
Total Liabilities	<u>\$ -</u>	<u>\$</u>
<b>NET ASSETS:</b>		
Held in trust for pension benefits	<u>\$ 5,818,767</u>	<u>\$</u>
<b>TOTAL NET ASSETS</b>	<b><u>\$ 5,818,767</u></b>	<b><u>\$</u></b>

(NOTE: A schedule of the pension fund's funding progress appears on pages 46-50.)

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA  
**Statement of Changes in Fiduciary Net Assets**  
**Fiduciary Funds**  
For the year ended December 31, 2010

	Employee Pension Trust Fund
Additions	
Employer contributions	\$ 625,542
Investment income	230,516
<b>Total Additions</b>	<b>\$ 856,058</b>
Deductions	
Benefits paid retirees	\$ 480,516
Administrative expenses	9,500
<b>Total Deductions</b>	<b>\$ 490,016</b>
<b>Change in net assets</b>	<b>\$ 366,042</b>
Net Assets	
Beginning of year	5,452,725
<b>End of year</b>	<b>\$ 5,818,767</b>

The notes to the financial statements are an integral part of this statement.

**UPSON COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2010

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The County of Upson was created by act of the legislature on December 15 and 20, 1824. The Commissioners serve staggered terms of four years. Four are elected by district and the Chairman is elected at large.

The Upson County Courthouse was built in 1908 and is considered a historical landmark by area residents and visitors throughout the State of Georgia.

The County provides ambulance service, waste collection from bins and water and sewer systems. The County also provides the full range of services contemplated by Charter. These include public safety, road construction, paving and maintenance, court systems, and general administration.

Upson County is located approximately 68 miles south of Atlanta. The County has an area of approximately 333 square miles, ranking it 84th in size among Georgia's 159 counties. In 1998, the County's census population was 27,075. Thomaston is the County seat. There are two municipalities within the County – Thomaston and Yatesville.

The accounting policies of the County of Upson conform to generally accepted accounting principles applicable to governments. The following is a summary of the more significant policies:

**1. Reporting Entity:**

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Government Accounting Standards Board Statement No. 14, "The Financial Reporting Entity.":

- | the organization is legally separate (can sue and sued in their own name)
- | the County holds the corporate powers of the organization
- | the County appoints a voting majority of the organization's board
- | the County is able to impose its will on the organization
- | the organization has the potential to impose a financial benefit/burden on the County
- | there is fiscal dependency by the organization on the County

The accompanying financial statements of the reporting entity include those of Upson County, Georgia (the primary government) and its components units. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

**UPSON COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
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The component units discussed below are included in the County's reporting entity because of the significance of the operational and financial relationships with the County. In conformation with generally accepted accounting principles, as set forth in Statement of Governmental Accounting Standards No. 14, *The Financial Reporting Entity*, which was adopted by the County as of July 1, 1993, the financial statements of the component units have been included as discretely presented component units. The component unit columns in the basic financial statements include the financial data for the County's component units, as reflected in their most recent audited financial statements. This is reported in columns separate from the County's financial information to emphasize that they are legally separate from the County.

**Upson County Department of Public Health** – The governing board consists of seven members, of which four members are appointed by the Upson County Board of Commissioners. The County contributes significant funding to the Board of Health. An annual budget must be submitted for approval, with annual audits required to monitor performance.

**Thomaston-Upson County Industrial Development Authority** – The Chairman of the County Commissioners and the Mayor of the City of Thomaston are members of the Authority and they appoint additional members. The Authority receives significant appropriations from Upson County. Annual budget requests are submitted to the County for approval, with annual audits required to monitor performance.

**Thomaston-Upson County Airport Authority** – The governing board is appointed by Upson County and the City of Thomaston. The County contributes significant funding to the Authority. Annual budget requests are submitted to the County for approval, with annual audits required to monitor performance.

**Thomaston-Upson County Recreation Commission** – The governing board is appointed by Upson County and the City of Thomaston. The County contributes significant funding to the Recreation Commission. Annual budget requests are submitted to the County for approval, with annual audits required to monitor performance.

**Thomaston-Upson County Solid Waste Disposal Facility** – The governing board is the Upson County Board of Commissioners. The purpose of the entity is to account for closure and post-closure care of the Zorn Street landfill, as well as provide an organizational structure for planning and constructing future landfills. The County contributes significant funding. Annual budget requests are submitted to the County for approval, with annual audits required to monitor performance.

Complete financial statements of the individual component units can be obtained directly from their administrative office as follows:

**UPSON COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2010

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Upson County Department of  
Public Health  
East Lee Street  
Thomaston, Georgia 30286

Thomaston-Upson County  
Industrial Development Authority  
213 East Gordon Street  
Thomaston, Georgia 30286

Thomaston-Upson County  
Recreation Commission  
101 Civic Center Drive  
Thomaston, Georgia 30286

Thomaston-Upson County  
Airport Authority  
Delray Road  
Thomaston, Georgia 30286

Thomaston-Upson County  
Solid Waste Disposal Facility  
East Lee Street  
Thomaston, Georgia 30286

A joint venture has the following characteristics:

1. It is a legal entity that results from a contractual arrangement.
2. It is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control.
3. Participants retain an ongoing financial interest or an ongoing financial responsibility.

Although Upson County does not own an equity interest in the McIntosh Trail Regional Development Center (RDC), membership in the RDC is automatic for all counties and municipalities within its geographic boundaries. The RDC's board of directors includes a county commissioner from each county and the mayor or council member from the largest city of each county.

Under Georgia law, the County, in conjunction with other cities and counties in the five county RDC membership, is a member of the McIntosh RDC and is required to pay annual dues thereto. During the year 2010, the County paid \$12,200 in such dues.

O. C. G. A. §50-8-34 sets forth the organizational structure of RDC's, and O.C.G.A. §50-8-39-1 provides that member governments are liable for any debts or obligations of an RDC.

There have not been any related party transactions between Upson County and the RDC.

The McIntosh RDC's most recent financial report reflects sufficient financial resources to continue its purpose without additional funding from its membership. Separate financial statements can be obtained by writing to McIntosh Trail Regional Development Center, P. O. Box 818, Griffin, Georgia 30224.

**UPSON COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2010

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**Government-wide and Fund Financial Statements:**

The government-wide financial statements (i.e., the Statement of Net Assets and the Statement of Changes in Net Assets) report information on all of the nonfiduciary activities of the primary government and its component units if any. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

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

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

**3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation:**

The government-wide financial statements are reported using the flow of economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions.

**UPSON COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2010

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**FUND FINANCIAL STATEMENTS**

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, are recorded only when the obligations are expected to be liquidated with expendable available financial resources.

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

Proprietary funds distinguish *operating* revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise fund, are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The County applies all applicable Governmental Accounting Standards Board (GASB) pronouncements in accounting and reporting for its proprietary operations as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board Statements and Interpretations, APB opinions, and ARBS.

The fund financial statements provide more detailed information about the government's most significant funds, not the government as a whole. The activities of the government are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The government reports the following major governmental funds:

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

**UPSON COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
DECEMBER 31, 2010

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**E- 911 Fund** - The E-911 Fund is used to account for E-911 fund receipts and qualified expenditures.

**Capital Projects Fund - 2005 SPLOST Projects** - This fund is used to account for SPLOST receipts and qualified SPLOST project expenditures.

The government reports the following major proprietary fund:

**Enterprise Fund** - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing authority is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing authority has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital, maintenance, public policy, management control, accountability, or other purposes. The Lincoln Park, Upson County and Sunset Water Districts are accounted for using enterprise fund accounting.

Additionally, the government reports the following fund types:

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Hotel/Motel Tax Fund, and Law Library Fund are currently established as Special Revenue Funds.

**FIDUCIARY FUNDS:**

**Trust and Agency Funds** - Trust and Agency Funds are used to account for assets held by the County in a trustee capacity or as an agent for others. The pension trust fund is accounted for in essentially the same manner as proprietary funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

**4. Budgets and Budgetary Accounting:**

An annual budget is prepared for all funds. Annual budgets that are prepared may not be exceeded at the departmental level. The budget officer is authorized to transfer budget amounts between expenditure character within individual departments. Transfers between departments or revisions which increase total expenditures of a Fund must be approved by the County Commission.

Budgeted amounts are as originally adopted or as amended by the County Commission.

Budgets for all funds are adopted on the same basis which is consistent with generally accepted accounting principles (GAAP) for governmental fund types. Budgets for the proprietary fund type are for management control purposes only and are not required to be reported.



**UPSON COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
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The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. On or about December 1, the County Budget Officer submits to the County Commissioners a proposed operating budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at the County Courthouse to obtain taxpayer comments.
3. After revision, if any, by the Commissioners, the budget is legally enacted through passage of an ordinance.
4. Budgetary information is compared to actual revenue and expenditures on a monthly basis and reported to the County Commissioners.
5. All budgetary appropriations lapse at year end.

There were no significant departmental expenditures that exceeded budgeted amounts.

**5. Encumbrances:**

Encumbrances represented commitments related to contracts not yet performed. A governmental unit often issues purchase orders or signs contracts for the purchase of goods and services to be received in the future. These commitments, if any, are recorded as encumbrances for budgetary control. These encumbrances lapse at the end of the year and become part of the following year's budgetary amounts. All unencumbered budgeted appropriations lapse at the end of each fiscal year. No encumbrances existed at the end of December 31, 2010 and 2008.

**6. Cash and Investments:**

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the County to invest in obligations of the U.S. Treasury, other U.S. Government agencies, State of Georgia, other states, prime bankers' acceptances, repurchase agreements, other political subdivisions of the State of Georgia, and the Local Government Investment Pool.

The State of Georgia Local Government Investment Pool (Georgia Fund 1) is a special investment pool operated by the Office of Treasury and Fiscal Services for Georgia local governments. Georgia Fund 1 was created under OCGA §36-83-8 and operates in a manner consistent with Rule 2a-7 like pool. The pool is not registered with SEC as an investment company. The

**UPSON COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
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pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1 per share. The fair value of the County's position in the pool is the same as the value of pool shares (\$1 per share value). The pool is regulated by the Georgia Office of Treasury and Fiscal Services.

**7. Vacation, Sick Leave and Other Compensated Absences:**

County employees are entitled to vacation and sick leave. These benefits are non-accruing and do not carry over to subsequent years. Accordingly, no accruals are made for accumulated vacation or sick leave.

The County does not provide post-employment healthcare benefits except those mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County.

**8. Interfund Transactions:**

The County, during the course of normal operations, has numerous transactions between funds. Interfund transfers are recorded as other financing sources and uses, unless the intent of the transfer is to advance operating funds on a short-term basis. These interfund advances are recorded in Due To/From accounts. All interfund advances are considered available spendable resources.

Interfund advances outstanding at December 31, 2010, are as follows:

Water System Enterprise Fund –	\$ 19,233
Total-	<u>\$ 19,233</u>

**9. Inventories and Prepaid Items:**

Inventories of all funds are accounted for as expenditures at the time of purchase and are not inventoried at year end due to a lack of materiality.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**10. Long-term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life

**UPSON COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
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of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

**11. Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions. The County purchases commercial insurance for most types of risk. For these risks, settlements have not exceeded coverages for each of the past three fiscal year. The County had no significant reduction in insurance coverage from coverage in the prior year.

**12. Capital Assets**

Capital assets, which include property, plant and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Vehicles	5-7
Equipment	5-10
Water and Sewer System	40
Infrastructure	40

UPSON COUNTY, GEORGIA  
**NOTES TO FINANCIAL STATEMENTS**  
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**13. Restricted and Unrestricted Net Assets**

The government's policy when both restricted and unrestricted net assets are available, unrestricted resources are first applied; then restricted net assets are applied based on their limited use.

**NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**1. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets**

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds and net assets - governmental activities* as reported in the government-wide statement of net assets.

Capital assets used in net governmental activities are not financial resources, and, therefore, are not reported in the funds. Capital assets net of accumulated depreciation as of December 31, 2010.

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net assets. Long-term liabilities applicable to the County's Governmental Activities in the Statement of Net Assets.

**2. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities**

The governmental fund statement of revenues, expenditures, and changes in fund balances include a reconciliation between *net changes in fund balances – total governmental funds and changes in net assets - governmental activities* as reported in the government-wide statement of activities.

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The details of these differences are as follows:

Capital outlay	\$ 2,066,030
Depreciation expense	(1,600,053)
Net adjustment	<u>\$ 465,977</u>

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Issuance of long-term debt provides current resources in the governmental funds. In the government-wide statements, issuance represents a liability rather than a resource. Total long-term debt issued in 2010 was \$ -0-.

The repayment of the principal of long-term debt consumes the current financial resources of governmental funds. However, principal payments do not affect net assets in the government-wide statement of activities. During 2010, principal paid by governmental funds totaled \$128,132.

**NOTE C - PROPERTY TAXES**

All real and personal property (including motor vehicles) are valued as of January 1 of each year. With the exception of motor vehicles which are valued by the State Revenue Department, all assessments are made by the Upson County Board of Tax Assessors. This Board is appointed by the Upson County Commissioners. Exceptions are permitted for certain inventories as well as homestead and age exemptions.

The following dates are applicable to property taxes:

	Lien date	-	November 19
	Levy date	-	September 18
***	Due dates	-	November 18
***	Collection date	-	November 18

Upon completion of all assessments and tax returns, the information is compiled to form the tax digest, which is submitted to the State Revenue Commissioner for approval. The State Revenue Commissioner must ascertain that real property on the tax digest has been assessed at the State mandated forty percent (40%) of fair market value. If not, the State Commissioner may reject the digest until such values are appropriately adjusted.

All property taxes are recognized in compliance with National Council on Governmental Accounting Interpretation No. 3 (Revenue Recognition - Property Taxes), which states that such revenue should be recorded when it becomes measurable and available. Available means due, or past-due, and receivable within the current period and collected no longer than 60 days after the close of the current period.

**Property Tax Calendar**

Property taxes are levied each year based on assessed values determined the previous January 1. The County Commissioners officially set mill rates during September of each year, mail property tax bills on September 18, and establish November 18 as the due date. Unpaid property taxes are attached as an enforceable lien on property as of November 19 (lien date). Judicial property sales are commenced on November 19 of the following year.

**NOTE D - CAPITAL ASSETS:**

Capital asset activity for the primary government for the year ended December 31, 2010 was

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as follows:

	BEGINNING BALANCE	INCREASES	DECREASES	ENDING BALANCE
<b><u>GOVERNMENTAL ACTIVITIES:</u></b>				
Capital assets, not being depreciated:				
Land	\$ 2,149,190	\$ —	\$ —	\$ 2,149,190
Total capital assets, not being depreciated	<u>\$ 2,149,190</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 2,149,190</u>
Other capital assets				
Buildings	\$ 25,527,833	\$ 364,982	\$ —	\$ 25,892,815
Equipment	1,939,051	119,650	—	2,058,701
Vehicles	1,249,474	125,273	23,486	1,351,261
Infrastructure	<u>28,697,103</u>	<u>1,456,125</u>	<u>—</u>	<u>30,153,228</u>
Total other capital assets, at cost	<u>\$ 57,413,461</u>	<u>\$ 2,066,030</u>	<u>\$ 23,486</u>	<u>\$ 59,456,005</u>
Less Accumulated Depreciation for:				
Buildings	\$ 7,273,655	\$ 672,022	\$ —	\$ 7,945,677
Equipment	1,069,849	174,000	—	1,243,849
Vehicles	1,010,446	128,210	2,253	1,136,403
Infrastructure	<u>17,605,542</u>	<u>625,821</u>	<u>—</u>	<u>18,231,363</u>
Total Accumulated Depreciation	<u>\$ 26,959,492</u>	<u>\$ 1,600,053</u>	<u>\$ 2,253</u>	<u>\$ 28,557,292</u>
Other capital assets, net	<u>\$ 30,453,969</u>	<u>\$ 465,977</u>	<u>\$ 21,233</u>	<u>\$ 30,898,713</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 32,603,159</u></u>	<u><u>\$ 465,977</u></u>	<u><u>\$ 21,233</u></u>	<u><u>\$ 33,047,903</u></u>

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**NOTE D - CAPITAL ASSETS:** (continued)

	BEGINNING BALANCE	INCREASES	DECREASE S	ENDING BALANCE
<u>BUSINESS-TYPE ACTIVITIES:</u>				
Capital assets, not being depreciated:				
Land	\$ _____	\$ -	\$ -	\$ _____
Total capital assets, not being	\$ _____	\$ -	\$ -	\$ _____
Other capital assets				
Water distribution system	\$	\$ 448,761	\$ 9	448,752
Equipment and vehicles		45,599	-	231,969
Total other capital assets, at cost	<u>\$ 186,370</u>	<u>\$ 494,360</u>	<u>\$ 9</u>	<u>\$ 680,721</u>
Less Accumulated Depreciation for:				
Water distribution system	\$	\$ 187,409	-	187,409
Equipment and vehicles		4,250	-	164,052
Total accumulated depreciation	<u>\$ 159,802</u>	<u>\$ 191,659</u>	<u>\$ -</u>	<u>\$ 351,461</u>
Other capital assets, net	<u>\$ 26,568</u>	<u>\$ 302,701</u>	<u>\$ 9</u>	<u>\$ 5,220,119</u>
Business-type Activities Capital Assets, Net	<u>\$ 26,568</u>	<u>\$ 302,701</u>	<u>\$ 9</u>	<u>\$ 5,220,119</u>
Total Governmental and Business- type Activities, Net	<u>\$2,629,727</u>	<u>\$ 768,678</u>	<u>\$ 21,242</u>	<u>\$8,268,022</u>
Depreciation expense was charged to functions, as follows:				
Governmental activities:				
General Government		\$ 420,935		
Public Safety		410,250		
Public Works		719,478		
Health and Welfare		31,180		
Culture and Recreation		<u>18,210</u>		
Total Depreciation Expense – Governmental Activities		<u>\$1,600,053</u>		
Business-type activities:				
Water System		\$ 191,659		
Total Business-type activities		<u>\$ 191,659</u>		
Total Depreciation Expense		<u>\$1,791,712</u>		

**UPSON COUNTY, GEORGIA**  
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**NOTE E - CHANGES IN LONG-TERM DEBT:**

1. The following is a summary of debt service requirements to maturity for the following notes payable due from the proprietary fund at December 31, 2010:

**ENTERPRISE FUND**

**A. Note Payable - Georgia Environmental Facilities Authority**

Upton County Water System  
Project: Grand Monde' (\$145,488) & Logan's Landing (\$112,895) Water Lines  
Original loan amount - \$265,768  
Annual Interest Rate - 5.15%

**Debt Service to Maturity:**

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2011	\$ 12,391	\$ 10,358	\$ 22,749
2012	13,041	9,708	22,749
2013	13,724	9,025	22,749
2014	12,939	9,810	22,749
2015	15,204	7,545	22,749
2016-2020	65,024	25,972	90,996
2021-2022	<u>73,401</u>	<u>40,343</u>	<u>113,744</u>
<b>TOTAL</b>	<b><u>\$ 205,724</u></b>	<b><u>\$ 112,761</u></b>	<b><u>\$ 318,485</u></b>

**B. Note Payable - Georgia Environmental Facilities Authority**

Sunset Water System  
Note dated April 1, 2000  
4.760% - Term 20 Years  
First payment due - June 1, 2000  
With quarterly payments of \$8,868.39 thereafter  
Original Loan Amount - \$454,311  
Purpose of Loan - Water Line Construction

**Debt Service to Maturity:**

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2011	23,589	11,885	35,474
2012	24,732	10,742	35,474
2013	25,931	9,543	35,474
2014	26,810	8,664	35,474
2015	28,504	6,970	35,474
2016-2019	<u>128,867</u>	<u>13,001</u>	<u>141,868</u>
<b>TOTAL</b>	<b><u>\$ 258,433</u></b>	<b><u>\$ 60,805</u></b>	<b><u>\$ 319,238</u></b>

All proprietary fund debt is expected to be paid with resources of the proprietary fund, and is appropriately reported in this fund.



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**C. Note Payable - Georgia Environmental Facilities Authority**

Loan Agreement dated November 23, 2009. (Revised from 2008 Agreement.)

Loan commitment up to \$4,044,000 - Advances against this amount on or prior to the earlier of (1) project completion date or (2) August 1, 2011.

Principal and interest payments (4.02%) shall commence on the earlier of (1) project completion, (2) August 1, 2011 or (3) once the loan is fully disbursed. Note shall be payable in (360) monthly installments of \$19,353.

Draw-downs - 2008 - \$	191,847
Draw-downs - 2009 -	2,894,812
Draw-downs - 2010 -	196,763
Total	<u>\$ 3,283,422</u>

**D. Note Payable - Wells Fargo Bank**

Note dated July 30, 2010 - 4.00 %  
 Vehicle loan amount - \$ 45,599  
 Loan amount - \$ 841 monthly

**Debt Service to Maturity:**

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2011	8,541	1,551	10,092
2012	8,890	1,202	10,092
2013	9,261	831	10,092
2014	9,644	448	10,092
2015	5,810	78	5,888
<b>TOTAL</b>	<b><u>\$ 42,146</u></b>	<b><u>\$ 4,110</u></b>	<b><u>\$ 46,256</u></b>

**UPSON COUNTY, GEORGIA**  
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**NOTE E - CHANGES IN LONG-TERM DEBT: (continued)**

2. The following is a summary of long-term debt transactions of the County for the year ending December 31, 2010:

	<u>Business Activities</u>			<u>Government Activities</u>		<b>TOTAL</b>
	<b>Note Payable GEFA - Sunset System</b>	<b>Note Payable GEFA - Upson &amp; Sunset Systems</b>	<b>Wells Fargo</b>	<b>GEFA Loan Draws</b>	<b>Capital Leases</b>	
Amounts payable at January 1, 2010	\$ 280,932	\$ 217,495	\$ 0	\$ 3,086,659	\$ 773,732	\$ 4,358,818
Loan proceeds	0	0	45,599	196,763	0	242,362
Principal payments	<u>(22,498)</u>	<u>(11,771)</u>	<u>(3,453)</u>	<u>0</u>	<u>(128,132)</u>	<u>(165,854)</u>
Long-term debt payable - December 31, 2010	<u>\$ 258,434</u>	<u>\$ 205,724</u>	<u>\$ 42,146</u>	<u>\$ 3,283,422</u>	<u>\$ 645,600</u>	<u>\$ 4,435,326</u>
Amounts due within one year from December 31, 2010	<u>\$ 23,589</u>	<u>\$ 12,391</u>	<u>\$ 8,541</u>	<u>\$ 0</u>	<u>\$ 133,280</u>	<u>\$ 177,801</u>

**NOTE E - CHANGES IN LONG-TERM DEBT: (continued)**

**CAPITAL LEASES**

Upson County leases certain capital assets from the Thomaston-Upson County Office Building Authority, a legislatively created entity created to provide capital lease arrangements pursuant to a Master Lease Agreement. There are no new leases for 2010.

Under the terms of the program, Upson County is required to make lease payments to the Authority in sufficient amounts to pay the principal and interest due by the Authority to financial institutions. Upson County's obligation to pay such lease payments is conditioned on the annual appropriation of funds to make those payments.

These leases qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. The assets acquired through current outstanding capital leases are as follows:

Real Estate	<u>Governmental Activities</u> <u>\$1,665,989</u>
Total	<u>\$1,665,989</u>

**UPSON COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE E - CHANGES IN LONG-TERM DEBT:** (continued)

Annual debt service requirements to maturity for capital leases are as follows (in thousands):

**Year ending December 31:**

2011	159,254
2012	159,254
2013	159,254
2014	97,975
2015	97,975
2016-2018	<u>149,323</u>
 Total	 \$ 823,035
Less amount representing interest	 <u>177,435</u>
Total present value of minimum Lease payments	 <u>\$ 645,600</u>

**NOTE F - RISK MANAGEMENT AND LITIGATION:**

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has obtained coverage from commercial insurance companies and does not retain risk. There has been no significant reduction in insurance coverage during 2010 from coverage in the prior year. There were no settlements that exceeded insurance coverage for the past three fiscal years. All risk management activities are accounted for in the General Fund. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered.

The County Attorney estimates that the amount of actual or potential claims against the County as of December 31, 2010, will not materially affect the financial condition of the County.

As to pending litigation,

- (1) Jordan v. Blackwell, et al., Civil Action #5:06-TC-5000, United States District Court, Macon Division

This is a suit against the Sheriff's Department and various officers which resulted from a school resource officer breaking up a fight among students. This is being defended by the County's insurer and will not result in liability beyond the policy deductible.

- (2) Estate of Amber Leigh Harris v. Upson County, et al., Civil Action # 08-V-1051, Superior Court of Upson County

**UPSON COUNTY, GEORGIA**  
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This is a suit against the County and the Sheriff's Department resulting from the death of Miss Harris while a passenger in a vehicle being pursued by a deputy. This is being defended by the County's insurer and will not result in liability beyond the policy deductible.

**NOTE G - EMPLOYEE RETIREMENT PLAN:**

The County primary government participates in one single-employer, defined-benefit, public employee retirement system. The plan name is the "Upson County Employee Retirement Plan." Assets are held separately and may be used only for the payment of benefits to the members of the plan. The Public Retirement Systems Standard Law (Georgia Code Section 47-20-10) assigned the authority to establish and amend the retirement plan of Upson County, Georgia. Georgia Farm Bureau is the administrator of the plan and issues a publicly available financial report. The report may be obtained at the office of the County Manager of Upson County.

**NOTE G - EMPLOYEE RETIREMENT PLAN:** (continued)

**Employees Pension Plan**

The County's employees participation is non-contributory. The County is required to contribute at an actuarially determined rate; the current rate is 3% of covered payroll. The contribution requirements of plan members and the County are established and may be amended by the Board of County Commissioners. The County's annual pension cost of \$517,557 was equal to the County's required and actual contributions.

The County Employee's Pension Plan provides retirement benefits for substantially all full-time employees except certain employees in the State Court, Agriculture Agent's Office, and the Tax Commissioner.

Actuarial valuations are performed biannually. There are no loans to any County officials nor are there any other "party-in-interest" or prohibited transactions. The funds are managed by Southern Farm Bureau Life Insurance Company. A stand-alone financial report is issued and filed with the Georgia Department of Audits annually.

**Basis of Accounting**

The accrual basis of accounting is used in the pension trust fund. The accrual basis of accounting recognizes revenues when earned. Expenses are recorded when incurred. Employer contributions to the plan are recognized when due and the County has made a formal commitment to provide the contribution. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

**Investment Values**

Investments of the pension trust fund are reported at fair value, which is determined using selected bases. Short-term investments are reported at cost, which approximates market value. Securities traded on a national or international exchange are valued at last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value, and the carrying amount of cash deposits reasonably estimates fair value.

**UPSON COUNTY, GEORGIA**  
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**NOTE G - EMPLOYEE RETIREMENT PLAN:** (continued)

	<u>COST</u>	<u>FAIR VALUE</u>
Short-term investments	\$ 5,818,767	\$ 5,818,767

**Membership:**

	<u>General</u>	<u>Totals</u>
Non-vested active members	77	77
Partially vested active members	N/A	N/A
Fully vested active members	55	55
Subtotal	132	132
Retirees and beneficiaries currently receiving benefits and terminated plan members entitled to but not yet receiving benefits	22	22
	154	154

**Funding Policies, Contribution Methods, Benefit Provisions**

Year established	1985
Governing authority	County Ordinance
Determination of contribution requirements:	
Employer	Actuarially determined
Plan members	Make no contributions
Funding of administrative costs	Investment earnings
Period required to vest	10 years
Post-retirement benefit increases	None
Eligibility for distribution	Age 55
Provisions for disability benefits	Yes
Eligibility for distribution	Yes
Basis of accounting	Accrual
Asset Valuation:	
Reporting	Cost
Actuarial Valuations	<b>Market</b>

**Annual Pension Cost and Net Pension Obligation**

**Current Year Annual Pension Cost and  
Net Pension Obligation (in thousands):**

Annual required contribution	\$ 625,542
Adjustment to annual required contribution	0
Annual pension cost	\$ 625,542

**UPSON COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE G - EMPLOYEE RETIREMENT PLAN:** (continued)

Contributions made		<u>625,542</u>
Decrease in net pension obligation	\$	0
Net pension obligation, beginning of year		<u>0</u>
Net pension obligation, end of year	\$	<u>0</u>

**Reserves**

There are no assets legally reserved for purposes other than the payment of plan member benefits for either plan. The plan held no individual investments whose market value exceeds 5 percent or more of net assets available for benefits. There are no long-term contracts for contributions.

**Actuarial Information**

**Description**

Valuation Date	December 31, 2010
Performed by	Farm Bureau
Actuarial Cost Method	Frozen Entry Age
Amortization Method	Level percent of pay method, open
Amortization Period	40 years
Actuarial Asset Valuation Method	Smoothed Fair Value - five years

**Actuarial Assumptions**

Investment rate of return	4.25% per year
Projected salary increases, inflation	4.00% per year
Projected salary increases, seniority/merit	4.00% per year
Post-retirement benefit increases	None
Life expectancies	1983 Group Annuity Mortality Table
Current Year Changes in Actuarial Assumptions	None
Benefit Provisions	Monthly benefit for life 1.00 times the accrued retirement benefit

**Trend Information**

Historical trend information designed to provide information about the County's progress made in accumulating sufficient assets to pay pension benefits when due is presented below:

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	ANNUAL PENSION	PERCENTAGE	NET PENSION
2001	\$ 295,835	100%	–
2002	\$ 329,116	100%	–
2003	\$ 344,468	100%	–
2004	\$ 340,520	100%	–
2005	\$ 243,139	100%	–
2006	\$ 425,946	100%	–
2007	\$ 456,585	100%	–
2008	\$ 506,358	100%	–
2009	\$ 517,557	100%	–
2010	\$ 625,542	100%	–

**NOTE G - EMPLOYEE RETIREMENT PLAN:** (continued)

**Funding Progress**

(Reported "In Thousands")

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded/ (Assets in Excess of) AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded (Assets in Excess of) AAL as a Percentage of Covered Payroll ((b-a)/c)
1999	1,552	2,393	841	64.86%	2,706	31.07%
2000	1,907	2,475	568	77.05%	2,796	20.31%
2001	2,143	2,695	552	79.52%	3,088	17.87%
2002	2,432	3,030	598	80.26%	3,387	17.65%
2003	2,666	3,340	674	79.82%	3,638	18.53%
2004	3,155	3,642	487	86.63%	3,826	12.73%
2005	3,508	3,817	309	91.90%	3,728	8.29%
2006	3,904	4,237	333	92.14%	4,036	8.25%
2007	4,331	5,208	877	83.16%	4,089	21.45%
2008	5,220	5,820	600	89.70%	4,211	14.20%
2009	5,126	5,626	500	91.11%	4,242	11.70%
2010	5,568	5,710	142	97.51%	4,320	3.29%

Upson County adopted GASB – 25 and GASB – 27 on January 1, 1998. A pension liability at transition approximated \$547,000, an amount not differing from the previously reported liability of the pension plan.

**UPSON COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
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Schedule of Employer's Contributions

<u>Fiscal Year</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2001	295,835	100%
2002	329,116	100%
2003	344,468	100%
2004	340,520	100%
2005	243,139	100%
2006	425,946	100%
2007	456,585	100%
2008	506,358	100%
2009	517,557	100%
2010	625,542	100%

NOTE H - CONTINGENT LIABILITIES:

There are no known contingent liabilities to report at December 31, 2010.

NOTE I - SCHEDULE OF CASH AND INVESTMENTS:

The County of Upson's deposits at December 31, 2010 were entirely covered by Federal depository insurance or by collateral held by the County's custodial banks in the County's name.

Statutes authorize the County to invest in certificates of deposits, money market accounts, and the State of Georgia Local Government Investment Pool. (Georgia Fund 1)

The County's investment policy requires investing in low risk investments. Accordingly, all investments are recorded at cost. The type of investments purchased preclude the purchase of financial instruments that would require the reporting at amortized cost.

During the year 2010 and at December 31, 2010, the County's cash was held in interest earning money market accounts and certificates of deposits. There were no uncollateralized deposits held during the current year.

The State of Georgia Fund 1 is a special investment pool operated by the Office of Treasury and Fiscal Services for Georgia local governments. The fund offers money market interest rates, high liquidity, low transaction amounts, and professional management. Interest earnings are credited monthly and cost of participation is the actual administrative cost incurred, but not more than 1 percent of earnings. Investment policies for the fund are established by the State Depository Board and investments may include certificates of deposit; prime bankers' acceptance; repurchase agreements; issued or guaranteed obligations of the United States Government, its agencies, and its corporations; obligations of any states; and obligations of political subdivisions of the State of Georgia. The fair value of the Georgia Fund 1 balance is equivalent to the value of the pool shares. Credit ratings are not available.



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**NOTE I - SCHEDULE OF CASH AND INVESTMENTS:** (continued)

**BALANCE SHEET** - The captions on the combined balance sheet related to cash and in the Total columns are as follows:

	Total
Unrestricted Cash in Banks	\$ 1,780,388
Restricted Cash in Bank	<u>10,601,907</u>
<b>TOTAL</b>	<b><u>\$ 12,382,295</u></b>

Deposits - All deposits are carried at cost.

	CARRYING AMOUNT	BANK BALANCE	FUND
Insured Cash & Certificates	\$ 214,100	\$ 214,100	Agency Funds
Insured Cash & Certificates	1,392,010	1,392,010	General Fund
Insured Cash & Certificates	9,168	9,168	911 Fund
Insured Cash & Certificates	31,366	31,366	Special Revenue Fund-Law Library
Insured Cash & Certificates	537,934	537,934	Enterprise Fund
Insured Cash & Certificates	5,818,767	5,818,767	Fiduciary Fund
Insured Cash & Certificates	<u>4,378,950</u>	<u>4,378,950</u>	Capital Project Fund
Total	<b><u>\$ 12,382,295</u></b>	<b><u>\$ 12,382,295</u></b>	

**NOTE J – INTERFUND BALANCES:**

<u>Major Fund:</u>	<u>Due To</u>	<u>Due From</u>
__! General Fund		
Due from 911 Special Revenue Fund	\$ -	\$ -
Due from Proprietary Fund	-	19,233
__! Proprietary Fund	19,233	-
! 911 Fund	<u>-</u>	<u>-</u>
Total	<b><u>\$ 19,233</u></b>	<b><u>\$ 19,233</u></b>

The General Fund processes and funds the payroll of both the Proprietary Fund and 911 Special Revenue Fund. Interfund balances represent unreimbursed payroll to the General Fund at December 31, 2010. All interfund balances will be paid within one year.

**UPSON COUNTY, GEORGIA**  
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NOTE K – HOTEL/MOTEL TAX:

Hotel/Motel taxes received and expended amounted to \$7,012, an amount representing .0054% of tax receipts for the year ended December 31, 2010. The County has complied with the expenditure requirements of OCGA §48-13-51 by expending or contractually committed for expenditure, as provided with this code section, for the year ending December 31, 2010.

NOTE L – RESERVATIONS OF FUND EQUITY:

Reserved for Employees' Retirement System – Fiduciary Funds – This reserve indicates the portion of fund balance legally restricted for pension payments.

UPSON COUNTY, GEORGIA  
**COMBINING BALANCE SHEET**  
**Nonmajor Governmental Funds**  
**December 31, 2010**

	<u>SPECIAL REVENUE FUNDS</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>HOTEL/ MOTEL TAX</u>	<u>LAW LIBRARY FUND</u>	
<b>ASSETS:</b>			
Cash in banks	\$ 0	\$ 31,366	\$ 31,366
<u>Total Assets</u>	<u>\$ 0</u>	<u>\$ 31,366</u>	<u>\$ 31,366</u>
<b><u>LIABILITIES AND FUND BALANCES:</u></b>			
<b>LIABILITIES:</b>			
Accounts payable	\$ 0	\$ 0	\$ 0
Due to general fund	0	0	0
<u>Total Liabilities</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>FUND BALANCES:</b>			
Reserved for capital outlay	\$ 0	\$ 0	\$ 0
Unreserved, reported in Special Revenue Funds	0	0	0
Undesignated	0	31,366	31,366
<u>Total Fund Balances</u>	<u>\$ 0</u>	<u>\$ 31,366</u>	<u>\$ 31,366</u>
<u>Total Liabilities and Fund Balances</u>	<u>\$ 0</u>	<u>\$ 31,366</u>	<u>\$ 31,366</u>

**UPSON COUNTY, GEORGIA**  
**COMBINING BALANCE SHEET**  
Nonmajor Governmental Funds  
December 31, 2010

	<b>SPECIAL REVENUE FUNDS</b>		<b>Total Nonmajor Governmental Funds</b>
	<u>HOTEL/ MOTEL TAX</u>	<u>LAW LIBRARY FUND</u>	
<b>REVENUES:</b>			
Taxes			
Hotel/Motel Tax	\$ 7,012	\$ 0	\$ 7,012
Charges for services	0	0	0
Investment earnings	0	46	46
Fines and forfeitures	0	15,574	15,574
Total Revenues	<u>\$ 7,012</u>	<u>\$ 15,620</u>	<u>\$ 22,632</u>
<b>EXPENDITURES:</b>			
Current			
General government	\$ 7,012	\$ 14,031	\$ 21,043
Public safety	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>\$ 7,012</u>	<u>\$ 14,031</u>	<u>\$ 21,043</u>
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>\$ 0</u>	<u>\$ 1,589</u>	<u>\$ 1,589</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer from General Fund	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Net change in fund balance	<u>\$ 0</u>	<u>\$ 1,589</u>	<u>\$ 1,589</u>
Fund balance beginning of year	<u>0</u>	<u>29,777</u>	<u>29,777</u>
Fund balance end of year	<u><u>\$ 0</u></u>	<u><u>\$ 31,366</u></u>	<u><u>\$ 31,366</u></u>

**UPSON COUNTY, GEORGIA  
GENERAL FUND  
COMPARATIVE BALANCE SHEET  
December 31, 2010 AND 2009**

	<u>2010</u>	<u>2009</u>
<b><u>ASSETS</u></b>		
Cash in banks	\$ 1,392,010	\$ 1,121,724
Receivables (net of allowances for estimated uncollectibles):		
Taxes	1,824,437	1,829,688
Due from other funds:		
Water Systems Enterprise Fund	19,233	47,834
911 Fund	0	64,584
Prepays	8,865	0
<b><u>TOTAL ASSETS</u></b>	<b><u>\$ 3,244,545</u></b>	<b><u>\$ 3,063,830</u></b>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
<b><u>Liabilities:</u></b>		
Accounts Payable	\$ 100,044	\$ 169,314
<b>Total Liabilities</b>	<b>\$ 100,044</b>	<b>\$ 169,314</b>
<b>Fund Balance:</b>		
Undesignated	\$ 3,144,501	\$ 2,894,516
<b>Total Fund Balance</b>	<b>\$ 3,144,501</b>	<b>\$ 2,894,516</b>
<b><u>TOTAL LIABILITIES AND FUND BALANCE</u></b>	<b><u>\$ 3,244,545</u></b>	<b><u>\$ 3,063,830</u></b>

UPSON COUNTY, GEORGIA  
**GENERAL FUND**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**

For the Year Ended December 31, 2010 and 2009

	<b>2010</b>	<b>2009</b>
<b>Revenues:</b>		
Taxes	\$ 11,422,975	\$ 11,753,616
Licenses and permits	167,795	140,772
Intergovernmental	44,107	35,235
Charges for services	1,225,575	1,146,806
Fines and forfeitures	632,974	643,001
Interest earnings	1,528	5,287
Miscellaneous	102,065	<u>109,674</u>
<b>Total Revenues</b>	<b>\$ 13,597,019</b>	<b><u>\$ 13,834,391</u></b>
<b>Expenditures:</b>		
Current:		
General government	\$ 6,478,707	\$ 6,826,065
Public safety	3,091,170	3,311,857
Public works	874,143	858,782
Health and welfare	1,097,160	1,085,131
Culture and recreation	177,297	177,297
Payments to other governmental agencies	1,403,762	1,350,630
Debt Service:		
Principal	128,132	175,069
Interest	96,663	<u>185,005</u>
<b>Total Expenditures</b>	<b>\$ 13,347,034</b>	<b><u>\$ 13,969,836</u></b>
Excess of Revenues over (Under) Expenditures	\$ 249,985	<u>\$ (135,445)</u>
<b>Other Financing Sources (Uses):</b>		
Transfer from 911 Fund	\$ 0	\$ 48,890
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 0</b>	<b><u>\$ 48,890</u></b>
Excess of Revenues and Other Financing Sources over (Under) Expenditures and Other Uses	\$ 249,985	\$ (86,555)
Fund Balance - Beginning of Year	2,894,516	<u>2,981,071</u>
<b>Fund Balance - End of Year</b>	<b>\$ 3,144,501</b>	<b><u>\$ 2,894,516</u></b>

UPSON COUNTY, GEORGIA  
**GENERAL FUND**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES**  
**COMPARED WITH BUDGET**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

Description:	ESTIMATED BUDGET 12 MONTHS	ADDITIONAL ESTIMATED REVENUES	TOTAL ESTIMATED REVENUES	2010 ACTUAL REVENUES	VARIANCE FAVORABLE (UNFAVORABLE)	2009 ACTUAL REVENUES
<b>Taxes:</b>						
General property taxes	\$ 8,400,000	\$ 0	\$ 8,400,000	\$ 8,535,057	\$ 135,057	\$ 8,821,475
Local option sales tax	1,700,000	0	1,700,000	1,739,340	39,340	1,719,553
Other taxes:						
Insurance premium tax	800,000	0	800,000	847,392	47,392	871,289
Beer and wine tax	138,000	0	138,000	138,097	97	141,135
Franchise tax	90,000	0	90,000	90,501	501	117,702
Intangible personal tax reporting	55,000	0	55,000	59,905	4,905	69,678
Real estate transfer tax	12,000	0	12,000	12,683	683	12,784
<b>Total Taxes</b>	<b>\$ 11,195,000</b>	<b>\$ 0</b>	<b>\$ 11,195,000</b>	<b>\$ 11,422,975</b>	<b>\$ 227,975</b>	<b>\$ 11,753,616</b>
<b>Licenses &amp; Permits:</b>						
Business licenses	\$ 128,000	\$ 0	\$ 128,000	\$ 128,966	\$ 966	\$ 121,294
Bank licenses	38,000	0	38,000	38,829	829	19,478
<b>Total Licenses &amp; Permits</b>	<b>\$ 166,000</b>	<b>\$ 0</b>	<b>\$ 166,000</b>	<b>\$ 167,795</b>	<b>\$ 1,795</b>	<b>\$ 140,772</b>
<b>Intergovernmental Revenues:</b>						
Community Service	\$ 6,000	\$ 0	\$ 6,000	\$ 6,402	\$ 402	\$ 6,600
State Highway contract receipts	0	0	0	0	0	0
Narcotics Task Force	35,000	0	35,000	37,705	2,705	28,635
<b>Total Intergovernmental Revenues</b>	<b>\$ 41,000</b>	<b>\$ 0</b>	<b>\$ 41,000</b>	<b>\$ 44,107</b>	<b>\$ 3,107</b>	<b>\$ 35,235</b>
<b>Charges for Services:</b>						
Tax Commissioner - costs, commissions and fees	\$ 700,000	\$ 0	\$ 700,000	\$ 713,348	\$ 13,348	\$ 577,883
Jail housing - prisoners	300,000	0	300,000	303,228	3,228	296,742
Sheriff - costs and fees	100,000	0	100,000	112,382	12,382	123,835
Superior Court Clerk - costs and fees	90,000	0	90,000	96,464	6,464	148,146
Tax Assessor - costs and fees	0	0	0	153	153	200
<b>Total Charges for Services</b>	<b>\$ 1,190,000</b>	<b>\$ 0</b>	<b>\$ 1,190,000</b>	<b>\$ 1,225,575</b>	<b>\$ 35,575</b>	<b>\$ 1,146,806</b>

UPSON COUNTY, GEORGIA  
GENERAL FUND  
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES  
COMPARED WITH BUDGET  
FOR THE YEAR ENDED DECEMBER 31, 2010

	ESTIMATED BUDGET 12 MONTHS	ADDITIONAL ESTIMATED REVENUES	TOTAL ESTIMATED REVENUES	2010 ACTUAL REVENUES	VARIANCE FAVORABLE (UNFAVORABLE)	2009 ACTUAL REVENUES
<u>Fines and Forfeitures:</u>						
Probate Court	\$ 400,000	\$ 0	\$ 400,000	\$ 404,769	\$ 4,769	\$ 369,814
Superior Court	75,000	0	75,000	76,673	1,673	129,924
Juvenile Court	15,000	0	15,000	16,696	1,696	4,154
Magistrate Court	130,000	0	130,000	134,836	4,836	139,109
<u>Total Fines and Forfeitures</u>	<u>\$ 620,000</u>	<u>\$ 0</u>	<u>\$ 620,000</u>	<u>\$ 632,974</u>	<u>\$ 12,974</u>	<u>\$ 643,001</u>
<u>Interest Earnings:</u>						
Finance Office	\$ 1,500	\$ 0	\$ 1,500	\$ 1,528	\$ 28	\$ 5,287
<u>Total Interest Earnings</u>	<u>\$ 1,500</u>	<u>\$ 0</u>	<u>\$ 1,500</u>	<u>\$ 1,528</u>	<u>\$ 28</u>	<u>\$ 5,287</u>
<u>Miscellaneous:</u>						
Miscellaneous	60,000	0	60,000	61,458	1,458	101,162
Sale of pipe	0	0	0	804	804	2,512
Archives contributions	35,000	0	35,000	39,803	4,803	6,000
<u>Total Miscellaneous</u>	<u>\$ 95,000</u>	<u>\$ 0</u>	<u>\$ 95,000</u>	<u>\$ 102,065</u>	<u>\$ 7,065</u>	<u>\$ 109,674</u>
<u>Total Revenues</u>	<u>\$ 13,308,500</u>	<u>\$ 0</u>	<u>\$ 13,308,500</u>	<u>\$13,597,019</u>	<u>\$ 288,519</u>	<u>\$ 13,834,391</u>
<u>Other Financing Sources:</u>						
Transfer from 911 Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 48,890
<u>Total Revenues and Other Financing Sources</u>	<u>\$ 13,308,500</u>	<u>\$ 0</u>	<u>\$ 13,308,500</u>	<u>\$13,597,019</u>	<u>\$ 288,519</u>	<u>\$ 13,883,281</u>



**UPSON COUNTY, GEORGIA**  
**GENERAL FUND**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES**  
**COMPARED WITH BUDGET**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

	INITIAL ANNUAL BUDGET	ADDITIONAL APPROPRIATIONS	TOTAL APPROPRIATIONS	2010 ACTUAL EXPENDITURES	VARIANCE FAVORABLE (UNFAVORABLE )	2009 ACTUAL EXPENDITURES
<b>Description:</b>						
<b>General Government:</b>						
Superior Court	\$ 225,000	\$ 0	\$ 225,000	\$ 222,329	\$ 2,671	\$ 226,285
Indigent Defense / Public Defender	400,000	0	400,000	395,596	4,404	421,331
District Attorney	200,000	0	200,000	194,688	5,312	214,155
Clerk of Superior Court	280,000	0	280,000	275,139	4,861	263,150
Probate Court	190,000	0	190,000	187,255	2,745	196,230
Magistrate Court	225,000	0	225,000	223,012	1,988	228,963
Juvenile Court	125,000	0	125,000	120,560	4,440	127,164
Coroner	30,000	0	30,000	27,719	2,281	42,838
Board of Elections/Registrar	140,000	0	140,000	136,985	3,015	88,890
Finance and administrative	755,000	0	755,000	750,907	4,093	689,818
Senior Center	15,000	0	15,000	13,660	1,340	21,754
Risk Management	2,500,000	0	2,500,000	2,408,610	91,390	2,743,957
Tax Assessors	350,000	0	350,000	341,779	8,221	393,888
Information Technology	110,000	0	110,000	109,418	582	83,068
Tax Commissioner	270,000	0	270,000	266,199	3,801	268,921
General government buildings	450,000	0	450,000	444,731	5,269	462,258
County agents	65,000	0	65,000	61,175	3,825	78,798
Archives	115,000	0	115,000	113,668	1,332	106,858
Building and zoning	160,000	0	160,000	156,124	3,876	142,496
Conservation expenditures	8,000	0	8,000	6,152	1,848	25,243
<b>Total General Government</b>	<b>\$ 6,613,000</b>	<b>\$ 0</b>	<b>\$ 6,613,000</b>	<b>\$ 6,455,706</b>	<b>\$ 157,294</b>	<b>\$ 6,826,065</b>

NOTE: This financial presentation is continued on the next page.

UPSON COUNTY, GEORGIA  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
COMPARED WITH BUDGET  
FOR THE YEAR ENDED DECEMBER 31, 2010

Description:	INITIAL ANNUAL BUDGET	ADDITIONAL APPROPRIATION S	TOTAL APPROPRIATION S	2010 ACTUAL EXPENDITURE S	VARIANCE FAVORABLE (UNFAVORABLE) E)	2009 ACTUAL EXPENDITURES
<b>Public Safety:</b>						
Sheriff administration, patrol and crime investigations	\$ 1,450,000	\$ 0	\$ 1,450,000	\$ 1,417,023	\$ 32,977	\$ 1,463,566
Custody of prisoners	1,700,000	0	1,700,000	1,600,498	99,502	1,782,095
Emergency management	25,000	0	25,000	23,249	1,751	15,796
Volunteer fire departments	<u>60,000</u>	<u>0</u>	<u>60,000</u>	<u>50,400</u>	<u>9,600</u>	<u>50,400</u>
Total Public Safety	<u>\$ 3,235,000</u>	<u>\$ 0</u>	<u>\$ 3,235,000</u>	<u>\$ 3,091,170</u>	<u>\$ 143,830</u>	<u>\$ 3,311,857</u>
<b>Public Works:</b>						
Roads construction and maintenance	\$ 650,000	\$ 0	\$ 650,000	\$ 625,830	\$ 24,170	\$ 632,268
Shop and garage	<u>250,000</u>	<u>0</u>	<u>250,000</u>	<u>248,313</u>	<u>1,687</u>	<u>226,514</u>
Total Public Works	<u>\$ 900,000</u>	<u>\$ 0</u>	<u>\$ 900,000</u>	<u>\$ 874,143</u>	<u>\$ 25,857</u>	<u>\$ 858,782</u>
<b>Health and Welfare:</b>						
Animal Control	\$ 110,000	\$ 0	\$ 110,000	\$ 109,536	\$ 464	\$ 103,855
Family and Children Services	35,000	0	35,000	34,459	541	29,997
Physical and mental health	370,000	0	370,000	366,925	3,075	362,799
Upson Regional Medical Ctr. - Ambulance Services	483,240	0	483,240	483,240	0	483,240
Gilmore Center	100,000	0	100,000	100,000	0	100,000
Emergency Shelter	3,000	0	3,000	3,000	0	3,000
Meals on wheels	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,240</u>
Total Health and Welfare	<u>\$ 1,101,240</u>	<u>\$ 0</u>	<u>\$ 1,101,240</u>	<u>\$ 1,097,160</u>	<u>\$ 4,080</u>	<u>\$ 1,085,131</u>
<b>Culture and Recreation:</b>						
Hightower Memorial Library	\$ 167,297	\$ 0	\$ 167,297	\$ 167,297	\$ 0	\$ 167,297
Thomaston-Upson Arts Council	<u>10,000</u>	<u>0</u>	<u>10,000</u>	<u>10,000</u>	<u>0</u>	<u>10,000</u>
Total Culture and Recreation	<u>\$ 177,297</u>	<u>\$ 0</u>	<u>\$ 177,297</u>	<u>\$ 177,297</u>	<u>\$ 0</u>	<u>\$ 177,297</u>

NOTE: This financial presentation is continued on the next page.

UPSON COUNTY, GEORGIA  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES  
COMPARED WITH BUDGET  
FOR THE YEAR ENDED DECEMBER 31, 2010

Description:	INITIAL ANNUAL BUDGET	ADDITIONAL APPROPRIATION S	TOTAL APPROPRIATION S	2010 ACTUAL EXPENDITURE S	VARIANCE FAVORABLE (UNFAVORABLE) E)	2009 ACTUAL EXPENDITURES
Payments to Other Governmental Agencies:						
Thomaston-Upson County:						
Recreation Commission	\$ 635,000	\$ 0	\$ 635,000	\$ 635,000	\$ 0	\$ 526,000
Airport Authority	173,715	0	173,715	173,715	0	213,398
Solid Waste Disposal Facility	270,000	0	270,000	270,000	0	250,487
Industrial Development Authority	320,086	0	320,086	320,086	0	324,064
McIntosh Regional Development Center	<u>30,000</u>	<u>0</u>	<u>30,000</u>	<u>27,962</u>	<u>2,038</u>	<u>36,681</u>
Total Payments to Other Governmental Agencies	<u>\$ 1,428,801</u>	<u>\$ 0</u>	<u>\$ 1,428,801</u>	<u>\$ 1,426,763</u>	<u>\$ 2,038</u>	<u>\$ 1,350,630</u>
 Total Operating Expenditures	 \$ 13,432,337	 \$ 0	 \$ 13,432,337	 \$ 13,122,239	 \$ 333,099	 \$ 13,609,762
Debt Service:						
Local government lease pool - O.B.A.:						
Principal	\$ 130,000	\$ 0	\$ 130,000	\$ 128,132	\$ 1,868	\$ 175,069
Interest	35,000	0	35,000	31,072	3,928	64,033
Tax Anticipation Note:						
Interest	<u>75,000</u>	<u>0</u>	<u>75,000</u>	<u>65,591</u>	<u>9,409</u>	<u>120,972</u>
Total Debt Service	<u>\$ 240,000</u>	<u>\$ 0</u>	<u>\$ 240,000</u>	<u>\$ 224,795</u>	<u>\$ 15,205</u>	<u>\$ 360,074</u>
 Total Operating Expenditures and Debt Service	 <u>\$ 13,672,337</u>	 <u>\$ 0</u>	 <u>\$ 13,672,337</u>	 <u>\$ 13,347,034</u>	 <u>\$ 325,303</u>	 <u>\$ 13,969,836</u>

**UPSON COUNTY, GEORGIA  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET**

**DECEMBER 31, 2010**

**With Comparative Totals for December 31, 2009**

	911 FUND	HOTEL/ MOTEL TAX FUND	LAW LIBRARY FUND	TOTALS	
				2010	2009
<b>ASSETS:</b>					
Cash in banks	\$ 9,168	\$ 0	\$ 31,366	\$ 40,534	\$ 118,974
Total Assets	<u>\$ 9,168</u>	<u>\$ 0</u>	<u>\$ 31,366</u>	<u>\$ 40,534</u>	<u>\$ 118,974</u>
<b>LIABILITIES AND FUND BALANCES:</b>					
Accounts payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,846
Due to General Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>64,584</u>
<b>Total Liabilities</b>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 69,430</u>
<b>FUND BALANCES:</b>					
Unreserved:					
Undesignated	<u>\$ 9,168</u>	<u>\$ 0</u>	<u>\$31,366</u>	<u>\$ 40,534</u>	<u>\$ 49,544</u>
<b>Total Fund Balances</b>	<u>\$ 9,168</u>	<u>\$ 0</u>	<u>\$31,366</u>	<u>\$ 40,534</u>	<u>\$ 49,544</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 9,168</u>	<u>\$ 0</u>	<u>\$31,366</u>	<u>\$ 40,534</u>	<u>\$118,974</u>

**UPSON COUNTY, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**For the year ending December 31, 2010**  
**With Comparative Totals for December 31, 2009**

	911 FUND	HOTEL/ MOTEL TAX FUND	LAW LIBRARY FUND	TOTALS	
				2010	2009
<b>REVENUES:</b>					
Taxes	\$ 0	\$ 7,012	\$ 0	\$ 7,012	\$ 6,071
Fines and forfeitures	0	0	15,574	15,574	16,487
Charges for services	431,371	0	0	431,371	430,141
Investment earnings	88	0	46	134	372
<b>Total Revenues</b>	<b>\$ 431,459</b>	<b>\$ 7,012</b>	<b>\$ 15,620</b>	<b>\$ 454,091</b>	<b>\$ 453,071</b>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
General government	\$ 0	\$ 0	\$ 14,031	\$ 14,031	\$ 22,628
Public safety	442,058	0	0	442,058	528,645
Payments to Chamber Tourism	0	7,012	0	7,012	6,071
<b>Total Expenditures</b>	<b>\$ 442,058</b>	<b>\$ 7,012</b>	<b>\$ 14,031</b>	<b>\$ 463,101</b>	<b>\$ 557,344</b>
<b>Excess (Deficit) of Revenues over (Under) Expenditures</b>	<b>\$ (10,599)</b>	<b>\$ 0</b>	<b>\$ 1,589</b>	<b>\$ (9,010)</b>	<b>\$(104,273)</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers to/from other funds	\$ 0	\$ 0	\$ 0	\$ 0	\$ (48,890)
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ (48,890)</b>
<b>Excess (Deficit) of Revenues and Other Sources over (Under) Expenditures and Other Uses</b>	<b>\$ (10,599)</b>	<b>\$ 0</b>	<b>\$ 1,589</b>	<b>\$ (9,010)</b>	<b>\$(153,163)</b>
<b>Fund Balances-Beginning of</b>	<b>19,767</b>	<b>0</b>	<b>29,777</b>	<b>49,544</b>	<b>202,707</b>
<b>Fund Balances-End of Year</b>	<b>\$ 9,168</b>	<b>\$ 0</b>	<b>\$ 31,366</b>	<b>\$ 40,534</b>	<b>\$ 49,544</b>

UPSON COUNTY, GEORGIA  
**911 FUND**  
 COMPARATIVE BALANCE SHEET  
 DECEMBER 31, 2010 and December 31, 2009

	<u>TOTALS</u>	
	<u>2010</u>	<u>2009</u>
<b><u>ASSETS:</u></b>		
Cash in banks	\$ 9,168	\$ 89,197
<b>Total Assets</b>	<b>\$ 9,168</b>	<b>\$ 89,197</b>
 <b><u>LIABILITIES AND FUND BALANCES:</u></b>		
<b><u>LIABILITIES:</u></b>		
Accounts payable	\$ 0	\$ 4,846
Due to General Fund	0	64,584
<b>Total Liabilities</b>	<b>\$ 0</b>	<b>\$ 69,430</b>
 <b><u>FUND BALANCE:</u></b>		
Unreserved: Undesignated	\$ 9,168	\$ 19,767
<b>Total Fund Balance</b>	<b>\$ 9,168</b>	<b>\$ 19,767</b>
 <b>Total Liabilities and Fund Balance</b>	 <b>\$ 9,168</b>	 <b>\$ 89,197</b>

**UPSON COUNTY, GEORGIA**  
**911 FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCE –**  
**BUDGET AND ACTUAL**  
For the year ending December 31, 2010

	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
<b><u>REVENUES:</u></b>			
Charges for services	\$ 472,276	\$ 431,371	\$ (40,905)
Interest earned on investments	<u>400</u>	<u>88</u>	<u>(312)</u>
<b>Total Revenues</b>	<b><u>\$ 472,676</u></b>	<b><u>\$ 431,459</u></b>	<b><u>\$ (41,217)</u></b>
<b><u>EXPENDITURES:</u></b>			
Public Safety	<b><u>\$ 472,676</u></b>	<b><u>\$ 442,058</u></b>	<b><u>\$ 30,618</u></b>
<b>Total Expenditures</b>	<b><u>\$ 472,676</u></b>	<b><u>\$ 442,058</u></b>	<b><u>\$ 30,618</u></b>
 Excess (deficiency) of revenues over (under) expenditures	 <u>\$ 0</u>	 <u>\$ (10,599)</u>	 <u>\$ (10,599)</u>
<b><u>OTHER FINANCING SOURCES (USES):</u></b>			
Transfer to General Fund	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>Total Other Financing Sources and (Uses)</b>	<b><u>\$ 0</u></b>	<b><u>\$ 0</u></b>	<b><u>\$ 0</u></b>
 Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	 <u>\$ 0</u>	 <u>\$ (10,599)</u>	 <u>\$ (10,599)</u>
Fund Balance - Beginning of Year	<u>19,767</u>	<u>19,767</u>	<u>0</u>
<b>Fund Balance - End of Year</b>	<b><u>\$ 19,767</u></b>	<b><u>\$ 9,168</u></b>	<b><u>\$ (10,599)</u></b>

**UPSON COUNTY, GEORGIA**  
**HOTEL/MOTEL TAX FUND**  
**COMPARATIVE BALANCE SHEET**  
DECEMBER 31, 2010 and December 31, 2009

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	<u>TOTALS</u>	
	<u>2010</u>	<u>2009</u>
<b><u>ASSETS:</u></b>		
Cash in banks	\$       0	\$       0
<b>Total Assets</b>	<b>\$       0</b>	<b>\$       0</b>
 <b><u>LIABILITIES AND FUND BALANCES:</u></b>		
<b><u>LIABILITIES:</u></b>		
<b>Total Liabilities</b>	<b>\$       0</b>	<b>\$       0</b>
 <b><u>FUND BALANCE:</u></b>		
<b>Total Fund Balance</b>	<b>\$       0</b>	<b>\$       0</b>
 <b>Total Liabilities and Fund Balance</b>	 <b>\$       0</b>	 <b>\$       0</b>



**UPSON COUNTY, GEORGIA  
HOTEL/MOTEL TAX FUND  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL**  
For the year ending December 31, 2010

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b><u>REVENUES:</u></b>			
Hotel/Motel taxes	\$ 7,100	\$ 7,012	\$ (88)
<b>Total Revenues</b>	<b>\$ 7,100</b>	<b>\$ 7,012</b>	<b>\$ (88)</b>
<b><u>EXPENDITURES:</u></b>			
Payments to Chamber - Tourism	\$ 7,100	\$ 7,012	\$ 88
<b>Total Expenditures</b>	<b>\$ 7,100</b>	<b>\$ 7,012</b>	<b>\$ 88</b>
<b>Excess (Deficiency) of Revenues over (Under) Expenditures</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b><u>OTHER FINANCING SOURCES (USES):</u></b>			
Operating Transfers to General Fund	\$ 0	\$ 0	\$ 0
<b>Total Other Financing Sources and (Uses)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Excess (Deficiency) of Revenues over (Under) Expenditures</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Fund Balance - Beginning of Year</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Balance - End of Year</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>

**UPSON COUNTY, GEORGIA**  
**LAW LIBRARY FUND**  
**COMPARATIVE BALANCE SHEET**  
 DECEMBER 31, 2010 and December 31, 2009

	<b>TOTALS</b>	
	<b>2010</b>	<b>2009</b>
<b>ASSETS:</b>		
Cash in banks	\$ 31,366	\$ 29,777
<b>Total Assets</b>	<b>\$ 31,366</b>	<b>\$ 29,777</b>
 <b>LIABILITIES AND FUND BALANCES:</b>		
<b>LIABILITIES:</b>		
<b>Total Liabilities</b>	<b>\$ 0</b>	<b>\$ 0</b>
 <b>FUND BALANCE:</b>		
Unreserved: Undesignated	<b>\$ 31,366</b>	<b>\$ 29,777</b>
<b>Total Fund Balance</b>	<b>\$ 31,366</b>	<b>\$ 29,777</b>
 <b>Total Liabilities and Fund Balance</b>	 <b>\$ 31,366</b>	 <b>\$ 29,777</b>

**UPSON COUNTY, GEORGIA  
LAW LIBRARY FUND  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL**  
For the year ending December 31, 2010

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u> <u>FAVORABLE</u> <u>(UNFAVORABLE)</u>
<b><u>REVENUES:</u></b>			
Costs	\$ 16,000	\$ 15,574	\$ (426)
Interest earned	<u>50</u>	<u>46</u>	<u>(4)</u>
Total Revenues	<u>\$ 16,050</u>	<u>\$ 15,620</u>	<u>\$ (430)</u>
<b><u>EXPENDITURES:</u></b>			
Current:			
General Government	<u>\$ 16,050</u>	<u>\$ 14,031</u>	<u>\$ 2,019</u>
Total Expenditures	<u>\$ 16,050</u>	<u>\$ 14,031</u>	<u>\$ 2,019</u>
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>\$ 0</u>	<u>\$ 1,589</u>	<u>\$ 1,589</u>
<b><u>OTHER FINANCING SOURCES (USES):</u></b>			
Total Other Financing Sources and (Uses)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ 0</u>	<u>\$ 1,589</u>	<u>\$ 0</u>
Fund Balance - Beginning of Year	<u>29,777</u>	<u>29,777</u>	<u>0</u>
Fund Balance - End of Year	<u>\$ 29,777</u>	<u>\$ 31,366</u>	<u>\$ 0</u>

**UPSON COUNTY, GEORGIA  
CAPITAL PROJECTS FUNDS  
BALANCE SHEET  
DECEMBER 31, 2010  
WITH COMPARATIVE TOTALS AS OF DECEMBER 31, 2009**

	2005 SPECIAL LOCAL OPTION SALES TAX PROJECTS FUND	TOTALS	
		2010	2009
<b><u>ASSETS:</u></b>			
Cash – Construction Account	\$ 4,378,950	\$ 0	\$ 4,049,239
<b>TOTAL ASSETS</b>	<b>\$ 4,378,950</b>	<b>\$ 0</b>	<b>\$ 4,049,239</b>
<b><u>LIABILITIES AND FUND BALANCES:</u></b>			
Due to General Fund	\$ 0	\$ 0	\$ 0
<b>TOTAL LIABILITIES</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b><u>FUND BALANCES:</u></b>			
Reserve for project completion	\$ 4,378,950	\$ 0	\$ 4,049,239
<b>TOTAL FUND BALANCES</b>	<b>\$ 4,378,950</b>	<b>\$ 0</b>	<b>\$ 4,049,239</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 4,378,950</b>	<b>\$ 0</b>	<b>\$ 4,049,239</b>

**UPSON COUNTY, GEORGIA  
CAPITAL PROJECTS FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES  
- BUDGET AND ACTUAL -  
FOR THE YEAR ENDED DECEMBER 31, 2010  
WITH COMPARATIVE TOTALS AS OF DECEMBER 31, 2009**

	2005 SPECIAL LOCAL OPTION SALES TAX PROJECTS FUND			TOTALS	
	2010 BUDGET	2010 ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	2010 ACTUAL	2009 ACTUAL
<b>REVENUES:</b>					
SPLOST proceeds	\$,150,000	\$,169,333	\$ 19,333	\$,169,333	\$,123,149
Georgia Department of Transportation	0	0	0	0	29,136
G.E.M.A. Contribution	0	0	0	0	92,696
Interest earned on investments	<u>4,000</u>	<u>4,461</u>	<u>461</u>	<u>4,461</u>	<u>2,288</u>
<b>TOTAL REVENUES</b>	<b><u>\$,154,000</u></b>	<b><u>\$,173,794</u></b>	<b><u>\$ 19,794</u></b>	<b><u>\$,173,794</u></b>	<b><u>\$,247,269</u></b>
<b>EXPENDITURES:</b>					
General Government:					
Current	\$ 5,000	\$ 4,072	\$ 928	\$ 5,000	\$ 0
Capital Outlay	<u>\$,195,000</u>	<u>\$,066,030</u>	<u>\$128,970</u>	<u>\$,066,030</u>	<u>\$,353,560</u>
Total General Government	<u>\$,200,000</u>	<u>\$,070,102</u>	<u>\$129,898</u>	<u>\$,070,102</u>	<u>\$,353,560</u>
<b>TOTAL EXPENDITURES</b>	<b><u>\$,200,000</u></b>	<b><u>\$,070,102</u></b>	<b><u>\$129,898</u></b>	<b><u>\$,070,102</u></b>	<b><u>\$,353,560</u></b>
Excess of Revenue Over (Under) Expenditures	<u>\$ 954,000</u>	<u>\$,103,692</u>	<u>\$149,692)</u>	<u>\$,103,692</u>	<u>\$(106,291)</u>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfer to City of	\$(750,000)	\$(751,867)	\$ (1,867)	\$(751,867)	\$(837,816)
Transfer to City of	<u>(22,000)</u>	<u>(22,114)</u>	<u>(114)</u>	<u>(22,114)</u>	<u>(24,641)</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b><u>\$(772,000)</u></b>	<b><u>\$(773,981)</u></b>	<b><u>\$ (1,981)</u></b>	<b><u>\$(773,981)</u></b>	<b><u>\$(862,457)</u></b>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 182,000	\$ 329,711	\$147,711	\$ 329,711	\$(968,748)
Fund Balance - Beginning of Year	<u>4,049,259</u>	<u>4,049,239</u>	<u>20</u>	<u>4,049,239</u>	<u>5,018,007</u>
<b>Fund Balance - End of Year</b>	<b><u>\$,231,259</u></b>	<b><u>\$,378,950</u></b>	<b><u>\$147,691</u></b>	<b><u>\$,378,950</u></b>	<b><u>\$,049,259</u></b>

UPSON COUNTY, GEORGIA  
**COMPARATIVE STATEMENT OF NET ASSETS**  
**WATER SYSTEM ENTERPRISE FUND**  
DECEMBER 31, 2010 AND 2009

ASSETS	TOTALS	
	2010	2009
<b><u>Current Assets:</u></b>		
Petty Cash	\$ 100	\$ 100
Cash in Banks	347,744	169,182
Accounts Receivable	99,659	82,032
Prepays		5,687
<b>Total</b>	<b><u>\$ 447,503</u></b>	<b><u>\$ 257,001</u></b>
<b><u>Restricted Assets, Cash and Investments:</u></b>		
GEFA & CDBG Project Accounts	<u>\$ 4,110</u>	<u>\$ 5</u>
Customer Deposits	185,880	180,050
<b>Total Restricted Assets</b>	<b><u>\$ 189,990</u></b>	<b><u>\$ 180,055</u></b>
<b>Total Current Assets</b>	<b><u>\$ 637,493</u></b>	<b><u>\$ 437,056</u></b>
<b><u>Property, Plant and Equipment:</u></b>		
Water Distribution & Storage System	<u>6,296,527</u>	<u>5,847,775</u>
Equipment & Vehicles	231,969	186,370
	<b>\$ 6,528,496</b>	<b>\$ 6,034,145</b>
<b>Less Accumulated Depreciation</b>	<b>(1,308,377)</b>	<b>(1,116,718)</b>
<b>Net Property, Plant and Equipment</b>	<b>\$ 5,220,119</b>	<b>\$ 4,917,427</b>
<b>TOTAL ASSETS</b>	<b>\$ 5,857,612</b>	<b>\$ 5,354,483</b>

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UPSON COUNTY, GEORGIA  
**COMPARATIVE STATEMENT OF NET ASSETS**  
**WATER SYSTEM ENTERPRISE FUND**  
DECEMBER 31, 2010 AND 2009

<u>LIABILITIES AND NET ASSETS</u>	<u>TOTALS</u>	
	<u>2010</u>	<u>2009</u>
<b><u>LIABILITIES:</u></b>		
<b>Current Liabilities</b>		
<b><u>(Payable from Current Assets):</u></b>		
Current Portion of Notes Payable	\$ 44,521	\$ 34,271
Due to General Fund	19,233	47,834
Accounts Payable	8,815	58,295
<b>Total Current Liabilities</b> <b>(Payable from Current Assets)</b>	<b>\$ 72,569</b>	<b>\$ 140,400</b>
<b>Current Liabilities</b>		
<b><u>(Payable from Restricted Assets):</u></b>		
Customer Deposits	\$ 121,448	\$ 128,246
<b>Total Current Liabilities</b>	<b>\$ 194,017</b>	<b>\$ 268,646</b>
<b>Long-term Liabilities:</b>		
Notes Payable (Net of Current Portion)	\$ 3,745,202	\$ 3,550,815
<b>Total Long-term Liabilities</b>	<b>\$ 3,745,202</b>	<b>\$ 3,550,815</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 3,939,219</b>	<b>\$ 3,819,461</b>
<b><u>NET ASSETS:</u></b>		
Invested in capital assets, net of related debt	\$ 1,430,396	\$ 1,332,341
Unrestricted	487,997	202,681
<b>TOTAL NET ASSETS</b>	<b>\$ 1,918,393</b>	<b>\$ 1,535,022</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$5,857,612</u></b>	<b><u>\$5,354,483</u></b>

UPSON COUNTY, GEORGIA  
**COMPARATIVE STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN FUND NET ASSETS**  
**WATER SYSTEM ENTERPRISE FUND**  
**YEAR ENDED DECEMBER 31, 2010 AND 2009**

	<b>TOTALS</b>	
	<b>2010</b>	<b>2009</b>
<b>OPERATING REVENUES-CHARGES FOR SERVICES:</b>		
<b>Water</b>	\$ 1,005,207	\$ 838,689
<b>Sewer</b>	77,693	83,663
<b>Tap-on and Other Charges</b>	80,588	67,166
<b>Total Operating Revenues</b>	<b>\$ 1,163,488</b>	<b>\$ 989,518</b>
<b>OPERATING EXPENSES:</b>		
<b>Personnel Services</b>	\$ 237,908	\$ 239,093
<b>Purchases of Water</b>	296,992	580,328
<b>Sewer Fees</b>	53,849	58,181
<b>Vehicle Expenses</b>	20,269	11,949
<b>Materials, Supplies &amp; Maintenance</b>	101,119	106,622
<b>Utilities &amp; Telephone</b>	41,299	25,880
<b>Administrative Expenses</b>	52,215	28,332
<b>Depreciation</b>	191,659	81,321
<b>Total Operating Expenses</b>	<b>\$ 995,310</b>	<b>\$ 1,131,706</b>
<b>Operating Income (Loss)</b>	<b>\$ 168,178</b>	<b>\$ (142,188)</b>
<b>NON-OPERATING REVENUE (EXPENSES):</b>		
<b>Interest Income</b>	\$ 184	\$ 242
<b>Interest Expenses &amp; Fiscal Charges</b>	(24,065)	(25,578)
<b>Grant - Community Development Block Grant</b>	239,074	105,437
<b>Total Non-operating Revenue (Expenses)</b>	<b>\$ 215,193</b>	<b>\$ 80,101</b>
<b>Change in Net Assets</b>	<b>\$ 383,371</b>	<b>\$ (62,087)</b>
<b>Net Assets at Beginning of Year</b>	<b>1,535,022</b>	<b>1,597,109</b>
<b>Net Assets at End of Year</b>	<b>\$ 1,918,393</b>	<b>\$ 1,535,022</b>

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**UPSON COUNTY, GEORGIA**  
**WATER SYSTEM ENTERPRISE FUND**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**FOR YEAR ENDED DECEMBER 31, 2010 AND 2009**

	TOTALS	
	2010	2009
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	\$1,181,115	\$ 993,129
Payments for employees	(237,908)	(239,093)
Payments to suppliers	(680,189)	(780,649)
Net cash provided (used) by operating activities	<u>\$ 263,018</u>	<u>\$ (26,613)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Loan proceeds	\$ 242,362	\$ 2,894,812
Principal payment on notes	(37,725)	(32,644)
Interest and fiscal charges on revenue bonds and	(24,056)	(25,578)
Acquisition of capital assets	(494,360)	(3,095,952)
Grant proceeds - C.D.B.G.	239,074	105,437
Net cash from (used for) capital and related financing activities	<u>\$ (74,705)</u>	<u>\$ (153,925)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest Income	\$ 184	\$ 242
Net cash provided from (used) by investing activities	\$ 184	\$ 242
Net increase (decrease) in cash and cash equivalents	\$ 188,497	\$ (180,296)
Cash and cash equivalents - Beginning of year	349,237	529,533
Cash and cash equivalents - End of year	<u>\$ 537,734</u>	<u>\$ 349,237</u>
<b>Classified as:</b>		
Current assets	\$ 347,744	\$ 169,182
Restricted assets	189,990	180,055
<b>TOTAL</b>	<u>\$ 537,734</u>	<u>\$ 349,237</u>
<b>RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
Net operating income (loss)	\$ 168,178	\$ (142,188)
<b>Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:</b>		
Depreciation	\$ 191,659	\$ 81,321

(This financial presentation continues on the following page)

**UPSON COUNTY, GEORGIA**  
**WATER SYSTEM ENTERPRISE FUND**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**FOR YEAR ENDED DECEMBER 31, 2010 AND 2009**

	<u>TOTALS</u>	
	<u>2010</u>	<u>2009</u>
<u>RECONCILIATION OF NET OPERATING INCOME TO</u>		
<u>NET CASH PROVIDED BY OPERATING ACTIVITIES: (CONTINUED)</u>		
<b>Changes in assets and liabilities:</b>		
(Increase) decrease in accounts receivable/prepays	<u>(11,940)</u>	<u>3,611</u>
Increase (decrease) in payables	<u>(78,081)</u>	<u>27,835</u>
Increase (decrease) in customer deposits	<u>(6,798)</u>	<u>21,263</u>
Other		<u>34,771</u>
<b>Total adjustment</b>	<b>\$ (94,840)</b>	<b>\$ 87,480</b>
<b>Net cash provided (used) by operating activities</b>	<b>\$ 263,018</b>	<b>\$ 26,613</b>

**UPSON COUNTY, GEORGIA**  
**EMPLOYEE PENSION FUND**  
**COMPARATIVE STATEMENT OF FIDUCIARY NET ASSETS**  
**DECEMBER 31, 2010 AND 2009**

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**ASSETS**

**Investments:**

**Short-term investments:**

	<b><u>2010</u></b>	<b><u>2009</u></b>
Certificates of deposit		
Southern Farm Bureau Life		
Insurance Company	\$ 5,818,767	\$ 5,452,725
-		
Total Assets	<b><u>\$ 5,818,767</u></b>	<b><u>\$ 5,452,725</u></b>

**LIABILITIES AND NET ASSETS**

<b><u>LIABILITIES:</u></b>	\$ -0-	\$ -0-
<b><u>NET ASSETS:</u></b>		
Net assets held in trust for pension benefits	<u>5,818,767</u>	<u>5,452,725</u>
Total Liabilities and Net Assets	<b><u>\$ 5,818,767</u></b>	<b><u>\$ 5,452,725</u></b>

**UPSON COUNTY, GEORGIA**  
**EMPLOYEE PENSION FUND**  
 COMPARATIVE STATEMENT OF CHANGES IN PLAN NET ASSETS  
 FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

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	<u>2010</u>	<u>2009</u>
<b><u>ADDITIONS:</u></b>		
Employer Contributions	\$ 625,542	\$ 517,557
Investment Income	<u>230,516</u>	<u>214,878</u>
<b>TOTAL ADDITIONS</b>	<b><u>\$ 856,058</u></b>	<b><u>\$ 732,435</u></b>
<b><u>DEDUCTIONS:</u></b>		
Benefits paid retirees	\$ 480,516	\$ 730,600
Administrative expenses	<u>9,500</u>	<u>9,000</u>
<b>TOTAL DEDUCTIONS</b>	<b><u>\$ 490,016</u></b>	<b><u>\$ 739,600</u></b>
 NET INCREASE (DECREASE) IN PLAN NET ASSETS	 <b>\$ 366,042</b>	 <b>\$ (7,165)</b>
 <b>NET ASSETS - Beginning of Year</b>	 <b><u>5,452,725</u></b>	 <b><u>5,459,890</u></b>
 <b>NET ASSETS - End of Year</b>	 <b><u>\$ 5,818,767</u></b>	 <b><u>\$ 5,452,725</u></b>

**UPSON COUNTY, GEORGIA**  
**AGENCY FUNDS**  
**COMBINING STATEMENT OF FIDUCIARY NET ASSETS**  
**DECEMBER 31, 2010**

	<b>AGENCY FUNDS</b>							<b>TOTAL</b>
	PROBATE COURT	CLERK OF SUPERIOR COURT	SUPERIOR COURT	SHERIFF'S DEPARTMENT	MAGISTRATE COURT	JUVENILE COURT	TAX COMMISSIONER	2010
<b>ASSETS:</b>								
Petty Cash	\$ --	\$ --	\$ --	\$ 1,200	\$ --	\$ --	\$ --	\$ 1,200
Cash & Investments	39,841	7,019	14,688	96,862	36,310	18,180	--	212,900
Taxes Receivable	--	--	--	--	--	--	2,075,434	2,075,434
<b>TOTAL ASSETS</b>	<b>\$39,841</b>	<b>\$ 7,019</b>	<b>\$ 14,688</b>	<b>\$ 98,062</b>	<b>\$ 36,310</b>	<b>\$18,180</b>	<b>\$ 2,075,434</b>	<b>\$ 2,289,534</b>
<b>LIABILITIES:</b>								
Due to Others	\$39,841	\$ 7,019	\$ 14,688	\$ 98,062	\$ 36,310	\$18,180	\$ 2,075,434	\$ 2,289,534
<b>TOTAL LIABILITIES</b>	<b>\$39,841</b>	<b>\$ 7,019</b>	<b>\$ 14,688</b>	<b>\$ 98,062</b>	<b>\$ 36,310</b>	<b>\$18,180</b>	<b>\$ 2,075,434</b>	<b>\$ 2,289,534</b>

UPSON COUNTY, GEORGIA  
**AGENCY FUNDS**  
**COMBINING STATEMENTS OF CHANGES IN**  
**ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDING DECEMBER 31, 2010**

	DECEMBER 31, 2009	ADDITIONS	DEDUCTIONS	DECEMBER 31, 2010
<b><u>PROBATE COURT</u></b>				
<b><u>Assets</u></b>				
Cash	<u>\$ 57,025</u>	<u>\$ 572,693</u>	<u>\$ 589,877</u>	<u>\$ 39,841</u>
<b><u>Liabilities</u></b>				
Accounts Payable	<u>\$ 57,025</u>	<u>\$ 572,693</u>	<u>\$ 589,877</u>	<u>\$ 39,841</u>
Total Liabilities	<u>\$ 57,025</u>	<u>\$ 572,693</u>	<u>\$ 589,877</u>	<u>\$ 39,841</u>
<b><u>CLERK OF SUPERIOR COURT</u></b>				
<b><u>Assets</u></b>				
Cash	<u>\$ 37,766</u>	<u>\$ 462,850</u>	<u>\$ 493,597</u>	<u>\$ 7,019</u>
<b><u>Liabilities</u></b>				
Accounts Payable	<u>\$ 37,766</u>	<u>\$ 462,850</u>	<u>\$ 493,597</u>	<u>\$ 7,019</u>
Total Liabilities	<u>\$ 37,766</u>	<u>\$ 462,850</u>	<u>\$ 493,597</u>	<u>\$ 7,019</u>
<b><u>SUPERIOR COURT</u></b>				
<b><u>Assets</u></b>				
Cash	<u>\$ 17,819</u>	<u>\$ 255,637</u>	<u>\$ 258,768</u>	<u>\$ 14,688</u>
<b><u>Liabilities</u></b>				
Accounts Payable	<u>\$ 17,819</u>	<u>\$ 255,637</u>	<u>\$ 258,768</u>	<u>\$ 14,688</u>
Total Liabilities	<u>\$ 17,819</u>	<u>\$ 255,637</u>	<u>\$ 258,768</u>	<u>\$ 14,688</u>
<b><u>SHERIFF'S OFFICE</u></b>				
<b><u>Assets</u></b>				
Cash	<u>\$ 15,846</u>	<u>\$ 624,746</u>	<u>\$ 542,530</u>	<u>\$ 98,062</u>
<b><u>Liabilities</u></b>				
Accounts Payable	<u>\$ 15,846</u>	<u>\$ 624,746</u>	<u>\$ 542,530</u>	<u>\$ 98,062</u>
Total Liabilities	<u>\$ 15,846</u>	<u>\$ 624,746</u>	<u>\$ 542,530</u>	<u>\$ 98,062</u>

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UPSON COUNTY, GEORGIA  
**AGENCY FUNDS**  
**COMBINING STATEMENTS OF CHANGES IN**  
**ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDING DECEMBER 31, 2010**

	DECEMBER 31, 2009	ADDITIONS	DEDUCTIONS	DECEMBER 31, 2010
<b><u>MAGISTRATE COURT</u></b>				
<b><u>Assets</u></b>				
Cash	<u>\$ 26,707</u>	<u>\$ 416,413</u>	<u>\$ 406,810</u>	<u>\$ 36,310</u>
<b><u>Liabilities</u></b>				
Accounts Payable	<u>\$ 26,707</u>	<u>\$ 416,413</u>	<u>\$ 406,810</u>	<u>\$ 36,310</u>
Total Liabilities	<u>\$ 26,707</u>	<u>\$ 416,413</u>	<u>\$ 406,810</u>	<u>\$ 36,310</u>
<b><u>JUVENILE COURT</u></b>				
<b><u>Assets</u></b>				
Cash	<u>\$ 14,719</u>	<u>\$ 15,048</u>	<u>\$ 11,587</u>	<u>\$ 18,180</u>
<b><u>Liabilities</u></b>				
Accounts Payable	<u>\$ 14,719</u>	<u>\$ 15,048</u>	<u>\$ 11,587</u>	<u>\$ 18,180</u>
Total Liabilities	<u>\$ 14,719</u>	<u>\$ 15,048</u>	<u>\$ 11,587</u>	<u>\$ 18,180</u>
<b><u>TAX COMMISSIONER</u></b>				
<b><u>Assets</u></b>				
Cash	\$ --	\$ --	\$ --	\$ --
Taxes Receivable	<u>1,511,637</u>	<u>8,211,286</u>	<u>7,647,489</u>	<u>2,075,434</u>
Total Assets	<u>\$ 1,511,637</u>	<u>\$ 8,211,286</u>	<u>\$ 7,647,489</u>	<u>\$ 2,075,434</u>
<b><u>Liabilities</u></b>				
Accounts Payable	<u>\$ 1,511,637</u>	<u>\$ 8,211,286</u>	<u>\$ 7,647,489</u>	<u>\$ 2,075,434</u>
Total Liabilities	<u>\$ 1,511,637</u>	<u>\$ 8,211,286</u>	<u>\$ 7,647,489</u>	<u>\$ 2,075,434</u>

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UPSON COUNTY, GEORGIA  
**AGENCY FUNDS**  
**COMBINING STATEMENTS OF CHANGES IN**  
**ASSETS AND LIABILITIES**  
**FOR THE YEAR ENDING DECEMBER 31, 2010**

	DECEMBER 31, 2009	ADDITIONS	DEDUCTIONS	DECEMBER 31, 2010
<b>TOTALS - ALL AGENCY FUNDS</b>				
<b>Assets</b>				
Cash	\$ 169,882	\$ 2,347,387	\$ 2,303,169	\$ 214,100
Taxes Receivable	1,511,637	8,211,286	7,647,489	2,075,434
<b>Total Assets</b>	<b>\$ 1,681,519</b>	<b>\$10,558,673</b>	<b>\$ 9,950,658</b>	<b>\$ 2,289,534</b>
<b>Liabilities</b>				
Accounts Payable	\$ 1,681,519	\$10,558,673	\$ 9,950,658	\$ 2,289,534
<b>Total Liabilities</b>	<b>\$ 1,681,519</b>	<b>\$10,558,673</b>	<b>\$ 9,950,658</b>	<b>\$ 2,289,534</b>

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UPSON COUNTY, GEORGIA  
**COMBINING STATEMENT OF NET ASSETS**  
**Nonmajor Component Units**  
**December 31, 2009**

	Upson County Department of Public Health	Thomaston- Upson County Solid Waste Disposal Facility	Total Nonmajor Governmental Funds
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 623,400	\$ 48,736	\$ 672,136
Receivables:			
Accounts	32,088	-	32,088
Capital assets, net of accumulated depreciation:			
Land	-	173,772	173,772
Other capital assets, net of depreciation	-	1,644,045	1,644,045
<b>Total Assets</b>	<b>\$ 655,488</b>	<b>\$ 1,866,553</b>	<b>\$ 2,522,041</b>
<b>LIABILITIES:</b>			
Accounts payable	\$ 385,210	\$ 19,428	\$ 404,638
Long-term liabilities:			
Due within one year	-	-	-
Due beyond one year	-	-	-
<b>Total Liabilities</b>	<b>\$ 385,210</b>	<b>\$ 19,428</b>	<b>\$ 404,638</b>
<b>NET ASSETS:</b>			
Invested in capital assets, net of related debt	\$ -	\$ 1,817,817	\$ 1,817,817
Restricted	-	-	-
Unrestricted	-	-	-
<b>Total Net Assets</b>	<b>\$ 270,278</b>	<b>\$ 1,847,125</b>	<b>\$ 2,117,403</b>

**UPSON COUNTY, GEORGIA**  
**COMBINING STATEMENT OF ACTIVITIES**  
**Nonmajor Component Units**  
**For the Year Ending December 31, 2009**

Functions / Programs	Expenses	PROGRAM REVENUES					
		Charges For Services	Operating Grants & Contributions	Capital Grants & Contributions	Upson County Department of Public Health	Thomaston-Upson County Solid Waste Disposal Facility	Total Nonmajor Governmental Funds
<b>COMPONENT UNITS:</b>							
Upson County Dept. of Public	\$ 923,451	\$ 384,200	\$ 500,000	-	\$ (39,251)	-	\$ (39,251)
Thomaston-Upson County Solid Waste Disposal Facility	260,437	-	270,000	-	-	9,563	9,563
Total Component Units	\$ 1,183,888	\$ 384,200	\$ 770,000	\$ 0	\$ (39,251)	\$ 9,563	\$ (29,688)
General Revenues							
Interest Income					\$ 3,220	\$ 120	\$ 3,340
Total General Revenues					\$ 3,220	\$ 120	\$ 3,340
Change in Net Assets					\$ (36,031)	\$ 9,683	\$ (26,348)
Net Assets - Beginning of Year					306,309	1,837,442	2,143,751
Net Assets - End of Year					\$ 270,278	\$ 1,847,125	\$ 2,117,403

UPSON COUNTY, GEORGIA  
**COMPARATIVE SCHEDULE OF LONG-TERM DEBT**  
 December 31, 2010 and 2009

	2010	2009
<b>GOVERNMENTAL FUNDS:</b>		
Other Long-term Liabilities:		
Capital Leases	\$ 645,600	\$ 764,259
<b>TOTAL GOVERNMENTAL FUNDS</b>	<b>\$ 645,600</b>	<b>\$ 764,259</b>
<b>PROPRIETARY FUNDS:</b>		
Note Payable – Georgia Environmental Facilities Authority	\$ 205,724	\$ 217,495
Note Payable – Georgia Environmental Facilities Authority	258,434	280,932
GEFA Loan Draws	3,283,422	3,086,659
<b>TOTAL PROPRIETARY FUNDS</b>	<b>\$ 3,747,580</b>	<b>\$ 3,585,086</b>
 <b>TOTAL LONG-TERM DEBT</b>	 <b>\$ 4,393,180</b>	 <b>\$ 4,349,345</b>

**Schedule 1**  
**Upson County, Georgia**  
**Net Assets by Component**  
**Last Eight Fiscal Years**  
(accrual basis of accounting)

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Governmental Activities</b>								
Invested in capital assets, net of related debt	\$ 17,717,818	\$ 20,050,883	\$ 22,279,421	\$ 22,648,344	\$ 31,158,580	\$ 29,859,796	\$ 31,829,427	\$ 32,402,303
Restricted	1,948,747	1,759,558	958,933	2,540,353	4,654,553	5,220,714	4,098,783	4,419,484
Unrestricted	__ 2,512,990	2,652,002	3,394,738	3,726,638	3,557,566	2,981,071	2,894,516	3,144,501
Total Governmental Activities Net Assets	\$ 22,179,555	\$ 24,462,443	\$ 26,633,092	\$ 28,915,335	\$ 39,370,699	\$ 38,061,581	\$ 38,822,726	\$ 39,966,288
<b>Business-type Activities</b>								
Invested in capital assets, net of related debt	\$ 497,333	\$ 553,049	\$ 1,135,529	\$ 1,075,044	\$ 1,108,793	\$ 1,123,193	\$ 1,332,341	\$ 1,430,396
Restricted	-	-	-	-	-	-	-	-
Unrestricted	459,684	416,387	287,834	383,467	378,447	473,916	202,681	487,997
Total Business-type Activities Net Assets	\$ 957,017	\$ 969,436	\$ 1,423,363	\$ 1,458,511	\$ 1,487,240	\$ 1,597,109	\$ 1,535,022	\$ 1,918,393
<b>Primary Government</b>								
Invested in capital assets, net of related debt	\$ 18,215,151	\$ 20,603,932	\$ 23,414,950	\$ 23,723,388	\$ 32,267,373	\$ 30,982,989	\$ 33,161,768	\$ 33,832,699
Restricted	1,948,747	1,759,558	958,933	2,540,353	4,654,553	5,220,714	4,098,783	4,419,484
Unrestricted	2,972,674	3,068,389	3,682,572	4,110,105	3,936,013	3,454,987	3,097,197	3,632,498
Total Governmental Activities Net Assets	\$ 23,136,572	\$ 25,431,879	\$ 28,056,455	\$ 30,373,846	\$ 40,857,939	\$ 39,658,690	\$ 40,357,748	\$ 41,884,681

Note: The County began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

**Schedule 2**  
**Upson County, Georgia**  
**Changes in Net Assets, Last Eight Fiscal Years**  
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	
<b>Expenses</b>									
Governmental activities:									
General Government	\$ 4,798,262	\$ 5,340,750	\$ 5,614,567	\$ 5,822,466	\$ 6,529,384	\$ 6,797,886	\$ 7,275,699	\$ 6,911,100	
Public Safety	3,645,433	3,682,102	4,028,634	4,216,291	4,022,190	4,340,711	4,245,847	3,911,100	
Public Works	1,204,842	1,034,298	1,348,767	1,143,396	1,688,663	1,609,243	1,542,130	1,511,100	
Miscellaneous general government	2,642,871	2,846,726	3,923,168	4,045,096	3,949,585	3,957,835	3,709,910	3,811,100	
Total Governmental Activities Expenses	\$ 12,291,408	\$ 12,903,876	\$ 14,915,136	\$ 15,227,249	\$ 16,189,822	\$ 16,705,675	\$ 16,773,586	\$ 16,145,300	
<b>Business-type Activities</b>									
Water and Sewer	\$ 920,973	\$ 944,582	\$ 1,162,583	\$ 982,692	\$ 1,023,637	\$ 1,142,216	\$ 1,157,284	\$ 1,011,100	
Total Business-type Activities Expenses	\$ 920,973	\$ 944,582	\$ 1,162,583	\$ 982,692	\$ 1,023,637	\$ 1,142,216	\$ 1,157,284	\$ 1,011,100	
Total Primary Government Expenses	\$ 13,212,381	\$ 13,848,458	\$ 16,077,719	\$ 16,209,941	\$ 17,213,459	\$ 17,847,891	\$ 17,930,870	\$ 17,156,400	
<b>Program Revenues</b>									
Governmental activities:									
Charges for Services:									
General Government	\$ 1,240,563	\$ 1,159,425	\$ 1,336,401	\$ 1,413,682	\$ 1,408,440	\$ 1,221,001	\$ 1,717,719	\$ 1,811,100	
Public Safety	475,852	916,621	682,779	730,788	715,912	1,088,878	659,488	611,100	
Operating Grants and Contributions	123,850	141,648	406,553	364,453	109,445	505,420	157,067	211,100	
Capital Grants and Contributions	222,945	-	-	-	-	-	-	-	
Total Governmental Activities Net Assets	\$ 2,063,210	\$ 2,217,694	\$ 2,425,733	\$ 2,508,923	\$ 2,233,797	\$ 2,815,299	\$ 2,534,274	\$ 2,633,300	
Business-type activities:									
Water & Sewer	\$ 876,752	\$ 956,662	\$ 920,414	\$ 1,017,115	\$ 1,004,273	\$ 1,013,821	\$ 989,518	\$ 1,111,100	
Operating Grants and Contributions	126,995	-	-	-	-	-	-	-	
Capital Grants and Contributions	-	-	695,481	-	47,330	237,790	105,437	211,100	
Total Business-type Activities Program Revenues	\$ 1,003,747	\$ 956,662	\$ 1,615,895	\$ 1,017,115	\$ 1,051,603	\$ 1,251,611	\$ 1,094,955	\$ 1,322,200	
Total Primary Government Program Revenues	\$ 3,066,957	\$ 3,174,356	\$ 4,041,628	\$ 3,526,038	\$ 3,285,400	\$ 4,066,910	\$ 3,629,229	\$ 3,955,500	

**Schedule 2**  
**Upson County, Georgia**  
**Changes in Net Assets, Last Eight Fiscal Years**  
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010
Net (Expenses)/Revenue								
Governmental Activities	\$ (10,228,198)	\$ (10,686,182)	\$ 12,489,403	\$ 12,718,326	\$ (13,956,025)	\$ (13,890,376)	\$ (14,239,312)	\$ (13,542,713)
Business-type Activities	82,774	12,080	453,312	34,423	27,966	109,395	(62,329)	383,187
Total Primary Government Net Expense	\$ (10,145,424)	\$ (10,674,102)	\$ 12,942,715	\$ 12,752,749	\$ (13,928,059)	\$ (13,780,981)	\$ (14,301,641)	\$ (13,159,576)
General Revenue & Other Changes in Net Assets								
Governmental Activities:								
Taxes								
Property Taxes	\$ 7,141,924	\$ 6,968,167	\$ 7,959,584	\$ 7,962,249	\$ 8,441,520	\$ 8,052,832	\$ 8,821,475	\$ 8,535,057
Sales Taxes	4,222,624	4,634,321	4,900,246	5,312,463	5,486,587	5,012,710	4,842,702	4,980,673
Franchise Taxes	101,346	102,802	107,926	117,514	115,339	117,853	117,702	90,501
Insurance Premiums Taxes	677,729	733,316	783,091	820,656	862,930	883,964	871,289	847,392
Other Taxes	197,654	338,845	322,570	347,842	314,921	245,426	229,668	217,697
Unrestricted grants and contributions	-	-	-	-	-	-	-	-
Interest Revenue	79,086	61,147	154,872	225,653	289,654	241,884	7,947	6,123
Miscellaneous	119,420	130,472	439,511	170,863	186,728	195,341	109,674	102,065
Transfers	-	-	-	-	-	-	-	-
Total Governmental Activities	\$ 12,677,654	\$ 12,969,070	\$ 14,667,800	\$ 14,957,240	\$ 15,697,679	\$ 14,750,010	\$ 15,000,457	\$ 14,707,508
Business-type Activities:								
Unrestricted Grants and Contributions	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	-
Interest Revenue	354	339	615	725	764	808	242	184
Miscellaneous	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
Total Business-type Activities	\$ 354	\$ 339	\$ 615	\$ 725	\$ 764	\$ 808	\$ 242	\$ 184
Total Primary Government	\$ 12,678,008	\$ 12,969,409	\$ 14,668,415	\$ 14,957,965	\$ 15,698,443	\$ 14,750,818	\$ 15,000,699	\$ 14,779,692
Change in Net Assets								
Governmental Activities	\$ 2,449,456	\$ 2,282,888	\$ 2,178,397	\$ 2,238,914	\$ 1,741,654	\$ 859,634	\$ 761,145	\$ 1,164,795
Business-type Activities	83,128	12,419	453,927	35,148	28,730	109,868	(62,087)	383,371
Total Primary Government	\$ 2,532,584	\$ 2,295,307	\$ 2,632,324	\$ 2,274,062	\$ 1,770,384	\$ 969,502	\$ 699,058	\$ 1,548,166

Note: The County began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

**Schedule 3**  
**Upson County, Georgia**  
**Fund Balances, Governmental Funds**  
**Last Ten Years**  
(modified accrual basis of accounting)

	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	<u>1,847,481</u>	<u>1,424,195</u>	<u>2,512,990</u>	<u>2,652,002</u>	<u>3,394,738</u>	<u>3,726,638</u>	<u>3,557,566</u>	<u>2,981,071</u>	<u>2,894,516</u>	<u>3,144,501</u>
Total General Fund	<u>\$1,847,481</u>	<u>\$1,424,195</u>	<u>\$2,512,990</u>	<u>\$2,652,002</u>	<u>\$3,394,738</u>	<u>\$3,726,638</u>	<u>\$3,557,566</u>	<u>\$2,981,071</u>	<u>\$2,894,516</u>	<u>\$3,144,501</u>
All Other Governmental Funds										
Debt Service	\$1,901,666	\$1,805,567	\$1,687,217	\$1,669,867	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserved										
Capital Outlay	6,889,114	1,364,996	203,625	13,961	880,486	2,494,911	4,461,541	5,018,007	4,049,239	4,378,950
Unreserved										
Special Revenue Funds	44,409	22,889	57,905	75,730	78,447	45,442	193,012	202,707	49,544	40,534
Capital Projects Funds	-	-	-	-	-	-	-	-	-	-
Total All Other Government Funds	<u>\$8,835,189</u>	<u>\$3,193,452</u>	<u>\$1,948,747</u>	<u>\$1,759,558</u>	<u>\$958,933</u>	<u>\$2,540,353</u>	<u>\$4,654,553</u>	<u>\$5,220,714</u>	<u>\$4,098,783</u>	<u>\$4,419,484</u>

**Schedule 4**  
**Upson County, Georgia**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Years**  
(modified accrual basis of accounting)

	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Revenues</b>										
Property Taxes	\$ 5,803,041	\$ 6,265,269	\$ 7,141,924	\$ 6,968,167	\$ 7,959,584	\$ 7,962,249	\$ 8,441,520	\$ 8,052,832	\$ 8,821,475	\$ 8,535,057
Sales Taxes	4,553,563	4,112,210	4,222,624	4,634,321	4,900,246	5,312,463	5,486,587	5,012,710	4,842,702	4,908,673
Other Taxes	992,088	1,042,686	1,114,598	1,174,963	1,213,587	1,286,012	1,293,190	1,247,243	1,218,659	1,155,590
Licenses and Permits	101,055	98,994	99,100	148,815	150,610	126,698	138,841	140,448	140,772	167,795
Intergovernmental	442,197	326,510	247,692	141,648	406,553	364,453	109,445	505,420	157,067	44,107
Fines and Forfeitures	860,760	916,227	862,100	916,621	682,779	730,788	715,912	637,978	659,488	648,548
Charges for Services	980,260	820,110	854,315	1,010,610	1,185,791	1,286,984	1,269,599	1,531,453	1,576,947	1,656,946
Interest Earnings	69,110	72,310	79,086	61,147	154,872	225,653	289,654	241,884	7,947	6,123
Other Revenues	119,010	120,111	119,420	130,472	439,511	170,863	186,728	195,341	109,674	102,065
<b>Total Revenue</b>	<b>\$ 13,921,084</b>	<b>\$ 13,774,427</b>	<b>\$ 14,740,864</b>	<b>\$ 15,186,764</b>	<b>\$ 17,093,533</b>	<b>\$ 17,466,163</b>	<b>\$ 17,931,476</b>	<b>\$ 17,565,309</b>	<b>\$ 17,534,731</b>	<b>\$ 17,224,904</b>
<b>Expenditures</b>										
General Government	\$ 3,466,210	\$ 3,478,146	\$ 4,459,868	\$ 4,987,835	\$ 5,261,652	\$ 5,468,051	\$ 6,102,801	\$ 6,370,665	\$ 6,854,764	\$ 6,480,821
Public Safety	2,621,000	2,546,185	3,272,271	3,285,766	3,627,513	3,775,770	3,615,363	3,933,886	3,840,502	3,533,228
Public Works	1,142,110	1,141,853	1,133,442	962,898	1,264,135	1,043,764	1,016,180	933,833	858,782	874,143
Health & Welfare	766,210	756,894	895,610	901,798	1,026,731	1,096,501	1,006,573	1,102,974	1,085,131	1,097,160
Other	2,266,110	3,020,895	1,306,281	1,447,140	2,259,939	2,617,059	2,656,359	2,615,003	2,390,384	2,378,041
Capital Outlay	5,319,332	5,760,594	706,051	466,455	441,466	998,589	1,182,678	2,243,185	3,353,580	2,066,030
Debt Service										
Interest	588,270	710,737	194,913	443,538	386,767	272,886	232,403	196,332	185,005	96,663
Principal	1,700,000	2,400,000	2,670,000	3,108,511	2,687,738	280,223	173,991	179,765	175,069	128,132
<b>Total Expenditures</b>	<b>\$ 17,869,242</b>	<b>\$ 19,815,304</b>	<b>\$ 5,072,027</b>	<b>\$ 15,603,941</b>	<b>\$ 16,955,941</b>	<b>\$ 15,552,843</b>	<b>\$ 15,986,348</b>	<b>\$ 17,575,643</b>	<b>\$ 18,743,217</b>	<b>\$ 16,654,218</b>
Excess of Revenues Over (Under)	\$ (3,948,158)	\$ (6,040,877)	\$ (331,163)	\$ (417,177)	\$ 137,592	\$ 1,913,320	\$ 1,945,128	\$ (10,334)	\$ (1,208,486)	\$ 570,686
<b>Other Financing Sources (Uses)</b>										
Transfers from other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,890	\$ -
Transfers to other funds	-	-	-	-	(195,481)	-	-	-	(48,890)	-
Other Proceeds	-	-	173,000	367,000	-	-	-	-	-	-
<b>Total Other Financing Sources</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 173,000</b>	<b>\$ 367,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Change In Fund Balances</b>	<b>\$ (3,948,158)</b>	<b>\$ (6,040,877)</b>	<b>\$ (158,163)</b>	<b>\$ (50,177)</b>	<b>\$ 137,592</b>	<b>\$ 1,913,320</b>	<b>\$ 1,945,128</b>	<b>\$ (10,334)</b>	<b>\$ (1,208,486)</b>	<b>\$ 570,686</b>



**Schedule 5**  
**Upson County, Georgia**  
**Tax Revenues By Source, Governmental Funds**  
**Last Ten Years**  
(modified accrual basis of accounting)

**TAX REVENUES**

YEAR	GENERAL PROPERTY	LOCAL OPTION (LOST) SALES	SPECIAL LOCAL OPTION (SPLOST) SALES	INSURANCE PREMIUM	INTANGIBLE	FRANCHISE	REAL ESTATE TRANSFER	BEER & WINE	HOTEL / MOTEL	TOTAL
2001	\$ 5,803,041	\$ 1,619,804	\$ 2,933,759	\$ 572,315	\$ 124,785	\$ 87,116	\$ 30,103	\$ 149,885	\$ 5,528	\$ 11,326,336
2002	6,265,269	1,543,713	2,978,269	631,946	103,429	94,877	31,622	143,335	5,280	11,797,740
2003	7,141,924	1,499,612	2,723,012	677,729	135,897	101,346	56,368	137,871	5,389	12,479,148
2004	6,968,167	1,606,810	3,027,511	733,316	145,969	102,302	52,343	135,073	5,960	12,777,451
2005	7,959,584	1,741,565	3,158,681	783,091	138,382	107,926	39,021	139,271	5,896	14,073,417
2006	7,962,249	1,899,656	3,412,807	820,656	167,826	117,514	42,002	133,179	4,235	14,560,124
2007	8,441,520	1,936,545	3,550,042	862,930	127,886	115,339	28,507	149,294	9,234	15,221,297
2008	8,052,832	1,780,815	3,231,895	883,964	87,065	117,853	27,777	125,971	4,613	14,312,785
2009	8,821,475	1,719,553	3,123,149	871,289	69,678	117,702	12,784	141,135	6,071	14,882,836
2010	8,535,057	1,739,340	3,241,333	847,392	59,905	90,501	12,683	138,097	7,012	14,671,320

Schedule 6

**UPSON COUNTY, GEORGIA**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF REAL AND PERSONAL PROPERTY**  
**LAST TEN YEARS**

FISCAL YEAR	REAL PROPERTY		PERSONAL PROPERTY		TOTAL PROPERTY		RATIO OF TOTAL ASSESSED TO TOTAL ESTIMATED ACTUAL VALUE
	ASSESSED VALUE (1)	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	
2001	\$ 275,991,604	\$ 689,979,010	\$ 183,994,402	\$ 459,986,005	\$ 459,986,006	\$ 1,149,965,015	40%
2002	267,718,591	669,296,477	178,479,060	446,197,651	446,197,651	1,115,494,128	40%
2003	272,754,585	681,886,466	181,836,390	454,590,977	454,590,977	1,136,477,443	40%
2004	342,180,604	855,451,511	228,120,403	570,301,007	570,301,007	1,425,752,518	40%
2005	357,024,925	892,562,313	238,016,617	595,041,543	595,041,542	1,487,603,856	40%
2006	374,436,308	936,090,770	249,624,205	624,060,513	624,060,513	1,560,151,283	40%
2007	383,716,309	959,290,772	255,810,873	639,527,183	639,527,182	1,598,817,955	40%
2008	432,528,271	1,081,320,677	288,352,180	720,880,045	720,880,451	1,802,201,128	40%
2009	394,415,751	986,039,377	262,943,834	657,359,585	657,359,585	1,643,398,962	40%
2010	387,605,087	969,012,720	258,403,392	646,008,480	646,008,479	1,615,021,200	40%

SOURCE: Final Accounting reports of Upson County Tax Commissioner

Schedule 7

**UPSON COUNTY, GEORGIA**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
 LAST TEN YEARS

FISCAL YEAR	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	PERCENT OF LEVY COLLECTED	DELINQUENT TAX COLLECTIONS	TOTAL TAX COLLECTIONS	OUTSTANDING TAXES
2001	\$ 5,262,030	\$ 4,316,825	82%	\$ 1,700,567	\$ 6,017,392	\$ 1,086,547
2002	5,993,387	5,282,291	88%	881,166	6,163,457	882,685
2003	7,074,894	5,703,599	83%	793,336	6,496,935	1,324,952
2004	6,692,249	5,919,096	88%	965,653	6,884,749	1,330,226
2005	7,663,577	6,281,820	82%	851,734	7,133,554	1,994,337
2006	7,966,926	6,431,753	81%	2,071,488	8,503,241	1,711,926
2007	8,384,733	7,228,418	86%	1,743,141	8,971,559	1,368,006
2008	8,744,562	6,516,748	75%	2,126,767	8,643,515	2,075,434
2009	8,425,654	6,816,975	81%	2,286,200	10,711,854	1,829,688
2010	8,999,153	7,544,290	84%	1,732,613	9,276,903	1,824,437

SOURCE: Final Accounting reports of Upson County Tax Commissioner

**UPSON COUNTY, GEORGIA  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN YEARS**

FISCAL YEAR	CITY OF THOMASTON	STATE OF GEORGIA	CONSOLIDATED SCHOOL SYSTEM	UPSON COUNTY	
				INCORPORATED	UNINCORPORATED
2001	4.59	0.25	16.61	12.97	12.97
2002	4.59	0.25	15.65	13.43	13.43
2003	4.59	0.25	15.65	15.43	15.43
2004	3.92	0.25	12.52	11.31	11.31
2005	3.83	0.25	13.46	13.31	13.31
2006	3.66	0.25	15.03	12.72	12.72
2007	3.66	0.25	15.03	12.72	12.72
2008	3.62	0.25	14.30	12.72	12.72
2009	3.62	0.25	14.30	12.72	12.72
2010	3.62	0.25	14.30	12.72	12.72

NOTE: TAX PER \$1,000 OF ASSESSED VALUE

Schedule 9  
 UPSON COUNTY, GEORGIA  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
 LAST TEN YEARS

FISCAL YEAR	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL PRIMARY GOVERNMENT	PER CAPITA
	GENERAL OBLIGATION BONDS	CAPITAL LEASES	WATER/SEWER GEORGIA REVOLVING LOAN			
2001	\$ 10,260,000	\$ 1,921,310	\$ 443,829		\$ 12,625,139	4.66
2002	7,860,000	1,883,080	564,100		10,307,180	3.81
2003	5,190,000	1,814,306	650,885		7,655,191	2.83
2004	3,226,668	—	633,740		3,860,408	1.43
2005	2,202,803	—	619,998		2,822,801	1.04
2006	0	1,302,557	591,784		1,894,341	0.70
2007	0	1,128,566	562,168		1,690,734	0.62
2008	0	948,801	722,920		1,671,721	0.62
2009	0	773,732	3,585,086		4,358,818	1.61
2010	0	645,600	3,789,726		4,435,326	1.64

UPSON COUNTY, GEORGIA  
**PLEDGE-REVENUE COVERAGE**  
**PUBLIC UTILITIES SYSTEM REVENUE NOTES**  
**LAST TEN YEARS**

FISCAL YEAR	(1)	(2)	NET REVENUE AVAILABLE FOR DEBT SERVICE	DEBT SERVICE REQUIREMENTS			COVERAGE
	GROSS REVENUE	DIRECT OPERATING EXPENSES		PRINCIPAL	INTEREST	TOTAL	
2001	\$ 868,707	\$ 684,866	\$ 183,841	\$ 43,555	\$ 22,338	\$ 65,893	2.79
2002	872,564	649,069	223,495	25,217	16,599	41,816	5.34
2003	876,752	842,096	34,656	19,348	31,227	50,575	(.68)
2004	956,662	858,297	98,365	22,355	27,299	49,654	1.98
2005	920,414	1,057,534	(137,120)	26,544	31,039	57,583	(2.42)
2006	1,017,115	877,279	139,836	28,213	31,039	59,252	2.36
2007	1,004,273	919,629	84,644	29,618	28,605	58,223	1.45
2008	1,013,821	1,002,024	11,797	31,095	25,728	56,823	(2.08)
2009	989,518	1,050,385	(60,867)	32,644	25,578	58,222	(3.38)
2010	1,163,488	803,651	359,837	37,725	24,056	61,781	5.82

NOTE: (1) Gross revenue equals operating revenues of the Public Utilities Revenue Fund.

(2) Expenses equal total operating expenses and excludes interest expense and depreciation.

**Schedule 11**  
**Upson County, Georgia**  
**Legal Debt Margin Information**  
**Last Ten Years**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Net Assessed Value	\$ 459,986,006	\$ 446,197,651	\$ 454,590,977	\$ 570,301,007	\$ 595,041,542	\$ 624,060,513	\$ 639,527,182	\$ 720,880,451	\$ 657,359,585	\$ 646,008,479
Debt Limit - 10% of Assessed	\$ 45,998,601	\$ 44,619,765	\$ 45,459,098	\$ 57,030,101	\$ 59,504,154	\$ 62,406,051	\$ 63,952,718	\$ 72,088,045	\$ 65,735,959	\$ 64,600,848
Debt Applicable to Limit:										
General Obligation Debt	12,181,310	9,743,080	7,004,306	3,226,668	2,202,803	1,302,557	1,128,566	948,801	773,732	645,600
Legal Debt Margin	\$ 33,817,291	\$ 34,876,685	\$ 38,454,792	\$ 53,803,433	\$ 57,301,351	\$ 61,103,494	\$ 62,824,152	\$ 71,139,244	\$ 64,962,227	\$ 63,955,248
Legal Debt Margin as a percentage of the debt limit	74%	78%	85%	94%	96%	98%	98%	98%	98%	99%

**UPSON COUNTY, GEORGIA  
DEMOGRAPHIC & ECONOMIC STATISTICS  
LAST TEN YEARS**

<b>FISCAL YEAR</b>	<b>POPULATION</b>	<b>PER CAPITA INCOME</b>	<b>MEDIAN AGE</b>	<b>UNEMPLOYMENT RATE</b>
2001	27,075	19,981	37.4	11.00%
2002	27,075	N/A	N/A	10.80%
2003	27,075	N/A	N/A	N/A
2004	27,075	N/A	N/A	N/A
2005	27,075	N/A	N/A	N/A
2006	27,075	N/A	N/A	N/A
2007	27,075	N/A	N/A	N/A
2008	27,075	N/A	N/A	N/A
2009	27,075	N/A	N/A	N/A
2010	27,075	N/A	N/A	N/A

Sources:

McIntosh Trail Regional Development Commission

N/A - Not available



**Schedule 13**  
**UPSON COUNTY, GEORGIA**  
**PRINCIPAL EMPLOYERS**  
**Current Year and Nine Years Ago**

EMPLOYER	2010		EMPLOYER	2001	
	Number of Employees	Rank		EMPLOYEES	RANK
Thomaston-Upson County Schools	670	1	Thomaston Mills, Inc.	1400	1
Upson Regional Medical Center	634	2	Thomaston-Upson County	779	2
Quad/Graphics of Georgia	454	3	Quad/Graphics of Georgia	611	3
Walmart	306	4	Upson Regional Medical Center	588	4
Department of Transportation	223	5	Walmart	360	5
Southern Crescent Tech	200	6	Department of Transportation	314	6
Upson County Govt	193	7	Yamaha Music Mfg.	280	7
Solo-Cup Corporation	154	8	WesTek Georgia, LLC	257	8
Standard Textiles	125	9	DeSter Production Corp.	186	9
Providence Nursing Home	105	10	Upson County Govt.	178	10

Source: Thomaston-Upson County Industrial Development Authority

**Schedule 15  
Upson County, Georgia  
Full-Time Equivalent County Government  
Employees by Function/Program  
Last Five Years**

	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Public Safety:					
Sheriff	33	34	34	37	44
Jail	34	34	34	39	34
Public Works	27	26	26	24	24
General Government:					
Administration and Finance	5	5	5	6	6
Courts	24	24	24	27	22
All Other Departments	64	61	61	64	52
Water / Waste Water	7	7	7	8	8
Total	194	191	191	205	190

**Note: Information prior to 2006 not available.**

**Schedule 16**  
**Upson County, Georgia**  
**Operating Indicators By Function / Program**  
**Last Five Years**

<b>FUNCTION / PROGRAM</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
General Government:					
Building permits issued – Commercial	18	12	14	10	12
Building permits issued – Residential	228	210	226	241	257
Public Safety:					
Physical arrests	2,410	2,466	2,623	2,726	2,810
Citations	2,811	2,210	2,310	2,865	3,026
Public Works:					
Roads resurfaced (miles)	5.20	3.65	5.65	12.20	13.90
Roads maintained (miles)	463.25	463.25	463.25	463.25	463.25
Water and Sewer:					
Average daily consumption	360,00	375,20	374,210	385,22	408,000
Average daily consumption	42,000	43,100	44,200	46,210	48,000

Note: Information prior to 2006 not available.

**Schedule 17**  
**Upson County, Georgia**  
**Capital Asset Statistics By Function**  
**Last Five Years**

	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Public Safety:					
Patrol Cars	35	37	37	38	41
Jail Facility capacity	200	200	200	200	200
Stations	1	1	1	1	1
Public Works:					
Roads (miles)	463.25	463.25	463.25	463.25	463.25
Water / Waste Water:					
Water tanks	3	3	3	3	3
Water lines (linear feet)	326,210	326,210	326,210	482,550	482,550
Storage capacity (gallons)	725,000	725,000	725,000	835,000	835,000
Sewer lines (linear feet)	88,200	88,200	88,200	88,200	88,200

Note: Information prior to 2006 not available.

**UPSON COUNTY, GEORGIA**  
**PRINCIPAL PROPERTY TAXPAYERS**  
**CURRENT YEAR AND NINE YEARS AGO**

<b>TAXPAYER</b>	<b>December 31, 2010</b>				<b>TAXPAYER</b>	<b>December 31, 2001</b>			
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Tax		Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Tax
West Georgia Generating	\$ 41,173,049	1	5.71%	\$ 523,721	Thomaston Mills	\$ 36,821,848	1	8.58%	\$477,579
QuadGraphics, Inc.	15,846,403	2	2.20%	194,738	Quad Graphics	11,675,090	2	2.72%	151,426
Southern Mills	14,426,698	3	2.00%	122,801	De Ster	9,149,832	3	2.13%	118,673
Innoware Plastic	12,500,246	4	1.74%	107,880	Southern Mills	8,498,292	4	1.98%	110,223
Georgia Power	8,481,157	5	1.18%	95,044	T-U IDA- - Generating Plant	7,484,234	5	1.74%	97,071
Southern Natural Gas	7,472,988	6	1.04%	75,584	WesTek	5,798,793	6	1.35%	75,210
Cellu Tissue	6,971,314	7	0.97%	74,582	Georgia Power	5,359,711	7	1.25%	69,515
Wal Mart	6,492,476	8	0.90%	65,590	Yamaha	5,169,753	8	1.20%	67,052
Keadle Lumber	5,817,501	9	0.81%	51,853	Keadle Lumber	5,041,659	9	1.18%	65,390
Home Depot	4,076,505	10	0.57%	49,502	Weyerhaeuser	3,829,800	10	0.89%	49672.00%
Total	*\$123,261,337		17.12%	\$1,361,295	Total	*\$98,829,012		23.02%	\$1,281,811

\* Based on county wide assessed value of \$ 720,747,831.

\* Based on county wide assessed value of \$ 429,120,865

Source: Provided by Upson County Tax Commissioner's Office.

## **Report on Internal Control over Financial Reporting and on Compliance Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards**

To the Board of Commissioners of  
Upson County, Georgia  
Thomaston, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Upson County, Georgia**, as of and for the year ended December 31, 2010, which collectively comprise Upson County's basic financial statements and have issued our report thereon dated May 1, 2011. We did not audit the financial statements of the Upson County Department of Health, a non-major component unit. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for each of these component units, is based on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

In planning and performing our audit of the financial statements of **Upson County, Georgia** as of and for the year ending December 31, 2010, in accordance with auditing standards generally accepted in the United States of America, we considered **Upson County, Georgia's** internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control.

Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned cost to be material weaknesses identified as 06-01 and 07-01 on pages 107-108.

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

This report is intended solely for the information and use of management, the Board of County Commissioners, others within the entity, applicable 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.

Thomaston, Georgia  
May 1, 2011

UPSON COUNTY, GEORGIA  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 FOR THE YEAR ENDED DECEMBER 31, 2010

**Section I. Summary of Audit's Results**

Financial Statements

Type of auditor's report issued:	Unqualified
----------------------------------	-------------

Internal control over financial reporting:

Material weakness(es) identified?	Yes
Significant deficiency(es) identified that are not consider to be material weaknesses	None reported

**Section II. Financial Statement Findings**

Findings noted on the Report on Compliance and on Internal Control of Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Governmental Auding Standards:

**06-01 Accounting Expertise (Preparation of Financial Statements)**

CRITERIA

Statement on Auditing Standards No. 112 describes examples of circumstances that are to be considered to be a significant deficiency and a strong indicator of a material weakness in internal control. Deficiencies in the design of controls exist when employees or management lack the qualifications and training to prepare year-end financial statements in accordance with generally accepted accounting principles.

CONDITION

The County did not have an employee with adequate qualifications and training to prepare the year-end financial statements. The County is a small local government where material audit adjustments by the external auditor are required to correct financial activity.

EFFECT

The independent auditor has prepared financial statements from the records of the County. The county personnel are unable to evaluate the adequacy and completeness of the information presented.



## CAUSE

The material weakness is the result of the County not having employees with adequate training and expertise in generally accepted accounting principles and governmental accounting standards to prepare or adequately review and evaluate the financial statements which were prepared by the independent auditor.

## RECOMMENDATION

The County should evaluate the cost/benefit implications of improving internal control with the preparation of year-end financial statements.

## MANAGEMENT'S RESPONSE

Considering the cost and benefit implications of internally preparing financial statements, the County has decided that the preparation of the financial statements will be contracted to a third party. The county will consider additional training opportunities for financial staff, in an effort to better assist during the performance of the annual audit and preparation of the financial statements by the third party.

**Independent Auditors' Report on Special  
Purpose Local Option Sales Tax**

Upson County Board of Commissioners  
Upson County, Georgia  
Thomaston, Georgia 30286

We have audited the accompanying Schedule of Special Purpose Local Option Sales Tax for the County of Upson, Georgia for the year ended December 31, 2010. This schedule is the responsibility of Upson County's management. Our responsibility is to express an opinion on the Schedule of Special Purpose Local Option Sales Tax based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedule of Special Purpose Local Option Sales Tax is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedule of Special Purpose Local Option Sales Tax. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Schedule of Special Purpose Local Option Sales Tax. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Schedule of Special Purpose Local Option Sales Tax was prepared for the purpose of complying with the Official Code of Georgia Annotated, 48-8-121 on the Modified Accrual Basis of Accounting as described in Note A and is not intended to be a complete presentation of Upson County's revenues and expenditures.

In our opinion, the Schedule of Special Purpose Local Option Sales Tax referred to above presents fairly, in all material respects, the original estimated cost, the current estimated cost, and the current and prior year expenditures for each project in Upson County's resolution or ordinance calling for the tax for the year ended December 31, 2010, in conformity with accounting principles generally accepted in the United States of America.

March 1, 2011

**UPSON COUNTY, GEORGIA  
YEAR ENDED DECEMBER 31, 2010  
SCHEDULE OF PROJECTS CONSTRUCTED  
WITH SPECIAL SALES TAX PROCEEDS  
SERIES 2005**

PROJECT	ORIGINAL ESTIMATED COST	REVISED ESTIMATED COST	EXPENDITURES			ESTIMATED PERCENTAGE OF COMPLE- TION
			PRIOR YEARS	CURRENT YEAR	TOTAL	
Highway 36 Expansion	\$ 1,800,000	\$ 1,800,000	\$ 4,286	\$ 0	\$ 4,286	00.238%
Recreation Projects	1,500,000	1,500,000	254,046	321,438	575,484	38.366%
Emergency Management & Narcotics Task Force Facilities	500,000	500,000	257,513	842	258,355	51.671%
Sheriff Vehicles	720,000	720,000	466,863	117,508	584,371	81.163%
Water Line Extensions	1,410,000	1,410,000	507,275	902,725	1,410,000	100.00%
Road, Street & Bridge Improve- ments	7,100,000	7,100,000	3,013,669	2,011,035	5,024,704	70.770%
City of Thomaston	4,828,000	4,828,000	3,238,996	837,816	4,076,812	84.44%
City of Yatesville	142,000	142,000	95,265	24,641	119,906	84.44%
<b>TOTALS</b>	<b>\$18,000,000</b>	<b>\$18,000,000</b>	<b>\$7,837,913</b>	<b>\$4,216,005</b>	<b>\$12,053,918</b>	<b>66.97%</b>

## INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners  
of Upson County, Georgia  
Thomaston, Georgia

We have examined management's assertion included in the accompanying Annual Report of 9-1-1 Collections and Expenditures about Upson County, Georgia's compliance during the fiscal year ended December 31, 2010 with the requirement to expend 9-1-1 funds in compliance with the expenditure requirements of the Official Code of Georgia Annotated, Section 46-5-134. Management is responsible for Upson County, Georgia's compliance with this requirement. Our responsibility is to express an opinion on management's assertion about Upson County, Georgia's compliance based on our examination.

Our examination was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Upson County, Georgia's compliance with this requirement and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination of Upson County, Georgia's compliance with the specified requirement.

In our opinion, management's assertion that Upson County, Georgia's complied with the aforementioned requirement during the fiscal year ended December 31, 2010 is fairly stated, in all material respects.

This report is intended solely for the information and use of management and the Georgia Department of Audits and Accounts and is not intended to be and should not be used by anyone other than the specified parties.

May 1, 2011