

JASPER COUNTY, GEORGIA

AUDIT REPORT

**FOR THE YEAR ENDED
DECEMBER 31, 2009**

JASPER COUNTY, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2009

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J. Russell Lipford, Jr., CPA
Mark O. Hardison, CPA
Terry I. Parker, CPA
Christopher S. Edwards, CPA
Lynn S. Hudson, CPA
Kevin E. Lipford, CPA

Member of
American Institute of
Certified Public Accountants
Truman W. Clifton (1902-1989)

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Jasper County, 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 Jasper 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 financial statements are the responsibility of Jasper County, Georgia's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Jasper County Board of Health, Development Authority of Jasper County, and Jasper County Water & Sewer Authority, which represent 95 percent, 97 percent, and 57 percent, respectively, of the assets, net assets, and revenues of the component units of Jasper County, Georgia. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Jasper County Board of Health, Development Authority of Jasper County, and Jasper County Water & Sewer Authority, 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 the 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 respective 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 Jasper County, Georgia as of December 31, 2009, and the respective changes in financial position and, where applicable, cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2010, on our consideration of Jasper County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The County has elected not to present the Management's Discussion and Analysis, which under accounting principles generally accepted in the United States of America is a necessary, though not required, supplement to the financial statements. The schedule of funding progress on page 42 is not a required part of the basic financial statements but is supplementary information required by accounting principals generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, 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 Jasper County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, and the schedule of projects constructed with special sales tax proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules, and the schedule of projects constructed with special sales tax proceeds have been subjected to the auditing procedures applied by us 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.

Macon, Georgia
June 23, 2010



BASIC FINANCIAL STATEMENTS

JASPER COUNTY, GEORGIA

STATEMENT OF NET ASSETS
DECEMBER 31, 2009

	Primary Government			Component
	Governmental	Business-Type	Total	Units
	Activities	Activities		
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 4,437,503	\$ 391,823	\$ 4,829,326	\$ 410,112
Receivables, net of allowance				
Accounts	-	89,408	89,408	50,103
Other	52,780	-	52,780	-
Intergovernmental	30,740	-	30,740	-
Property taxes	1,191,659	-	1,191,659	-
Sales taxes	122,658	-	122,658	-
EMS collections	36,938	-	36,938	-
Interest	-	-	-	132
Internal	(455,430)	455,430	-	-
Primary government	-	-	-	51,508
Restricted cash	-	-	-	38,978
Prepaid items	135,871	-	135,871	2,108
Long-Term Assets				
Capital assets				
Nondepreciable	482,840	1,500	484,340	234,419
Depreciable, net	4,289,480	20,466	4,309,946	5,161,383
Long-range study, net of amortization	-	-	-	14,936
Bond issuance costs	-	-	-	24,935
Total Assets	10,325,039	958,627	11,283,666	5,988,614
LIABILITIES				
Current Liabilities				
Accounts payable	268,689	63,121	331,810	17,296
Accrued expenses	161,497	3,240	164,737	11,698
Contracts payable	3,186	-	3,186	-
Accrued interest	-	-	-	3,422
Customer deposits	-	-	-	17,725
Unearned revenue	18,260	607,046	625,306	-
Capital lease payable	96,357	-	96,357	-
Compensated absences payable	62,986	1,388	64,374	-
Notes payable	-	-	-	71,061
Long-term Liabilities				
Landfill closure and post-closure care payable	-	289,581	289,581	-
Compensated absences payable	11,115	-	11,115	21,969
Capital lease payable (net of current portion)	193,561	-	193,561	-
Notes payable (net of current portion)	-	-	-	2,435,303
Total Liabilities	815,651	964,376	1,780,027	2,578,474
NET ASSETS				
Invested in capital assets, net of related debt	4,482,402	21,966	4,504,368	2,886,624
Restricted for				
Capital projects	1,174,041	-	1,174,041	-
Debt service	-	-	-	38,369
Program purpose	79,263	-	79,263	79,390
Unrestricted	3,773,682	(27,715)	3,745,967	405,757
Total Net Assets/(Deficit)	\$ 9,509,388	\$ (5,749)	\$ 9,503,639	\$ 3,410,140

See accompanying notes to the basic financial statements

JASPER COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2009

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			Component Units
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-Type Activities	Total	
Primary Government:								
Governmental Activities								
General government	\$ 2,523,965	\$ 293,116	\$ 230,792	\$ -	\$ (2,000,057)	\$ -	\$ (2,000,057)	
Public safety	2,779,303	389,761	-	33,936	(2,355,606)	-	(2,355,606)	
Public works	1,396,475	-	-	-	(1,396,475)	-	(1,396,475)	
Judicial	834,797	-	-	-	(834,797)	-	(834,797)	
Health and welfare	1,192,348	292,240	-	-	(900,108)	-	(900,108)	
Culture and recreation	425,036	72,689	83,734	-	(268,613)	-	(268,613)	
Interest on long-term debt	26,311	-	-	-	(26,311)	-	(26,311)	
Total governmental activities	9,178,235	1,047,806	314,526	33,936	(7,781,967)	-	(7,781,967)	
Business-Type Activities								
Landfill	130,277	69,370	-	-	-	(60,907)	(60,907)	
Curbside	691,919	612,259	-	-	-	(79,660)	(79,660)	
Total Primary Government	\$ 10,000,431	\$ 1,729,435	\$ 314,526	\$ 33,936	(7,781,967)	(140,567)	(7,922,534)	
Component Units:								
Jasper County Health Department	\$ 270,307	\$ 79,390	\$ 228,272	\$ -	-	-	-	\$ 37,355
Jasper County Joint 911 Authority	492,746	241,594	244,791	-	-	-	-	(6,361)
Development Authority of Jasper County	131,518	12,728	100,966	-	-	-	-	(17,824)
Jasper County Water and Sewer Authority	326,606	183,117	-	-	-	-	-	(143,489)
Total Component Units	\$ 1,221,177	\$ 516,829	\$ 574,029	\$ -				(130,319)
General Revenues								
Property tax					5,420,916	-	5,420,916	-
Sales tax					1,402,381	-	1,402,381	-
Other tax					1,276,863	-	1,276,863	-
Interest earnings					30,901	38	30,939	8,461
Miscellaneous					84,963	-	84,963	32,492
Total General Revenues					8,216,024	38	8,216,062	40,953
Transfers					(60,869)	60,869	-	-
Total General Revenues and Transfers					8,155,155	60,907	8,216,062	40,953
Change in Net Assets					373,188	(79,660)	293,528	(89,366)
Net Assets - Beginning of year, restated					9,136,200	73,911	9,210,111	3,499,506
Net Assets/(Deficit) - End of year					\$ 9,509,388	\$ (5,749)	\$ 9,503,639	\$ 3,410,140

See accompanying notes to the basic financial statements

JASPER COUNTY, GEORGIA

BALANCE SHEET
GENERAL FUND
DECEMBER 31, 2009

	General Fund	Capital Projects 2005 SPLOST	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>				
Cash and cash equivalents	\$ 3,053,308	\$ 1,181,961	\$ 202,234	\$ 4,437,503
Receivables:				
Other	7,887	-	44,893	52,780
Intergovernmental	30,740	-	-	30,740
Property taxes	1,191,659	-	-	1,191,659
Sales taxes	49,238	73,420	-	122,658
EMS collections	36,938	-	-	36,938
Interfund	132,152	-	14,525	146,677
Prepaid items	135,871	-	-	135,871
Total Assets	<u>\$ 4,637,793</u>	<u>\$ 1,255,381</u>	<u>\$ 261,652</u>	<u>\$ 6,154,826</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 138,997	\$ 122,033	\$ 7,659	\$ 268,689
Accrued expenditures	159,612	-	1,885	161,497
Other payables	3,186	-	-	3,186
Interfund payable	209,802	65,506	66,646	341,954
Deferred revenue	566,584	-	-	566,584
Advance to other funds	260,153	-	-	260,153
Total Liabilities	<u>1,338,334</u>	<u>187,539</u>	<u>76,190</u>	<u>1,602,063</u>
Fund Balances:				
Reserved for:				
Prepays	135,871	-	-	135,871
Capital projects	-	1,067,842	106,199	1,174,041
Program purposes	-	-	79,263	79,263
Unreserved:				
Designated for working capital	1,376,216	-	-	1,376,216
Undesignated, reported in:				
General fund	1,787,372	-	-	1,787,372
Total Fund Balances	<u>3,299,459</u>	<u>1,067,842</u>	<u>185,462</u>	<u>4,552,763</u>
Total Liabilities and Fund Balances	<u>\$ 4,637,793</u>	<u>\$ 1,255,381</u>	<u>\$ 261,652</u>	<u>\$ 6,154,826</u>

See accompanying notes to the basic financial statements

JASPER COUNTY, GEORGIA

RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET ASSETS
DECEMBER 31, 2009

Total Fund Equity per Balance Sheet of Governmental Funds \$ 4,552,763

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:

Capital Assets

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. However, in the statement of net assets the cost of these assets are capitalized and expensed over their estimated lives through annual depreciation expense.

Cost of the assets	12,808,804
Less accumulated depreciation	(8,036,484)

Revenues

Some of the government's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.

548,324

Liabilities

Liabilities, including bonds, capital leases and compensated absences are not due and payable in the current period and therefore are not reported in the funds:

Capital leases payable	(289,918)
Compensated absences	(74,101)

Total Net Assets of Governmental Activities	<u>\$ 9,509,388</u>
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See accompanying notes to the basic financial statements

JASPER COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

	General Fund	Capital Projects 2005 SPLOST	Other Governmental Funds	Total Governmental Funds
<u>Revenues:</u>				
Taxes	\$ 7,214,608	\$ 839,535	\$ -	\$ 8,054,143
Intergovernmental	252,913	-	83,384	336,297
Licenses and permits	86,499	-	34,418	120,917
Fines and forfeitures	308,207	-	58,885	367,092
Charges for Services	575,443	-	38,271	613,714
Contributions	-	-	350	350
Interest earnings	9,227	21,093	581	30,901
Other revenues	42,461	-	400	42,861
Total Revenues	8,489,358	860,628	216,289	9,566,275
<u>Expenditures:</u>				
<u>Current:</u>				
General government	1,932,887	-	36,414	1,969,301
Public safety	2,497,230	-	48,208	2,545,438
Public works	1,197,055	-	-	1,197,055
Judicial	833,139	-	-	833,139
Health and welfare	1,188,822	-	-	1,188,822
Culture and recreation	267,850	-	155,242	423,092
Intergovernmental	210,636	200,186	-	410,822
Debt Service				
Principal	103,366	-	-	103,366
Interest and fiscal charges	26,311	-	-	26,311
Capital Outlay	-	559,474	-	559,474
Total Expenditures	8,257,296	759,660	239,864	9,256,820
Excess (Deficiency) of Revenues Over (Under) Expenditures	232,062	100,968	(23,575)	309,455
<u>Other Financing Sources (Uses):</u>				
Transfers from other funds	-	-	32,775	32,775
Transfers to other funds	(93,644)	-	-	(93,644)
Total other financing sources (uses)	(93,644)	-	32,775	(60,869)
Net change in fund balances	138,418	100,968	9,200	248,586
Fund Balance, beginning of year	3,161,041	966,874	176,262	4,304,177
Fund Balance, end of year	\$ 3,299,459	\$ 1,067,842	\$ 185,462	\$ 4,552,763

See accompanying notes to the basic financial statements

JASPER 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, 2009

Net Changes In Fund Balances - Total Governmental Funds \$ 248,586

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:

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.

Depreciation expense	(479,176)
Capital outlay	445,580

Repayment of general obligation, debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	103,366
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Compensated absences reported in the statement of activities, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	8,815
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Revenues

Because some revenues will not be collected for several months after the government's year end, they are not considered available revenues and are deferred in the governmental funds. Deferred revenues increased by this amount during the year.

46,017

Change in Net Assets of Governmental Activities	<u>\$ 373,188</u>
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See accompanying notes to the basic financial statements

JASPER COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2009

	Original Budget	Final Budget	2009 Actual	Variance With Final Budget
<u>Revenues</u>				
Taxes	\$ 7,790,218	\$ 7,320,117	\$ 7,214,608	\$ (105,509)
Intergovernmental	213,350	242,390	252,913	10,523
Licenses and permits	160,200	105,712	86,499	(19,213)
Fines and forfeitures	470,500	309,084	308,207	(877)
Charges for services	584,250	523,050	575,443	52,393
Interest earnings	41,000	16,274	9,227	(7,047)
Miscellaneous	26,400	26,211	42,461	16,250
Total Revenues	9,285,918	8,542,838	8,489,358	(53,480)
<u>Expenditures</u>				
Current:				
General government:				
Board of commissioners	479,388	193,885	193,885	-
Executive	399,539	196,061	196,061	-
Tax commissioners office	217,385	213,798	213,798	-
Tax assessors	372,966	355,636	355,636	-
Elections	20,800	16,691	16,691	-
Registrars	44,700	41,712	41,712	-
Financial administration	150,959	133,790	133,790	-
Human resources	23,590	16,290	9,529	6,761
Public buildings	365,977	344,015	344,015	-
Code enforcement services	77,840	54,678	54,678	-
Zoning office	123,633	111,106	84,924	26,182
Building inspection	68,611	50,265	50,265	-
Library	97,500	89,147	89,138	9
Animal control	93,902	98,826	98,826	-
Economic development	30,500	27,887	26,058	1,829
Prison work detail	38,000	38,000	20,881	17,119
Conservation salary	4,800	4,800	3,000	1,800
Judicial:				
Superior court	384,589	399,771	399,771	-
Probate court	163,053	164,814	164,814	-
Magistrate court	97,434	115,809	115,809	-
Juvenile court	8,500	9,839	9,839	-
Courthouse security	62,032	56,718	54,042	2,676
Other court costs	102,840	94,030	88,864	5,166

See accompanying notes to the basic financial statements

JASPER COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2009

	Original Budget	Final Budget	2009 Actual	Variance With Final Budget
Public safety:				
Sheriff's office	1,595,290	1,476,294	1,476,294	-
Jail operations	611,743	665,070	665,070	-
Fire protection	140,398	123,511	114,026	9,485
E911	264,500	241,840	241,840	-
Public works:	1,463,478	1,363,478	1,197,055	166,423
Health and welfare:				
Public health	449,368	410,870	410,870	-
Emergency medical services	670,273	673,023	673,023	-
Emergency management agency	49,905	69,642	69,642	-
Coroner	18,732	15,732	14,257	1,475
County welfare	23,000	21,030	21,030	-
Culture and Recreation:				
Recreation	126,052	203,427	203,427	-
County extension service	61,933	64,423	64,423	-
Intergovernmental:				
Jasper County Board of Education	65,000	65,000	63,560	1,440
Four County Development Authority	68,000	95,963	95,963	-
Other	20,700	23,253	23,253	-
Jasper County Water Authority	-	27,860	27,860	-
Debt Service:				
Principal retirement	118,633	104,911	103,366	1,545
Interest and fiscal charges	-	26,311	26,311	-
Total Expenditures	<u>9,175,543</u>	<u>8,499,206</u>	<u>8,257,296</u>	<u>241,910</u>
Excess Revenue Over (Under) Expenditures	<u>110,375</u>	<u>43,632</u>	<u>232,062</u>	<u>188,430</u>
Other Financing Sources (Uses):				
Inception of capital lease	184,000	-	-	-
Transfer from Curbside	50,000	50,000	-	(50,000)
Transfer to Capital Projects	(500,000)	-	-	-
Transfer to Senior Center	(25,000)	(32,775)	(32,775)	-
Transfer to Landfill	-	(60,869)	(60,869)	-
Total Other Financing Sources (Uses)	<u>(291,000)</u>	<u>(43,644)</u>	<u>(93,644)</u>	<u>(50,000)</u>
Net Change in Fund Balances	<u>\$ (180,625)</u>	<u>\$ (12)</u>	138,418	<u>\$ 138,430</u>
Fund Balances - Beginning of Year			<u>3,161,041</u>	
Fund Balances - End of Year			<u>\$ 3,299,459</u>	

See accompanying notes to the basic financial statements

JASPER COUNTY, GEORGIA

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 DECEMBER 31, 2009

	Business-type Activities - Enterprise Funds		
	Landfill	Curbside	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 16,758	\$ 375,065	\$ 391,823
Receivables:			
Accounts, net	2,023	87,385	89,408
Interfund receivable	-	195,277	195,277
Total Current Assets	18,781	657,727	676,508
Long-Term Assets:			
Advance from other funds	260,153	-	260,153
Capital Assets:			
Nondepreciable	1,500	-	1,500
Depreciable, net	20,466	-	20,466
Total Long-Term Assets	282,119	-	282,119
Total Assets	300,900	657,727	958,627
LIABILITIES			
Current Liabilities:			
Accounts payable	6,691	56,430	63,121
Accrued wages	3,240	-	3,240
Compensated absences payable	1,388	-	1,388
Deferred revenue	-	607,046	607,046
Total Current Liabilities	11,319	663,476	674,795
Long-Term Liabilities:			
Landfill closure and post-closure care payable	289,581	-	289,581
Total Liabilities	300,900	663,476	964,376
NET ASSETS			
Invested in capital assets	21,966	-	21,966
Unrestricted	(21,966)	(5,749)	(27,715)
Total Net Assets/(Deficit)	\$ -	\$ (5,749)	\$ (5,749)

See accompanying notes to the basic financial statements

JASPER COUNTY, GEORGIA

STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009

	Business-type Activities - Enterprise Funds		
	Landfill	Curbside	Total
<u>Operating Revenues</u>			
Charges for services	\$ 69,370	\$ 612,259	\$ 681,629
Total Operating Revenues	69,370	612,259	681,629
<u>Operating Expenses</u>			
Salaries and benefits	97,888	-	97,888
Purchased services	201,276	691,464	892,740
Repairs and maintenance	4,179	-	4,179
Postclosure	(215,577)	-	(215,577)
Other	31,666	455	32,121
Depreciation	10,845	-	10,845
Total Operating Expenses	130,277	691,919	822,196
Operating Income (Loss)	(60,907)	(79,660)	(140,567)
<u>Non-Operating Revenues</u>			
Interest earnings	38	-	38
Total Non-operating Revenues	38	-	38
Income (Loss) before Transfers	(60,869)	(79,660)	(140,529)
Transfers from Other Funds	60,869	-	60,869
Change in Net Assets	-	(79,660)	(79,660)
Net Assets, beginning of year	-	73,911	73,911
Net Assets/(Deficit), end of year	\$ -	\$ (5,749)	\$ (5,749)

See accompanying notes to the basic financial statements

JASPER COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2009

	Business-type Activities - Enterprise Funds		
	Landfill	Curbside	Total
<u>Cash Flows from Operating Activities</u>			
Cash received from customers	\$ 294,548	\$ 724,050	\$ 1,018,598
Cash payments to employees for services	(97,427)	(847)	(98,274)
Cash payments for goods and services	(249,238)	(694,046)	(943,284)
Net Cash Provided by (Used in) Operating Activities	(52,117)	29,157	(22,960)
<u>Cash Flows from Noncapital Financing Activities</u>			
Transfers from other funds	60,869	-	60,869
Net Cash Flows from Noncapital Financing Activities	60,869	-	60,869
<u>Cash Flows from Investing Activities</u>			
Interest earnings	38	-	38
Net Cash Flows from Investing Activities	38	-	38
Net Increase (Decrease) in Cash and Cash Equivalents	8,790	29,157	37,947
Cash and Cash Equivalents, Beginning of Year	7,968	345,908	353,876
Cash and Cash Equivalents, End of Year	\$ 16,758	\$ 375,065	\$ 391,823
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities			
Operating Income (Loss)	\$ (60,907)	\$ (79,660)	\$ (140,567)
Adjustments:			
Depreciation	10,845	-	10,845
Postclosure	(215,577)	-	(215,577)
(Increase) Decrease in Assets:			
Accounts receivable	9,633	129,284	138,917
Interfund receivable	215,545	(43,511)	172,034
Increase (Decrease) in Liabilities:			
Accounts payable	(12,117)	(2,127)	(14,244)
Accrued wages	245	(847)	(602)
Deferred revenue	-	26,018	26,018
Compensated absences	216	-	216
Net Cash Provided by (Used in) Operating Activities	\$ (52,117)	\$ 29,157	\$ (22,960)

See accompanying notes to the basic financial statements

JASPER COUNTY, GEORGIA

COMPARATIVE STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2009 AND 2008

	2009	2008
ASSETS		
Cash and cash equivalents	\$ 6,390,056	\$ 5,654,308
LIABILITIES		
Due to others	\$ 6,359,495	\$ 5,626,874
Due to others - escrow	30,561	27,434
Total Liabilities	\$ 6,390,056	\$ 5,654,308

See accompanying notes to the basic financial statements

JASPER COUNTY, GEORGIA

COMBINING STATEMENTS OF NET ASSETS
COMPONENT UNITS
JUNE 30, 2009 AND DECEMBER 31, 2009

	June 30 Jasper County Health Department	December 31 Jasper County Joint 911 Authority	December 31 Development Authority of Jasper County	December 31 Jasper County Water & Sewer Authority	Total
ASSETS					
Current:					
Cash and cash equivalents	\$ 182,898	\$ 11,153	\$ 192,842	\$ 23,219	\$ 410,112
Receivables:					
Accounts	4,047	33,516	355	12,185	50,103
Primary government	-	-	1,968	49,540	51,508
Interest	-	-	132	-	132
Prepaid items	-	-	-	2,108	2,108
Restricted Assets - Cash	-	-	-	38,978	38,978
Non-current:					
Capital Assets:					
Nondepreciable	-	-	234,419	-	234,419
Depreciable capital assets, net	1,437	241,870	1,337	4,916,739	5,161,383
Long-range study, net of amortization	-	-	-	14,936	14,936
Bond Issuance Costs	-	-	-	24,935	24,935
Total Assets	188,382	286,539	431,053	5,082,640	5,988,614
LIABILITIES					
Current Liabilities:					
Accounts payable	950	10,914	-	5,432	17,296
Accrued expenses	-	11,698	-	-	11,698
Accrued interest	-	-	-	3,422	3,422
Customer deposits	-	-	-	17,725	17,725
Compensated absences	17,664	4,305	-	-	21,969
Notes payable	-	27,584	-	43,477	71,061
Long-term Liabilities					
Notes payable (net of current portion)	-	122,416	-	2,312,887	2,435,303
Total Liabilities	18,614	176,917	-	2,382,943	2,578,474
NET ASSETS					
Invested in capital assets, net of related debt	1,437	91,870	235,756	2,560,375	2,889,438
Restricted for:					
Debt service	-	-	-	38,369	38,369
Specific health program	79,390	-	-	-	79,390
Unrestricted	88,941	17,752	195,297	100,953	402,943
Total Net Assets	\$ 169,768	\$ 109,622	\$ 431,053	\$ 2,699,697	\$ 3,410,140

See accompanying notes to the basic financial statements

JASPER COUNTY, GEORGIA

COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE YEAR ENDED JUNE 30, 2009 AND DECEMBER 31, 2009

	June 30 Jasper County Health Department	December 31 Jasper County Joint 911 Authority	December 31 Development Authority of Jasper County	December 31 Jasper County Water & Sewer Authority	Total
<u>Expenses</u>					
General government	\$ -	\$ 492,746	\$ -	\$ -	\$ 492,746
Health and welfare	270,307	-	-	-	270,307
Economic development	-	-	131,518	-	131,518
Water and sewer	-	-	-	215,555	215,555
Interest	-	-	-	111,051	111,051
Total Expenses	<u>270,307</u>	<u>492,746</u>	<u>131,518</u>	<u>326,606</u>	<u>1,221,177</u>
<u>Revenues</u>					
Program revenues:					
Charges for services	79,390	241,594	12,728	183,117	516,829
Operating grants and contributions	228,272	244,791	100,966	-	574,029
Total Program Revenues	<u>307,662</u>	<u>486,385</u>	<u>113,694</u>	<u>183,117</u>	<u>1,090,858</u>
Net Program (Expense)	<u>37,355</u>	<u>(6,361)</u>	<u>(17,824)</u>	<u>(143,489)</u>	<u>(130,319)</u>
General Revenues:					
Interest earnings	3,428	114	4,267	652	8,461
Miscellaneous	-	1,899	4,793	25,800	32,492
Total General Revenues	<u>3,428</u>	<u>2,013</u>	<u>9,060</u>	<u>26,452</u>	<u>40,953</u>
Change in Net Assets	40,783	(4,348)	(8,764)	(117,037)	(89,366)
Net Assets, Beginning of Year	<u>128,985</u>	<u>113,970</u>	<u>439,817</u>	<u>2,782,234</u>	<u>3,465,006</u>
Prior Period Adjustment	-	-	-	34,500	34,500
Net Assets, Beginning of Year, restated	<u>128,985</u>	<u>113,970</u>	<u>439,817</u>	<u>2,816,734</u>	<u>3,499,506</u>
Net Assets, End of Year	<u>\$ 169,768</u>	<u>\$ 109,622</u>	<u>\$ 431,053</u>	<u>\$ 2,699,697</u>	<u>\$ 3,410,140</u>

See accompanying notes to the basic financial statements

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NOTES TO THE FINANCIAL STATEMENTS

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JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

Jasper County, Georgia (the "County") was chartered by an act of the General Assembly of the State of Georgia. The County operates under a County Commission form of government and provides the following services as authorized by state law: general administrative services, public safety, roads and bridges, courts and health and welfare. The County also operates two enterprise funds, a landfill and curbside pickup.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The County also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities at the government-wide financial reporting level and to its enterprise funds at the fund reporting level, provided they do not conflict with or contradict GASB pronouncements.

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

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County. For the County, this entity includes the probate court, the superior court, the magistrate court, the tax commissioner, the sheriff, and planning and zoning.

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

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

JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

Brief descriptions of the discretely presented component units follow:

Jasper County Joint 911 Authority – The Authority provides emergency call answering services and day to day radio communications dispatch services for law enforcement, emergency management, fire and emergency medical service. The Authority receives funding from Jasper County. The Authority is governed by a board comprised of five (5) members appointed by the County, three (3) members by the City of Monticello, and one (1) member by the City of Shady Dale.

Development Authority of Jasper County – The Authority exists for the purpose of promoting and developing for the public good and general welfare, industry and trade, trade commerce and employment opportunity in the County. The County makes all appointments to the Board.

Jasper County Health Department – This agency offers immunizations and other direct health service to citizens of Jasper County as well as inspections and other preventive types of services. While a local board is appointed to oversee the operations of this agency, it is a state dependent agency. The State of Georgia contributes significant funding to this agency and exercises control over salaries and other expenditures. The Health Department maintains its financial records on a fiscal year ending June 30.

Jasper County Water and Sewer Authority – The Authority exists for the purpose of providing a safe and dependable source of drinking water and water for fire protection that will in turn, improve the quality of life for the citizens of Jasper County. The County makes all appointments to the Board.

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

Jasper County Joint 911 Authority
P. O. Box 670
Monticello, GA 31064

Development Authority of Jasper County
P.O. Box 270
Monticello, GA 31064

Jasper County Board of Health
336 East Green Street
Monticello, GA 31064

Jasper County Water and Sewer Authority
P. O. Box 47
Monticello, GA 31064

JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

1-B. Basis of Presentation

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

Government-wide Financial Statements – The government-wide financial statements include the statement of net assets and the statement of activities. These statements report financial information on all of the nonfiduciary activities of the primary government and its component units. The primary government and the component units are presented separately within these financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and grants and County's general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

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

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

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

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

JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

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

Major individual governmental and enterprise funds are reported in separate columns.

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

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

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

The 2005 SPLOST Capital Project Fund – The capital project fund collects sales taxes and uses these revenues to complete various budgeted roads, streets, and bridges projects, recreation projects, and economic development projects.

Proprietary Funds – Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. The proprietary funds are classified as enterprise funds. The County's two enterprise funds are reported as major funds. The following describes the County's enterprise funds:

The Landfill Fund – This fund is used to account for the operation of the County's landfill.

The Curbside Fund – This fund is used to account for the operation of the curbside sanitation services.

Fiduciary Funds – Fiduciary fund reporting focuses on changes in assets and liabilities. The County's fiduciary funds are agency funds.

JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

1-C. Measurement Focus

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

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

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net assets. The statements of changes in fund net assets present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

1-D. Basis of Accounting

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

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

JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

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

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

Deferred/Unearned Revenue – Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

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

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

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

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

1-E. Assets, Liabilities and Fund Equity

1-E-1 Cash, Cash Equivalents and Investments

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

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

JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009 (CONTINUED)

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

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

1-E-2 Receivables

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

1-E-3 Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/interfund payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

1-E-4 Prepaid Items

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.

1-E-5 Restricted Assets

These assets are reported in the Jasper County Water and Sewer Authority (a discretely presented component unit) and relate to assets set aside for revenue bond retirement.

1-E-6 Capital Assets

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

JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

utilized by enterprise funds are reported both in the business-type activities column of the government-wide statement of net assets and in the enterprise funds' statement of net assets.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of five thousand dollars. The County is reporting infrastructure consisting of roads and bridges beginning with this calendar year. However, no infrastructure was capitalized in 2009. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by the enterprise fund is capitalized.

All reported capital assets are depreciated except for land, right-of-ways and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement.

Depreciation is computed using the straight-line method over the following useful lives:

Asset Class	Estimated Lives	
	Governmental Activities	Business-type Activities
Buildings	20-40 Years	25-40 Years
Machinery and equipment	3-10 Years	3-10 Years
Vehicles	3-10 Years	3-5 Years

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

1-E-7 Compensated Absences

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

Sick leave benefits are not vested.

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

JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

The total compensated absence liability is reported on the government-wide financial statements. Proprietary funds report the total compensated liability in each individual fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only “when due.”

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

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are “due for payment” during the current year. General obligation bonds and capital leases are recognized as a liability in the governmental fund financial statements when due.

1-E-9 Bond Premiums, Discounts and Issuance Costs

On the government-wide statement of net assets and the proprietary fund type statement of net assets, bond premiums and discounts are netted against bonds payable and bond issuance costs are reported as deferred charges. On the government-wide and proprietary fund type statement of activities, bond premiums and discounts and bond issuance costs are deferred and amortized over the life of the bonds using the effective interest method.

At governmental fund reporting level, bond premiums and discounts are reported as other financing sources and uses, separately from the face amount of the bonds issued. Bond issuance costs are reported as an expenditure.

1-E-10 Fund Equity

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

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. The County reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available, spendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods. Designations are management’s intent to set aside these resources for specific services.

Net Assets – Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets,

JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net asset amount also is adjusted by any bond issuance deferral amounts. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net assets are reported as unrestricted.

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

1-E-11 Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for water, solid waste, the forum, recycling and the workers' compensation programs. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of each fund. Investment earnings are classified as nonoperating revenues. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

1-E-12 Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction.

1-E-13 Interfund Activity

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

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business type activities column are eliminated.

JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

1-E-14 Estimates

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

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

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

The general fund budget is adopted on a basis consistent with GAAP except that the occurrence of capital lease obligations and the related capital lease expenditures are not budgeted. Budgets for the special revenue funds are adopted on a basis consistent with GAAP. Budgets for capital projects funds are adopted on a basis consistent with GAAP except the budget period is a project period rather than an annual period.

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

The County Manager may approve budget transfers within departments. The County Commission must approve transfers between departments. During the year, the County Commission approved four budget amendments.

All unexpended annual appropriations lapse at year-end.

NOTE 3 – DETAILED NOTES ON ALL FUNDS

3-A. Deposits and Investments

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes, and County policy, require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, countries, or municipalities. As of December 31, 2009, the County had no bank balances that were exposed to custodial credit risk.

JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

3-B. Receivables

Receivables at December 31, 2009, consisted of taxes, interest, accounts (billings for user charges, including unbilled utility receivables), and intergovernmental receivables arising from grants.

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

The allowance for uncollectibles in the general fund was \$153,414.

3-C. Property Taxes

The Board of Commissioners levied property taxes on July 23, 2009. Property taxes attach as an enforceable lien on property as of January 1. Property taxes were billed on October 21, 2009 and were payable within sixty days or December 21, 2009.

JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

3-D. Capital Assets

Capital asset activity for the year ended December 31, 2009, was as follows:

	Balance 1/1/2009	Additions	Deductions	Balance 12/31/2009
Governmental activities:				
Nondepreciable capital assets:				
Land	\$ 68,000	\$ -	\$ -	\$ 68,000
Construction in progress	-	414,840	-	414,840
Total nondepreciable capital assets	<u>68,000</u>	<u>414,840</u>	<u>-</u>	<u>482,840</u>
Depreciable capital assets:				
Buildings	6,011,859	-	-	6,011,859
Machinery and equipment	2,647,245	30,740	-	2,677,985
Vehicles	3,636,120	-	-	3,636,120
Total depreciable capital assets	<u>12,295,224</u>	<u>30,740</u>	<u>-</u>	<u>12,325,964</u>
Total capital assets	<u>12,363,224</u>	<u>445,580</u>	<u>-</u>	<u>12,808,804</u>
Accumulated depreciation:				
Buildings	2,162,227	198,255	-	2,360,482
Machinery and equipment	2,536,905	42,013	-	2,578,918
Vehicles	2,858,176	238,908	-	3,097,084
Total accumulated depreciation	<u>7,557,308</u>	<u>479,176</u>	<u>-</u>	<u>8,036,484</u>
Governmental activities capital assets, net	<u>\$ 4,805,916</u>	<u>\$ (33,596)</u>	<u>\$ -</u>	<u>\$ 4,772,320</u>

Governmental activities depreciation expense

General government	\$ 148,547
Public safety	267,843
Public works	56,271
Health and welfare	3,526
Culture and recreation	<u>2,989</u>
Total governmental activities depreciation expense	<u>\$ 479,176</u>

JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

	Balance 01/1/2009	Additions	Deductions	Balance 12/31/2009
Business-type activities:				
Depreciable capital assets:				
Land	\$ 1,500	\$ -	\$ -	\$ 1,500
Depreciable capital assets:				
Buildings	7,430	-	-	7,430
Machinery and equipment	589,126	-	-	589,126
Vehicles	50,867	-	-	50,867
Total capital assets	648,923	-	-	648,923
Accumulated depreciation:				
Buildings	7,430	-	-	7,430
Machinery and equipment	566,222	7,483	-	573,705
Vehicles	42,460	3,362	-	45,822
Total accumulated depreciation	616,112	10,845	-	626,957
Business-type activities capital assets, net	<u>\$ 32,811</u>	<u>\$ (10,845)</u>	<u>\$ -</u>	<u>\$ 21,966</u>

3-E. Interfund Balances and Transfers

Interfund balances at December 31, 2009, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The County expects to repay all interfund balances within one year.

Payable to:	Payable from:			
	General Fund	SPLOST	Nonmajor Governmental Funds	Total
General fund	\$ -	\$ 65,506	\$ 66,646	\$ 132,152
Nonmajor governmental	14,525	-	-	14,525
Curbside fund	195,277	-	-	195,277
Total	<u>\$ 209,802</u>	<u>\$ 65,506</u>	<u>\$ 66,646</u>	<u>\$ 341,954</u>

JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

The Landfill Fund owed \$260,153 as of December 31, 2009 for an advance received from the General Fund.

Interfund transfers for the year ended December 31, 2009, consisted of the following:

Transfer to:	Transfers from:	
	General Fund	Total
Non-major fund	\$ 32,775	\$ 32,775
Landfill fund	60,869	60,869
Total	\$ 93,644	\$ 93,644

Transfers are used to report revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed.

All County transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

3-F. Landfill Closure and Postclosure Care Cost

State and federal laws and regulations require the Landfill to place a final cover on the landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the Landfill reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet. The \$289,581 reported as landfill closure and post closure care liability at December 31, 2009, represents the cumulative amount reported to date based on the use of 100% of the estimated capacity of the landfill site at Highway 212. These amounts are based on what it would cost to perform all closure and postclosure care in 2009. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

3-G. Long-Term Debt

County Capital Leases – The County has entered into capital leases for various pieces of equipment. These leases meet the criteria of a capital lease since they transfer benefits and risks of ownership to the lessee at the end of the lease term. Capital lease payments are reflected as debt service expenditures at the governmental fund reporting level. The equipment acquired by the leases is included in capital assets.

JASPER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

The outstanding balance of the corresponding liabilities is included in long-term debt.

\$32,721 SunTrust lease, due in quarterly installments of \$1,821 through 2012. Interest at 4.18%	\$ 18,835
\$209,382 SunTrust lease, due in quarterly installments of \$11,635 through 2012. Interest at 4.11%	120,435
\$138,685 SunTrust lease, due in quarterly installments of \$7,655 through 2013. Interest at 3.845%	86,373
\$103,590 SunTrust lease, due in quarterly installments of \$5,661 through 2013. Interest at 3.45%	<u>64,275</u>
Total	<u>\$ 289,918</u>

Future minimum lease payments are as follows:

Year	Principal	Interest	Total
2010	\$ 96,357	\$ 10,736	\$ 107,093
2011	100,169	6,924	107,093
2012	92,020	2,960	94,980
2013	<u>1,372</u>	<u>121</u>	<u>1,493</u>
Total	<u>\$ 289,918</u>	<u>\$ 20,741</u>	<u>\$ 310,659</u>

Component Unit Long-term Debt – The Jasper County Water and Sewer Authority had two types of long-term debt outstanding at December, 31, 2009, revenue bonds and notes payable.

Component Unit Revenue Bonds – In 2004, this Authority issued \$2,246,770 in revenue bonds at an interest rate of 4.75%. The bond proceeds are being used for the acquisition, construction and installation of additions, extensions and improvements to the Authority's existing water and sewer system. The final maturity is 2044. The United States Department of Agriculture Rural Development is the holder of the bonds.

JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

Annual debt service requirements to amortize the revenue bonds outstanding, as of December 31, 2009 follow:

Year	Principal	Interest	Total
2010	\$ 25,500	\$ 103,558	\$ 129,058
2011	26,738	102,320	129,058
2012	28,036	101,023	129,059
2013	29,397	99,661	129,058
2014	30,824	98,234	129,058
2015-2019	178,074	467,218	645,292
2020-2024	225,705	419,587	645,292
2025-2029	286,076	359,215	645,291
2030-2034	362,596	282,695	645,291
2035-2039	459,584	185,708	645,292
2040-2044	539,006	6,303	545,309
Total	<u>\$ 2,191,536</u>	<u>\$ 2,225,522</u>	<u>\$ 4,417,058</u>

Component Unit Notes Payable – On May 1, 2002, the Georgia Environmental Facilities Authority loaned this Authority \$165,451 at 3.32% for water system improvements. The final payment is due May 1, 2017. Annual debt service requirements to amortize the notes payable outstanding, as of December 31, 2009 follow:

Year	Principal	Interest	Total
2010	\$ 11,100	\$ 2,948	\$ 14,048
2011	11,474	2,574	14,048
2012	11,859	2,189	14,048
2013	12,258	1,791	14,049
2014	12,670	1,379	14,049
2015-2017	33,569	1,552	35,121
Total	<u>\$ 92,930</u>	<u>\$ 12,433</u>	<u>\$ 105,363</u>

Bank of Monticello: Loan dated September 10, 2008. Original loan amount was \$22,250 with interest of 8.682%. Payment in full due March 24, 2009. This loan was refinanced March 24, 2009 with interest of 7.601% and a maturity date of March 24, 2010. On April 9, 2010, the Authority refinanced this note with an interest rate of 6.5% and a maturity date of July 15, 2010. Proceeds of this loan were for funding installation of Highway 16 Bridge abutments to a point beyond existing asphalt.

JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

Butts County Water, et. al. Water and Sewer Authority: The Authority signed a note dated March 8, 2007 with the Butts County, et. al. Water and Sewer Authority for a principal payment amount of \$15,000 for the purpose of funding the construction of water lines in the approaches to the new bridge on State Highway 16 across the Ocmulgee River from Butts County to Jasper County. The note is due March 8, 2010 with interest accruing annually at 4.91%. The balance of the note with accrued interest at December 31, 2009 was \$17,025.

Community Resource Group, Inc.: Note dated September 11, 2008. Original loan amount was \$40,000 with interest of 4.5%. Payments to be made monthly over 120 months. First payment of \$414.55 due October 11, 2007. Final payment due September 11, 2017. The proceeds from this loan were used to fund the cost over-run of the water distribution line extension funded by USDA. Balance at December 31, 2009 was \$35,926. Principal and interest requirements over the next five years for the note are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 3,585	\$ 1,389	\$ 4,974
2011	3,750	1,224	4,974
2012	3,923	1,052	4,975
2013	4,103	872	4,975
2014	4,291	683	4,974
2015-2017	<u>12,846</u>	<u>835</u>	<u>13,681</u>
Total	<u>\$ 32,498</u>	<u>\$ 6,055</u>	<u>\$ 38,553</u>

JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

Changes in Long-term Debt – Changes in the County's long-term obligations consisted of the following for the year ended December 31, 2009:

Governmental Activities	Outstanding 1/1/2009	Additions	Reductions	Outstanding 12/31/2009	Amounts Due in One Year
Capital leases	\$ 393,284	\$ -	\$ 103,366	\$ 289,918	\$ 96,357
Compensated absences	82,916	76,629	85,444	74,101	62,986
Total Governmental Activities	\$ 476,200	\$ 76,629	\$ 188,810	\$ 364,019	\$ 159,343
Business-Type Activities	Outstanding 1/1/2009	Additions	Reductions	Outstanding 12/31/2009	Amounts Due in One Year
Land fill closure and post-closure care	\$ 505,158	\$ -	\$ 215,577	\$ 289,581	\$ -
Compensated absences	1,172	3,290	3,074	1,388	1,388
Total Business-type activities	\$ 506,330	\$ 3,290	\$ 218,651	\$ 290,969	\$ 1,388

The capital lease obligations will be paid from the general fund. The compensated absences liability will be paid from the fund from which the employees' salaries are paid, generally the General Fund.

Component Units:	Outstanding 1/1/2009	Additions	Reductions	Outstanding 12/31/2009	Amounts Due in One Year
Revenue bonds payable	\$ 2,215,965	\$ -	\$ 24,429	\$ 2,191,536	\$ 25,500
Georgia Environmental Facilities Butts County, et. al.	103,670	-	10,740	92,930	11,100
Water and Sewer Authority	16,509	516	-	17,025	2,025
Community Resources Group	35,926	-	3,428	32,498	3,585
Notes payable	22,250	150,125	-	172,375	28,851
Total Component Units	\$ 2,394,320	\$ 150,641	\$ 38,597	\$ 2,506,364	\$ 71,061

3-H. Short-Term Notes

During 2009, the County obtained a tax anticipation note of \$1,300,000 to finance the general obligations of the County. The note bore interest at 5.0% and was due on December 31, 2009. The note was paid in December 2009 from General Fund revenues. The total payment of principal and interest was \$1,312,589.

JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

Short-term debt activity for the year ended December 31, 2009 was as follows:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Retired</u>	<u>Ending Balance</u>
Governmental activities:				
Tax Anticipation Loan	\$ -	\$ 1,300,000	\$ 1,300,000	\$ -
Governmental Activities Short-term debt	<u>\$ -</u>	<u>\$ 1,300,000</u>	<u>\$ 1,300,000</u>	<u>\$ -</u>

3-I. Post-employment Benefits

The County does not provide post-employment benefits.

3-J. Pensions Plan

3-J-1 Plan Description

The County participates in the Association of Government Commissioners of Georgia Pension Plan (ACCG Plan), an agent multiple-employer defined benefit pension plan, which covers all employees. The County Board of County Commissioners authorizes amendments, participation in the pension plan, establishes the pension benefits and sets the contribution rates. All full-time eligible employees participate in the ACCG Plan ("Plan") after completing three years of service. Benefits are fully vested after five years of service.

Participants become eligible to retire at age 65 with three years of participation in the Plan. Benefits vest after four years of service. Participants become eligible to retire at age 65 with 3 years of participation in the Plan. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of .5% of average annual compensation up to \$10,000 plus 1% of average annual compensation in excess of \$10,000 plus \$50 for each year of service payable as a life annuity. Service is limited to 35 years. Compensation is averaged over a five year period prior to retirement or termination.

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

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

JASPER COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

At January 1, 2009, the date of the most recent actuarial valuation, there were 133 participants consisting of the following:

Retirees, Beneficiaries and Disables receiving benefits	12
Terminated plan participants entitled to but not year receiving benefits	25
Active employees participating in the Plan	<u>96</u>
Total number of Plan Participants	<u><u>133</u></u>

3-J-2 Funding Policy

County employees are required to contribute 3% of their payroll to the Plan. The County contributes the remaining cost of the Plan using the actuarial basis described in the annual valuation report.

The Plan's financial statements are prepared on an accrual basis, modified to include unrealized gains or losses on marketable securities owned by the Plan and incremental changes in the cash value of pre-retirement life insurance policies owned by the trust. County contributions are recognized when due and the County has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable.

Investments in securities are valued at current market prices. The trust fund is invested, approximately, in 60% equities and 40% fixed income securities on a cost basis.

The net pension obligation was computed as part of an actuarial valuation as of December 31, 2009. Significant actuarial assumptions used in the valuation include (a) an assumed rate of return on assets of 8% per year compounded annually, (b) projected salary increases of 5% per year compounded annually and (c) future payroll growth of 5.5% per year. Actuarial assumptions also include an expected inflation rate of 3% per year compounded annually.

3-J-3 Annual Pension Costs

ACCG Plan refunding policy provides for contributions under the "Protected Unit Credit" actuarial cost method. The actuarial asset valuation was determined using the market value of investments. The unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period is 10 years.

JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

Schedule of Employer Contributions				
Year Ended December 31,	Annual Required Contribution	Percentage Contributed	Annual Pension Cost	Percentage Contributed
2007	\$ 66,262	268%	79,735	100%
2008	78,719	175%	103,104	100%
2009	101,540	241%	N/A	N/A

As of the most recent valuation date, January 1, 2009, the funded status of the Plan was as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded (Overfunded) Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Ratio	UAAL as a Percentage of Covered Payroll
2009	\$1,612,695	\$ 1,789,204	\$ 176,509	90.13%	\$3,047,185	5.79%

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan net assets is increasing or decreasing over time relative to the actuarial accrued liability.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of January 1, 2008.

The assumptions used in the January 1, 2009 actuarial valuation are as follows:

Actuarial Assumptions

Actuarial Cost Method	Projected Unit Credit
Actuarial Asset Valuation Method	Market Value
Actuarial Assumptions:	
Assumed Rate of Return on Assets	8.0%
Expected Future Salary Increases	5.5%
Expected Inflation	3.0%

JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

3-K. Net Assets

Net assets on the County-wide statement of net assets as of December 31, 2009 are as follows:

	Governmental Activities	Business Type Activities
Investments in capital assets, net of related debt:		
Cost of capital assets	\$ 12,808,804	\$ 648,923
Less accumulated depreciation	(8,036,484)	(626,957)
Book value	4,772,320	21,966
Less capital related debt	(289,918)	-
Investments in capital assets, net of related debt	<u>\$ 4,482,402</u>	<u>\$ 21,966</u>

NOTE 4 – OTHER NOTES

4-A. Risk Management

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

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

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

JASPER COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

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

4-B. Contingent Liabilities

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

The County was a defendant in several lawsuits at December 31, 2009. In the opinion of County management, the outcome of these contingencies will not have a material effect on the financial position of the County.

4-C. Joint Ventures

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

Northeast Georgia Regional Development Center
305 Research Drive
Athens, GA 30605-2795

NOTE 5 – PRIOR PERIOD ADJUSTMENT – COMPONENT UNIT

The Jasper County Water and Sewer Authority recorded a prior period adjustment to record the 2006 revenue associated with an annual fee per fire hydrant to be paid to the Authority from Jasper County, Georgia. Net assets were adjusted as follows:

Net Assets, December 31, 2008 as originally reported	\$ 2,782,234
Prior Period Adjustment	<u>34,500</u>
Net Assets, December 31, 2008, restated	<u>\$ 2,816,734</u>

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REQUIRED SUPPLEMENTARY INFORMATION

JASPER COUNTY, GEORGIA

SCHEDULE OF PENSION FUNDING PROGRESS
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2009
UNAUDITED

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL/(UAAL) (2)-(1)	(5) Annual Covered Payroll	(6) UAAL as a Percentage of Covered Payroll
12/31/2003	\$ 461,223	\$ 948,305	48.6%	\$ 487,082	\$ 1,235,875	39.4%
12/31/2004	549,923	1,059,912	51.9%	509,989	1,174,040	43.4%
12/31/2005	677,068	1,122,503	60.3%	445,435	1,559,032	28.6%
12/31/2006	865,840	1,183,798	73.1%	317,958	1,965,182	16.2%
12/31/2007	1,125,498	1,352,452	83.2%	226,954	2,033,452	11.2%
12/31/2008	1,240,518 *	1,550,523	80.0%	310,005	2,497,332	12.4%
12/31/2009	1,612,695 *	1,789,204	90.1%	176,509	3,047,185	5.8%

Analysis of the dollar amounts of actuarial value of assets available for benefits, actuarial accrued liability, and unfunded actuarial accrued liability in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the actuarial accrued liability provides an indication of funding status on a going concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Plan.

Trends in unfunded actuarial liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the Plan's progress in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the Plan.

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

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended 12/31	Annual Required Contribution	Percentage Contributed
2009	\$ 101,540	240.50%
2008	78,719	175.10%
2007	66,262	267.90%
2006	59,865	171.00%
2005	59,384	122.10%
2004	74,673	100.00%
2003	51,781	135.50%

SUPPLEMENTARY INFORMATION

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JASPER COUNTY, GEORGIA

GENERAL FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2009 AND 2008

	2009	2008
ASSETS		
Cash and cash equivalents	\$ 3,053,308	\$ 3,149,997
Receivables:		
Other	7,887	34,370
Intergovernmental	30,740	-
Property taxes	1,191,659	984,585
Sales taxes	49,238	110,186
EMS Collections	36,938	34,383
Interfund	132,152	107,054
Prepaid expenses	135,871	191,530
Total Assets	<u>\$ 4,637,793</u>	<u>\$ 4,612,105</u>
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 138,997	\$ 166,733
Accrued expenditures	159,612	88,554
Other payable	3,186	30,459
Interfund payable	209,802	151,766
Deferred revenue	566,584	520,567
Advance to other funds	260,153	492,985
Total Liabilities	<u>1,338,334</u>	<u>1,451,064</u>
Fund Balances		
Reserved		
Prepays	135,871	191,530
Unreserved		
Designated for working capital	1,376,216	1,507,418
Undesignated	1,787,372	1,462,093
Total Fund Balances	<u>3,299,459</u>	<u>3,161,041</u>
Total Liabilities and Fund Balances	<u>\$ 4,637,793</u>	<u>\$ 4,612,105</u>

JASPER COUNTY, GEORGIA

GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	2009	2008
Revenues		
Taxes	\$ 7,214,608	\$ 6,480,103
Intergovernmental	252,913	227,000
Licenses and permits	86,499	138,370
Fines and forfeitures	308,207	385,567
Charges for services	575,443	610,412
Interest earnings	9,227	36,957
Miscellaneous	42,461	52,508
Total Revenues	8,489,358	7,930,917
Expenditures		
Current:		
General government:		
Board of commissioners	193,885	265,939
Executive	196,061	179,980
Tax commissioners office	213,798	204,567
Tax assessors	355,636	401,533
Elections	16,691	53,098
Registrars	41,712	48,379
Financial administration	133,790	140,357
Human resources	9,529	85,591
Public buildings	344,015	347,608
Code enforcement services	54,678	57,166
Zoning office	84,924	133,587
Building inspection	50,265	65,652
Library	89,138	90,000
Animal control	98,826	95,165
Economic development	26,058	28,500
Prison work detail	20,881	43,679
Conservation salary	3,000	3,000
Judicial:		
Superior court	399,771	402,110
Probate court	164,814	153,147
Magistrate court	115,809	126,798
Juvenile court	9,839	3,663
Courthouse security	54,042	50,448
Court costs	88,864	15,936

JASPER COUNTY, GEORGIA

GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	2009	2008
Public safety:		
Sheriff's office	1,476,294	1,562,469
Jail operations	665,070	668,019
Fire protection	114,026	168,067
E911	241,840	237,600
Public works:	1,197,055	1,381,631
Health and welfare:		
Public health	410,870	449,368
Emergency medical services	673,023	843,108
Emergency medical agency	69,642	32,993
Coroner	14,257	14,295
County welfare	21,030	23,000
Culture and recreation:		
Recreation	203,427	236,275
County extension service	64,423	61,660
Intergovernmental	210,636	208,043
Debt Service:		
Principal retirement	103,366	142,712
Interest and fiscal charges	26,311	19,366
Total Expenditures	8,257,296	9,044,509
(Deficiency) of Revenues (Under) Expenditures	232,062	(1,113,592)
Other Financing Sources (Uses)		
Inception of capital lease	-	242,275
Transfers out	(93,644)	(216,788)
Total Other Financing Sources (Uses)	(93,644)	25,487
Net Change in Fund Balances	138,418	(1,088,105)
Fund Balances - Beginning of Year	3,161,041	4,249,146
Fund Balances - End of Year	\$ 3,299,459	\$ 3,161,041

JASPER COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2009

	Special Revenue Funds							Capital Project Fund	Total Nonmajor Governmental Funds
	Law Enforcement Confiscation	Law Library	Jail	Drug Education	Juvenile Courts	Victims Assistance	Senior Center	Impact Fees	
ASSETS									
Cash and cash equivalents	\$ 12,395	\$ 27,519	\$ 3,539	\$ 11,614	\$ 10,840	\$ 16,855	\$ 5,981	\$ 113,491	\$ 202,234
Interfund receivable	-	-	6,430	8,095	-	-	-	-	14,525
Due from others	-	-	-	-	-	-	44,893	-	44,893
Total Assets	\$ 12,395	\$ 27,519	\$ 9,969	\$ 19,709	\$ 10,840	\$ 16,855	\$ 50,874	\$ 113,491	\$ 261,652
LIABILITIES AND FUND BALANCES									
Liabilities									
Accounts payable	\$ -	\$ 1,988	\$ 1,583	\$ -	\$ -	\$ -	\$ 4,088	\$ -	\$ 7,659
Accrued liabilities	-	-	-	-	-	-	1,885	-	1,885
Interfund payable	872	-	-	-	-	13,581	44,901	7,292	66,646
Total Liabilities	872	1,988	1,583	-	-	13,581	50,874	7,292	76,190
Fund Balances									
Reserved for program purposes	11,523	25,531	8,386	19,709	10,840	3,274	-	-	79,263
Reserved for capital projects	-	-	-	-	-	-	-	106,199	106,199
Total Fund Balances	11,523	25,531	8,386	19,709	10,840	3,274	-	106,199	185,462
Total Liabilities and Fund Balances	\$ 12,395	\$ 27,519	\$ 9,969	\$ 19,709	\$ 10,840	\$ 16,855	\$ 50,874	\$ 113,491	\$ 261,652

JASPER COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009

	Special Revenue Funds							Capital Project Fund	Total Nonmajor Governmental Funds
	Law Enforcement Confiscation	Law Library	Jail	Drug Education	Juvenile Courts	Victims Assistance	Senior Center	Impact Fees	
<u>Revenues</u>									
Charges for services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,271	\$ -	\$ 38,271
Fines and forfeitures	65	12,773	19,207	11,092	886	14,862	-	-	58,885
Licenses and permits	-	-	-	-	-	-	-	34,418	34,418
Intergovernmental	-	-	-	-	-	-	83,384	-	83,384
Contributions	-	-	-	-	-	-	350	-	350
Interest earnings	128	-	23	29	113	-	62	226	581
Miscellaneous	-	-	-	-	-	-	400	-	400
Total Revenues	193	12,773	19,230	11,121	999	14,862	122,467	34,644	216,289
<u>Expenditures</u>									
Current:									
General government	-	20,876	-	-	-	-	-	15,538	36,414
Public safety	8,070	-	14,028	12,058	-	14,052	-	-	48,208
Culture and recreation	-	-	-	-	-	-	155,242	-	155,242
Total Expenditures	8,070	20,876	14,028	12,058	-	14,052	155,242	15,538	239,864
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,877)	(8,103)	5,202	(937)	999	810	(32,775)	19,106	(23,575)
<u>Other Financing Sources (Uses)</u>									
Transfers in	-	-	-	-	-	-	32,775	-	32,775
Total Other Financing Sources (Uses)	-	-	-	-	-	-	32,775	-	32,775
Net Change in Fund Balances	(7,877)	(8,103)	5,202	(937)	999	810	-	19,106	9,200
Fund Balances - Beginning of Year	19,400	33,634	3,184	20,646	9,841	2,464	-	87,093	176,262
Fund Balances - End of Year	\$ 11,523	\$ 25,531	\$ 8,386	\$ 19,709	\$ 10,840	\$ 3,274	\$ -	\$ 106,199	\$ 185,462

JASPER COUNTY, GEORGIA

LAW ENFORCEMENT CONFISCATION FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2009 AND 2008

	2009	2008
<u>Assets</u>		
Cash and cash equivalents	\$ 12,395	\$ 19,400
Total Assets	<u>\$ 12,395</u>	<u>\$ 19,400</u>
<u>Liabilities</u>		
Interfund payable	\$ 872	\$ -
Total Liabilities	<u>872</u>	<u>-</u>
<u>Fund Balance</u>		
Reserved for program purposes	<u>11,523</u>	<u>19,400</u>
Total Liabilities and Fund Balance	<u>\$ 12,395</u>	<u>\$ 19,400</u>

JASPER COUNTY, GEORGIA

LAW ENFORCEMENT CONFISCATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2009

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Fines and forfeitures	\$ 15,000	\$ 65	\$ (14,935)
Interest earnings	-	128	128
Total Revenues	15,000	193	(14,807)
<u>Expenditures:</u>			
Current:			
Public Safety	15,000	8,070	6,930
Total Expenditures	15,000	8,070	6,930
Net change in fund balance	\$ -	(7,877)	\$ (7,877)
Fund Balance, beginning of year		19,400	
Fund Balance, end of year		\$ 11,523	

JASPER COUNTY, GEORGIA
LAW LIBRARY FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2009 AND 2008

	2009	2008
<u>Assets</u>		
Cash and cash equivalents	\$ 27,519	\$ 35,003
Total Assets	<u>\$ 27,519</u>	<u>\$ 35,003</u>
<u>Liabilities</u>		
Accounts payable	\$ 1,988	\$ 1,369
Total Liabilities	<u>1,988</u>	<u>1,369</u>
<u>Fund Balance</u>		
Reserved for program purposes	<u>25,531</u>	<u>33,634</u>
Total Liabilities and Fund Balance	<u>\$ 27,519</u>	<u>\$ 35,003</u>

JASPER COUNTY, GEORGIA

LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2009

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Fines and forfeitures	\$ 20,876	\$ 12,773	\$ (8,103)
Total Revenues	20,876	12,773	(8,103)
<u>Expenditures:</u>			
Current:			
General government	20,876	20,876	-
Total Expenditures	20,876	20,876	-
Net change in fund balance	<u>\$ -</u>	(8,103)	<u>\$ (8,103)</u>
Fund Balance, beginning of year		<u>33,634</u>	
Fund Balance, end of year		<u>\$ 25,531</u>	

JASPER COUNTY, GEORGIA

JAIL FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2009 AND 2008

	2009	2008
<u>Assets</u>		
Cash and cash equivalents	\$ 3,539	\$ 3,871
Interfund receivable	6,430	-
Total Assets	<u>\$ 9,969</u>	<u>\$ 3,871</u>
<u>Liabilities</u>		
Accounts payable	\$ 1,583	\$ -
Interfund payable	-	687
Total Liabilities	<u>1,583</u>	<u>687</u>
<u>Fund Balance</u>		
Reserved for program purposes	<u>8,386</u>	<u>3,184</u>
Total Liabilities and Fund Balance	<u>\$ 9,969</u>	<u>\$ 3,871</u>

JASPER COUNTY, GEORGIA

JAIL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2009

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Fines and forfeitures	\$ 30,000	\$ 19,207	\$ (10,793)
Interest earnings	250	23	(227)
Total Revenues	30,250	19,230	(11,020)
<u>Expenditures:</u>			
Current:			
Public Safety	30,250	14,028	16,222
Total Expenditures	30,250	14,028	16,222
Net change in fund balance	<u>\$ -</u>	5,202	<u>\$ 5,202</u>
Fund Balance, beginning of year		<u>3,184</u>	
Fund Balance, end of year		<u>\$ 8,386</u>	

JASPER COUNTY, GEORGIA

DRUG EDUCATION FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2009 AND 2008

	2009	2008
<u>Assets</u>		
Cash and cash equivalents	\$ 11,614	\$ 21,952
Interfund receivable	8,095	-
Total Assets	<u>\$ 19,709</u>	<u>\$ 21,952</u>
<u>Liabilities</u>		
Interfund payable	\$ -	\$ 1,306
Total Liabilities	<u>-</u>	<u>1,306</u>
<u>Fund Balance</u>		
Reserved for program purposes	<u>19,709</u>	<u>20,646</u>
Total Liabilities and Fund Balance	<u>\$ 19,709</u>	<u>\$ 20,646</u>

JASPER COUNTY, GEORGIA

DRUG EDUCATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2009

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Fines and forfeitures	\$ 14,000	\$ 11,092	\$ (2,908)
Interest earnings	200	28	(172)
Total Revenues	14,200	11,120	(3,080)
<u>Expenditures:</u>			
Current:			
Public safety	14,200	12,057	2,143
Total Expenditures	14,200	12,057	2,143
Net change in fund balance	<u>\$ -</u>	(937)	<u>\$ (937)</u>
Fund Balance, beginning of year		<u>20,646</u>	
Fund Balance, end of year		<u>\$ 19,709</u>	

JASPER COUNTY, GEORGIA

JUVENILE COURT FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2009 AND 2008

	2009	2008
<u>Assets</u>		
Cash and cash equivalents	\$ 10,840	\$ 9,841
Total Assets	<u>\$ 10,840</u>	<u>\$ 9,841</u>
<u>Fund Balance</u>		
Reserved for program purposes	\$ 10,840	\$ 9,841
Total Fund Balance	<u>\$ 10,840</u>	<u>\$ 9,841</u>

JASPER COUNTY, GEORGIA

JUVENILE COURT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2009

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Fines and forfeitures	\$ 1,000	\$ 885	\$ (115)
Interest earnings	100	114	14
Total Revenues	1,100	999	(101)
<u>Expenditures:</u>			
Current:			
General government	1,100	-	1,100
Total Expenditures	1,100	-	1,100
Net change in fund balance	<u>\$ -</u>	999	<u>\$ 999</u>
Fund Balance, beginning of year		<u>9,841</u>	
Fund Balance, end of year		<u>\$ 10,840</u>	

JASPER COUNTY, GEORGIA
VICTIMS ASSISTANCE
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2009 AND 2008

	2009	2008
<u>Assets</u>		
Cash and cash equivalents	\$ 16,855	\$ 14,805
Total Assets	<u>\$ 16,855</u>	<u>\$ 14,805</u>
<u>Liabilities</u>		
Interfund payable	\$ 13,581	\$ 12,341
Total Liabilities	<u>13,581</u>	<u>12,341</u>
<u>Fund Balance</u>		
Reserved for program purposes	<u>3,274</u>	<u>2,464</u>
Total Liabilities and Fund Balance	<u>\$ 16,855</u>	<u>\$ 14,805</u>

JASPER COUNTY, GEORGIA

VICTIMS ASSISTANCE
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2009

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Fines and forfeitures	\$ 14,052	\$ 14,862	\$ 810
Total Revenues	14,052	14,862	810
<u>Expenditures:</u>			
Current:			
Public safety	14,052	14,052	-
Total Expenditures	14,052	14,052	-
Net change in fund balance	<u>\$ -</u>	810	<u>\$ 810</u>
Fund Balance, beginning of year		<u>2,464</u>	
Fund Balance, end of year		<u>\$ 3,274</u>	

JASPER COUNTY, GEORGIA
 SENIOR CENTER FUND
 COMPARATIVE BALANCE SHEET
 DECEMBER 31, 2009 AND 2008

	2009	2008
<u>Assets</u>		
Cash and cash equivalents	\$ 5,981	\$ 130
Due from others	44,893	29,620
	<hr/>	<hr/>
Total Assets	\$ 50,874	\$ 29,750
	<hr/>	<hr/>
<u>Liabilities</u>		
Accounts payable	\$ 4,088	\$ 3,746
Accrued liabilities	1,885	139
Interfund payable	44,901	25,865
	<hr/>	<hr/>
Total Liabilities	50,874	29,750
	<hr/>	<hr/>
<u>Fund Balance</u>		
Reserved for program purposes	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
Total Liabilities and Fund Balance	\$ 50,874	\$ 29,750
	<hr/>	<hr/>

JASPER COUNTY, GEORGIA

SENIOR CENTER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2009

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$ 130,242	\$ 83,384	\$ (46,858)
Program fees	-	38,271	38,271
Contributions and donations	-	350	350
Interest earnings	-	62	62
Rent	-	400	400
Total Revenues	130,242	122,467	(7,775)
<u>Expenditures:</u>			
Current:			
Culture and recreation	155,242	155,242	-
Total Expenditures	155,242	155,242	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(25,000)	(32,775)	(7,775)
<u>Other Financing Sources (Uses)</u>			
Transfers in	25,000	32,775	7,775
Total Other Financing Sources (Uses)	25,000	32,775	7,775
Net change in fund balance	\$ -	-	\$ -
Fund Balance, beginning of year		-	
Fund Balance, end of year		\$ -	

JASPER COUNTY, GEORGIA

2005 SPECIAL LOCAL OPTION SALES TAX
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2009 AND 2008

	2009	2008
<u>Assets</u>		
Cash and cash equivalents	\$ 1,181,961	\$ 891,728
Receivables:		
Sales taxes	73,420	160,463
Interfund	-	17,287
Total Assets	<u>\$ 1,255,381</u>	<u>\$ 1,069,478</u>
<u>Liabilities</u>		
Accounts payable	\$ 122,033	\$ 61,920
Interfund payables	65,506	40,684
Total Liabilities	<u>187,539</u>	<u>102,604</u>
<u>Fund Balance</u>		
Reserved for capital outlay	<u>1,067,842</u>	<u>966,874</u>
Total Liabilities and Fund Balance	<u>\$ 1,255,381</u>	<u>\$ 1,069,478</u>

JASPER COUNTY, GEORGIA

2005 SPECIAL LOCAL OPTION SALES TAX
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	2009	2008
<u>Revenues:</u>		
Sales taxes	\$ 839,535	\$ 999,360
Intergovernmental	-	2,287
Interest earnings	21,093	15,677
Total Revenues	860,628	1,017,324
<u>Expenditures:</u>		
Current:		
Intergovernmental	200,186	260,946
Capital outlay	559,474	576,339
Total Expenditures	759,660	837,285
Net change in fund balance	100,968	180,039
Fund Balance, beginning of year	966,874	786,835
Fund Balance, end of year	\$ 1,067,842	\$ 966,874

JASPER COUNTY, GEORGIA
IMPACT FEES
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2009 AND 2008

	2009	2008
<u>Assets</u>		
Cash and cash equivalents	\$ 113,491	\$ 113,264
 Total Assets	 \$ 113,491	 \$ 113,264
 <u>Liabilities</u>		
Due to other funds	\$ 7,292	\$ 26,171
 Total Liabilities	 7,292	 26,171
 <u>Fund Balance</u>		
Reserved for capital outlay	106,199	87,093
 Total Liabilities and Fund Balance	 \$ 113,491	 \$ 113,264

JASPER COUNTY, GEORGIA

IMPACT FEES
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

	2009	2008
<u>Revenues</u>		
Impact fees	\$ 34,418	\$ 75,719
Interest earnings	226	409
Total Revenues	34,644	76,128
<u>Expenditures</u>		
Current:		
General government	15,538	73,916
Total Expenditures	15,538	73,916
Net change in fund balance	19,106	2,212
Fund Balance, beginning of year	87,093	84,881
Fund Balance, end of year	\$ 106,199	\$ 87,093

JASPER COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009

<u>Tax Commissioner</u>	<u>Balance January 1, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2009</u>
Assets				
Cash and cash equivalents	<u>\$ 5,588,713</u>	<u>\$15,109,745</u>	<u>\$ 14,370,986</u>	<u>\$ 6,327,472</u>
Liabilities				
Due to others	<u>\$ 5,588,713</u>	<u>\$15,109,745</u>	<u>\$ 14,370,986</u>	<u>\$ 6,327,472</u>
<u>Superior Court</u>	<u>Balance January 1, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2009</u>
Assets				
Cash and cash equivalents	<u>\$ 35,752</u>	<u>\$ 119,800</u>	<u>\$ 116,074</u>	<u>\$ 39,478</u>
Liabilities				
Due to others	<u>\$ 8,318</u>	<u>\$ 93,757</u>	<u>\$ 93,158</u>	<u>\$ 8,917</u>
Due to others - escrow	<u>27,434</u>	<u>26,043</u>	<u>22,916</u>	<u>30,561</u>
Total Liabilities	<u>\$ 35,752</u>	<u>\$ 119,800</u>	<u>\$ 116,074</u>	<u>\$ 39,478</u>
<u>Probate Court</u>	<u>Balance January 1, 2009</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance December 31, 2009</u>
Assets				
Cash and cash equivalents	<u>\$ 2,052</u>	<u>\$ 241,978</u>	<u>\$ 242,758</u>	<u>\$ 1,272</u>
Liabilities				
Due to others	<u>\$ 2,052</u>	<u>\$ 241,978</u>	<u>\$ 242,758</u>	<u>\$ 1,272</u>

JASPER COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2009
 (CONTINUED)

Magistrate Court	Balance January 1, 2009	Additions	Deductions	Balance December 31, 2009
Assets				
Cash and cash equivalents	\$ 7,258	\$ 144,178	\$ 145,823	\$ 5,613
Liabilities				
Due to others	\$ 7,258	\$ 144,178	\$ 145,823	\$ 5,613
	Adjusted Balance			Balance
Sheriff's Office	January 1, 2009	Additions	Deductions	December 31, 2009
Assets				
Cash and cash equivalents	\$ 20,533	\$ 35,204	\$ 39,516	\$ 16,221
Liabilities				
Due to others	\$ 20,533	\$ 35,204	\$ 39,516	\$ 16,221
	Adjusted Balance			Balance
Total	January 1, 2009	Additions	Deductions	December 31, 2009
Assets				
Cash and cash equivalents	\$ 5,654,308	\$ 15,650,905	\$ 14,915,157	\$ 6,390,056
Liabilities				
Due to others	\$ 5,626,874	\$ 15,624,862	\$ 14,892,241	\$ 6,359,495
Due to others - escrow	27,434	26,043	22,916	30,561
Total Liabilities	\$ 5,654,308	\$ 15,650,905	\$ 14,915,157	\$ 6,390,056

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SPECIAL REPORTS SECTION

JASPER COUNTY, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2009

Capital Project 2005 SPLOST	Original Estimated Budget	Prior Years	Current Year	Total	Estimated Percentage of Completion
Level Two County Wide Project:					
Roads, Streets, & Bridges	\$ 1,200,000	\$ 657,975	\$ -	\$ 657,975	55%
Jasper County Projects:					
Roads, Streets, & Bridges	3,272,000	1,439,281	555,374	1,994,655	61%
Recreation Facilities	200,000	-	4,100	4,100	2%
Economic Development	176,000	-	-	-	0%
City of Monticello Projects	1,008,000	360,227	175,163	535,390	53%
City of Shady Dale Projects	144,000	51,461	25,023	76,484	53%
Total	<u>\$ 6,000,000</u>	<u>\$ 2,508,944</u>	<u>\$ 759,660</u>	<u>\$ 3,268,604</u>	



J. Russell Lipford, Jr., CPA
Mark O. Hardison, CPA
Terry I. Parker, CPA
Christopher S. Edwards, CPA
Lynn S. Hudson, CPA
Kevin E. Lipford, CPA

Member of
American Institute of
Certified Public Accountants
Truman W. Clifton (1902-1989)

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

Board of Commissioners
Jasper County, 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 Jasper County, Georgia as of and for the year ended December 31, 2009, which collectively comprise Jasper County, Georgia's basic financial statements and have issued our report thereon dated June 23, 2010. We did not audit the financial statements of the Jasper County Board of Health, Development Authority of Jasper County, and Jasper County Water & Sewer Authority. Those financial statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Jasper County Board of Health, Development Authority of Jasper County, and Jasper County Water & Sewer Authority, 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.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or 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 responses to be material weaknesses. 07-02, 07-03, 2009-01, 2009-02, 2009-03, 2009-04, and 2009-05.

Compliance and Other Matters

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

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

This report is intended solely for the information and use of the audit committee and management and is not intended to be and should not be used by anyone other than these specified parties.

Macon, Georgia
June 23, 2010

Chas. L. H. Russell

JASPER COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2009

Financial Statement Findings

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

07-02 Landfill Fund – Reiteration of Prior Year

CRITERIA

Internal controls should be designed to reconcile the subsidiary ledger accounts with the general ledger control accounts and any differences discovered should be resolved on a timely basis.

CONDITION

The landfill subsidiary records are maintained on a manual system. The receipts issued by landfill personnel are not pre-numbered or issued in sequence within the individual receipt books. In addition, no reconciliation is performed between the receipt books, bank deposit, or final general ledger posting.

EFFECT

Failure to adequately monitor and reconcile activity could increase the likelihood of misappropriation of funds. In addition, interim financial reports, which are used by management for fiscal-related decisions, could have been relied upon in error.

CAUSE

The material weakness is the result of the County not establishing adequate controls over the collection and reconciliation of landfill activity.

RECOMMENDATION

The County should redesign the internal control system and update the computer software purchased during 2009 that would allow for adequate monitoring and reporting.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

A procedure has been implemented effective 7/1/2010 to use pre-numbered receipts and attach voided/unused receipts to paperwork submitted to finance. Finance will then investigate any pre-numbered receipts not accounted for.

JASPER COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

07-03 Recreation Department – Reiteration of Prior Year

CRITERIA

Internal controls should be designed to reconcile the subsidiary ledger accounts with the general ledger control accounts and any differences discovered should be resolved on a timely basis.

CONDITION

Controls over recreation funding are inadequate to insure the timely recording, reporting and control within the County's accounting system. The County was not able to provide sufficient records to substantiate revenue within the Recreation department during 2009.

EFFECT

Failure to adequately monitor and reconcile recreation revenue could increase the likelihood of misappropriation of funds. In addition, interim financial reports, which are used by management for fiscal-related decisions, could have been relied upon in error.

CAUSE

The material weakness is the result of the County not establishing adequate controls over the collection and reconciliation of recreation revenue.

RECOMMENDATION

The County should consider having the Finance Office maintain the financial records for the recreation department.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

Monthly reports and reconciliations are being provided by the Parks and Recreation Department. Activity will be recorded within that period of occurrence in the general ledger. All reports are current as of the date of this letter.

JASPER COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

2009-01 Control Environment of the Finance Department

CRITERIA

The control environment reflects the overall attitude, awareness and actions of management, staff and others concerning the importance of internal control and its emphasis in the entity. A favorable control environment requires both proper supervision by competent management and adequate oversight by those charged with governance.

CONDITION

The County did not have a qualified person with adequate technical governmental training to oversee the limited number of accounting personnel in the finance department. Additionally, auditing procedures identified the following deficiencies:

- A large number of material adjustments by auditor were required to correct accounting records and financial reports.
- Those charged with governance did not subject the County's accounting records to adequate supervisory review.
- Inadequate monitoring and reconciliation of general ledger control accounts to their subsidiary records.
- A lack of accounting discipline in regards to posting errors and incomplete posting of transactions and timely review for accuracy and completeness.
- The County recorded entries across funds during 2009 so that individual funds were out of balance requiring large material adjustments to correct the ending trial balances.
- A material adjustment of \$53,916 was needed to remove activity recorded in the Recreation Special Revenue Fund, which had been closed as a separate fund in 2008, and to record the activity into the General Fund.

EFFECT

The finance department produced financial reports, which were incomplete and contained errors which were not identified until audit procedures were initiated. Management made decisions based on incomplete or inaccurate information.

CAUSE

The material weakness is due to the failure to establish an adequate control environment over the finance department which includes supervision by technically competent management.

RECOMMENDATION

Management or those charged with governance should consider redesigning the controls over the finance department to include supervision and oversight by management with training in governmental accounting and generally accepted accounting principles. The County has hired outside consultants to assist the County in updating their records and to assist in developing policies and procedures to maintain adequate financial reports going forward.

JASPER COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

The County has entered into a contract with a CPA to assist in oversight of the accounting functions. January through May 2010 bank reconciliations are complete and interdepartmental charges have been reallocated on an updated basis for 2010. All funds are in balance as of today and activity for parks and recreation recorded in general fund.

JASPER COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

2009-02 Bank Reconciliations

CRITERIA

An effective system of internal controls includes the requirement that all bank accounts are reconciled with the general ledger on a monthly basis and the reconciliations are reviewed by management or another responsible official.

CONDITION

Bank accounts were not being reconciled to the general ledger on a timely basis during 2009. The County hired an outside consultant in late 2009 to assist the County in preparing the bank reconciliations.

EFFECT

The failure to reconcile bank accounts on a timely basis resulted in incomplete or inaccurate recording of transactions in the County's financial records. As a result, management relied on financial reports which contained material omissions or errors.

CAUSE

The finance office lacked personnel with adequate technical training to perform the bank reconciliations.

RECOMMENDATION

We recommend that the bank accounts be reconciled on a timely basis each month. Additionally, we recommend that the reconciliations be reviewed by a responsible official with adequate training in governmental accounting standards and generally accepted accounting principles.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

The County is current with all bank reconciliations as of the date of this letter and inactive accounts are currently being closed with financial institutions.

JASPER COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

2009-03 Risk Management Department – Allocation of Expenditures

CRITERIA

Internal controls should be designed to reconcile the subsidiary ledger accounts with the general ledger control accounts and any differences discovered should be resolved on a timely basis.

CONDITION

The County allocated insurance related expenditures to the various departments during 2009. The allocation calculation did not properly include all of the necessary insurance costs to allocate out to the departments. The result was that material audit adjustments totaling \$377,886 were needed to properly record the allocation of insurance costs during 2009.

EFFECT

The failure to properly record the allocation of the insurance costs resulted in incomplete or inaccurate recording of transactions in the County's financial records. As a result, management relied on financial reports which contained material omissions or errors.

CAUSE

The finance office lacked personnel with adequate technical training to perform the allocation of the insurance costs.

RECOMMENDATION

The County should review the allocation method to ensure that the insurance costs are being allocated appropriately to the various departments. The County should also update the allocations as needed during the year or at least by year-end to reflect the actual insurance costs expended during the year.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

Basis for allocation has been updated for 2010 and formulas for allocation include basis method provided by ACCG as used by many other counties in Georgia. Refinement of this process will continue in 2010 and during the 2011 budget process.

JASPER COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

2009-04 General Fund Original Budget – Property Taxes

CRITERIA

County personnel responsible for budget preparation should have adequate experience and training to interpret County financial records, reports and the ability to accurately prepare annual budgets.

CONDITION

An error occurred in the preparation of the 2009 budget and the taxes revenues were overstated by more than \$559,000. The General Fund revenue budget line item for ad valorem tax was overstated by the amount projected for motor vehicle taxes and other taxes. The County approved a budget amendment in 2009 to correct this error in the original budget.

EFFECT

Projected taxes revenues were overstated therefore the County could not receive revenues to support the originally budgeted General Fund expenditures. Interim budgetary financial reports prepared prior to the approval of the budget amendment could have been relied upon in error.

CAUSE

The error is the result of the County not establishing adequate controls over the budget preparation, review process and the County personnel not having the adequate knowledge and experience to properly prepare the budget.

RECOMMENDATION

The County should review the budget preparation process to ensure that the appropriate amounts are being used so that realistic budgets are prepared. The County should also review the budget review process, both at the initial adoption phase and during the year, to determine if any changes need to be made to the budget to more closely match the actual activity.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

A 2010 supplemental budget amendment will be examined after six months ending June 30, 2010 to determine if issue still exists.

JASPER COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2009
(CONTINUED)

2009-05 Capital Asset Records

CRITERIA

Accounting and control procedures should be designed to insure that capital asset activity is recorded and reported in the government-wide and business-type activities financial statements. Capital asset records must be supported by detailed records that include location, department, cost, estimated useful life, depreciation and other detail supporting documentation.

CONDITION

The County has not adequately maintained capital asset records for the governmental activities. The current year capital asset purchases were not properly added to the schedule during the year. The County did obtain the services of an outside consultant after year-end to assist the County in updating and preparing the County's asset schedules for 2009.

EFFECT

Capital asset records were not available to the external auditors in a timely manner. An outside consultant was brought in to update the capital asset records after year-end.

CAUSE

County employees have not been adequately trained in capital asset accounting. The turnover in the finance department also contributed to the delay in obtaining updated capital asset records.

RECOMMENDATION

The County should continue to update and complete the capital assets records accumulated for 2009. A complete inventory of all capital assets should be performed each year on an annual basis. Detailed capital asset records must be maintained on an ongoing basis as a part of the overall accounting system of the County. We further recommend that the County provide additional training for employees and consider other software as needed for capital asset detail records.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

Capital asset additions for 2010 have been updated along with debt amortizations schedules to acquire those assets.