

PULASKI COUNTY, GEORGIA
FINANCIAL STATEMENTS
AND
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2009
AND
INDEPENDENT AUDITORS' REPORT

PULASKI COUNTY, GEORGIA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

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PULASKI COUNTY, GEORGIA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2009

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INDEPENDENT AUDITORS' REPORT



GIDDENS, BENNETT & COMPANY, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
106 FIRST STREET • P.O. BOX 467
COCHRAN, GEORGIA 31014-0467

INDEPENDENT AUDITORS' REPORT

To the Honorable C. Brooks Bailey
County Commissioner and Treasurer
Pulaski County, Georgia

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pulaski County, Georgia (the County), 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 Pulaski 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 Pulaski County Board of Health, which represent 33.31 percent, 32.28 percent, and 11.21 percent, respectively, of the assets, net assets, and revenues of the aggregate discretely presented component units. 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 the Pulaski County Board of Health, is based on the report of the other auditors.

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

Prior to December 31, 1983, the County did not capitalize capital asset acquisitions as required by generally accepted accounting principles, nor did the County maintain a record of its capital assets. Assets acquired prior to December 31, 1983, were recorded at appraised values which is a departure from generally accepted accounting principles. The effects of these departures on the governmental activities is not reasonably determinable.

In our opinion, except for the valuation and expensing of capital assets for the governmental activities mentioned in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of Pulaski County, Georgia, as of December 31, 2009, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In addition, 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Pulaski County, Georgia as of December 31, 2009, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2010, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 budgetary comparison information and the schedule of funding progress listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. 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. The County has not presented the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to supplement, although not to be part of, the basic financial statements.

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


GIDDENS, BENNETT & COMPANY, P. C.

June 29, 2010

BASIC FINANCIAL STATEMENTS

PULASKI COUNTY, GEORGIA
STATEMENT OF NET ASSETS
DECEMBER 31, 2009

	PRIMARY GOVERNMENT	COMPONENT UNITS		
	GOVERNMENTAL ACTIVITIES	HAWKINSVILLE- PULASKI COUNTY RECREATION BOARD	HAWKINSVILLE- PULASKI COUNTY DEVELOPMENT AUTHORITY	PULASKI COUNTY BOARD OF HEALTH
ASSETS:				
Cash and cash equivalents	\$ 703,795	\$ 426	\$192,985	\$119,478
Certificates of deposit	- - -	- - -	- - -	31,322
Receivables (net of allowance, where applicable):				
Accounts	50,245	- - -	- - -	- - -
Interest	4,710	- - -	- - -	- - -
Taxes	543,774	- - -	- - -	- - -
Intergovernmental	317,885	- - -	- - -	- - -
Inventory	3,452	- - -	- - -	- - -
Prepaid items	39,779	- - -	- - -	- - -
Net pension asset	53,836	- - -	- - -	- - -
Capital assets:				
Nondepreciable	411,153	- - -	- - -	- - -
Depreciable, net	9,622,147	109,594	- - -	555
Deferred charges - bond issuance costs	8,900	- - -	- - -	- - -
Total assets	<u>11,759,676</u>	<u>110,020</u>	<u>192,985</u>	<u>151,355</u>
LIABILITIES:				
Accounts payable	240,205	6,432	- - -	- - -
Interest payable	10,659	- - -	- - -	- - -
Other payables	- - -	600	- - -	- - -
Intergovernmental payable	9,861	7,869	- - -	- - -
Unearned revenue	3,759	- - -	- - -	- - -
Accrued liabilities	24,985	- - -	- - -	- - -
Noncurrent liabilities:				
Due within one year:				
Compensated absences	64,068	- - -	- - -	2,803
Capital leases payable	288,204	- - -	- - -	- - -
Notes payable	116,336	- - -	- - -	- - -
Jail revenue bonds payable	755,000	- - -	- - -	- - -
Post-closure care costs	5,520	- - -	- - -	- - -
Due in more than one year:				
Compensated absences	- - -	- - -	- - -	11,211
Capital leases payable	340,550	- - -	- - -	- - -
Notes payable	9,805	- - -	- - -	- - -
Jail revenue bonds payable	- - -	- - -	- - -	- - -
Post-closure care costs	117,267	- - -	- - -	- - -
Total liabilities	<u>1,986,219</u>	<u>14,901</u>	<u>- - -</u>	<u>14,014</u>
NET ASSETS:				
Invested in capital assets, net of related debt	8,523,405	109,594	- - -	555
Restricted for:				
Debt service	389	- - -	- - -	- - -
Capital projects	233,550	- - -	- - -	- - -
Program purposes	57,573	- - -	- - -	- - -
Prior year program income	- - -	- - -	- - -	67,819
Unrestricted	958,540	(14,475)	192,985	68,967
Total net assets	<u>\$ 9,773,457</u>	<u>\$ 95,119</u>	<u>\$192,985</u>	<u>\$137,341</u>

The notes are an integral part of these financial statements.

PULASKI 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			
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENTAL ACTIVITIES	HAWKINSVILLE-PULASKI COUNTY RECREATION BOARD	HAWKINSVILLE-PULASKI COUNTY DEVELOPMENT AUTHORITY	PULASKI COUNTY BOARD OF HEALTH	
Primary Government									
Governmental activities:									
General government	\$ 879,010	\$152,502	\$ 175	\$ -	\$ (726,333)	\$ -	\$ -	\$ -	\$ -
Judicial	539,417	282,681	-	-	(256,736)	-	-	-	-
Public safety	2,537,532	256,967	-	104,319	(2,176,246)	-	-	-	-
Public works	855,742	-	-	392,125	(463,617)	-	-	-	-
Health and welfare	383,120	31,640	-	-	(351,480)	-	-	-	-
Culture and recreation	124,169	-	-	39,140	(85,029)	-	-	-	-
Community and economic development	249,229	-	-	-	(249,229)	-	-	-	-
Interest on long-term debt	70,507	-	-	-	(70,507)	-	-	-	-
Total governmental activities	<u>5,638,726</u>	<u>723,790</u>	<u>175</u>	<u>535,584</u>	<u>(4,379,177)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$5,638,726</u>	<u>\$723,790</u>	<u>\$ 175</u>	<u>\$535,584</u>	<u>(4,379,177)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Component Units									
Hawkinsville-Pulaski County Recreation Board	\$ 239,288	\$ 68,023	\$ 18,603	\$ 2,990	-	(149,672)	-	-	-
Hawkinsville-Pulaski County Development Authority	1,712,198	4,200	1,690,768	-	-	-	(17,230)	-	-
Pulaski County Board of Health	233,964	79,431	145,788	-	-	-	-	(8,745)	-
Total component units	<u>\$2,185,450</u>	<u>\$151,654</u>	<u>\$1,855,159</u>	<u>\$ 2,990</u>	<u>-</u>	<u>(149,672)</u>	<u>(17,230)</u>	<u>(8,745)</u>	<u>-</u>
General revenues:									
Taxes:									
Property taxes, levied for general purposes					3,660,075	-	-	-	-
Sales taxes					1,380,966	-	-	-	-
Insurance premium tax					261,367	-	-	-	-
Alcoholic beverage taxes					23,170	-	-	-	-
Financial institutions taxes					12,941	-	-	-	-
Franchise taxes					17,848	-	-	-	-
Intergovernmental					-	145,600	-	-	40,538
Interest and investment earnings					1,060	-	-	-	-
Miscellaneous					230,778	-	-	-	-
Gain on sale of property					68,370	-	-	-	-
Total general revenues					<u>5,656,575</u>	<u>145,600</u>	<u>-</u>	<u>-</u>	<u>42,034</u>
Change in net assets					1,277,398	(4,072)	(17,230)	-	33,289
Net assets - beginning, as previously stated					8,450,525	99,191	210,215	-	104,052
Prior period adjustment					45,534	-	-	-	-
Net assets - ending					<u>\$ 9,773,457</u>	<u>\$ 95,119</u>	<u>\$192,985</u>	<u>\$137,341</u>	<u>-</u>

The notes are an integral part of these financial statements.

PULASKI COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2009

	GENERAL FUND	SPLOST CAPITAL PROJECTS FUND	JAIL AUTHORITY DEBT SERVICE FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash on hand	\$ 200	\$ -	\$ -	\$ -	\$ 200
Cash - financial institutions	580,088	100,933	2,453	20,121	703,595
Receivables:					
Accounts	1,568	-	-	48,677	50,245
Interest	4,710	-	-	-	4,710
Property taxes	543,774	-	-	-	543,774
Due from other funds	89,921	-	-	20,000	109,921
Intergovernmental	167,776	137,024	-	-	304,800
Inventory	3,452	-	-	-	3,452
Prepaid items	38,943	-	-	836	39,779
	<u>\$1,430,432</u>	<u>\$237,957</u>	<u>\$2,453</u>	<u>\$89,634</u>	<u>\$1,760,476</u>
Total assets					

The notes are an integral part of these financial statements.

PULASKI COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2009

	GENERAL FUND	SPLST CAPITAL PROJECTS FUND	JAIL AUTHORITY DEBT SERVICE FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
LIABILITIES AND FUND BALANCES					
LIABILITIES:					
Accounts payable	\$ 229,991	\$ -	\$ -	\$10,214	\$ 240,205
Other payables	17,477	9,861	-	1,278	28,616
Due to other funds	-	-	109,921	-	109,921
Deferred revenue	438,524	137,024	-	-	575,548
Total liabilities	685,992	146,885	109,921	11,492	954,290
FUND BALANCES (DEFICITS):					
Reserved for:					
Prepaid items	38,943	-	-	836	39,779
Inventory	3,452	-	-	-	3,452
Other purposes	27,479	-	-	-	27,479
Unreserved:					
General fund	674,566	-	-	-	674,566
Special revenue funds	-	-	-	77,306	77,306
Capital projects funds	-	91,072	-	-	91,072
Debt service fund	-	-	(107,468)	-	(107,468)
Total fund balances (deficits)	744,440	91,072	(107,468)	78,142	806,186
Total liabilities and fund balances (deficits)	\$1,430,432	\$237,957	\$ 2,453	\$89,634	\$1,760,476

The notes are an integral part of these financial statements.

PULASKI COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2009

TOTAL FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 806,186

Amounts reported for governmental activities
in the Statement of Net Assets are
different because:

Net Pension Asset is not available during the
current period and is not reported in the
Governmental Funds Balance Sheet 53,836

Capital assets used in governmental activities are
not financial resources and therefore are not
reported in the Governmental Funds Balance Sheet:

Governmental capital assets	\$14,582,022	
Less: accumulated depreciation	<u>(4,548,722)</u>	10,033,300

Other receivables are not available to pay for
current period expenditures and therefore are
deferred in the Governmental Funds Balance Sheet:

Property taxes	\$ 356,393	
Sales taxes	215,396	
Intergovernmental revenues	<u>13,085</u>	584,874

Interfund receivables and payables between
governmental funds are reported on the Governmental
Funds Balance Sheet but are eliminated on the
Statement of Net Assets:

Interfund receivables	\$ 109,921	
Interfund payables	<u>(109,921)</u>	- - -

Liabilities, including notes payable, compensated
absences, and capital leases payable, are not due
and payable in the current period and therefore
are not reported in the Governmental Funds
Balance Sheet:

Accrued compensated absences	\$ (64,068)	
Salaries and wages payable	(6,230)	
Notes payable	(126,141)	
Capital leases payable	(628,754)	
Revenue bonds payable	(755,000)	
Bond issuance costs	8,900	
Post-closure care costs	(122,787)	
Accrued interest payable	<u>(10,659)</u>	<u>(1,704,739)</u>

NET ASSETS OF GOVERNMENTAL ACTIVITIES \$ 9,773,457

The notes are an integral part of these financial statements.

PULASKI COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009

	GENERAL FUND	SPLOST CAPITAL PROJECTS FUND	JAIL AUTHORITY DEBT SERVICE FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES:					
Taxes	\$4,478,216	\$ 903,908	\$ - - -	\$ - - -	\$5,382,124
Licenses and permits	38,017	- - -	- - -	- - -	38,017
Intergovernmental	465,870	11,690	- - -	107,599	585,159
Charges for services	267,591	- - -	- - -	141,928	409,519
Fines and forfeitures	270,112	- - -	- - -	- - -	270,112
Interest	727	77	191	64	1,059
Miscellaneous	116,474	- - -	- - -	- - -	116,474
Total revenues	<u>5,637,007</u>	<u>915,675</u>	<u>191</u>	<u>249,591</u>	<u>6,802,464</u>
EXPENDITURES:					
Current:					
General government	728,882	- - -	- - -	- - -	728,882
Judicial	522,713	- - -	- - -	15,322	538,035
Public safety	2,023,752	- - -	- - -	374,251	2,398,003
Public works	794,639	- - -	- - -	- - -	794,639
Health and welfare	356,221	- - -	- - -	- - -	356,221
Culture and recreation	98,157	- - -	- - -	- - -	98,157
Community and economic development	171,174	- - -	- - -	- - -	171,174
Intergovernmental	- - -	118,332	- - -	- - -	118,332
Capital outlay:					
General government	- - -	446	- - -	- - -	446
Culture and recreation	- - -	6,750	- - -	- - -	6,750
Debt service:					
Principal	134,348	114,402	735,000	- - -	983,750
Interest	62,325	2,809	39,893	- - -	105,027
Total expenditures	<u>4,892,211</u>	<u>242,739</u>	<u>774,893</u>	<u>389,573</u>	<u>6,299,416</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>744,796</u>	<u>672,936</u>	<u>(774,702)</u>	<u>(139,982)</u>	<u>503,048</u>

The notes are an integral part of these financial statements.

PULASKI COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2009

	GENERAL FUND	SPLST CAPITAL PROJECTS FUND	JAIL AUTHORITY DEBT SERVICE FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES (from previous page)	\$ 744,796	\$ 672,936	\$(774,702)	\$(139,982)	\$ 503,048
OTHER FINANCING SOURCES (USES):					
Notes payable	28,417	- - -	- - -	- - -	28,417
Proceeds from sales of capital assets	137,000	- - -	- - -	- - -	137,000
Proceeds from Recreation Department note	- - -	9,255	- - -	- - -	9,255
Proceeds from Fire Department note	- - -	200	- - -	- - -	200
Transfers in	- - -	- - -	672,330	160,645	832,975
Transfers out	(160,645)	(672,330)	- - -	- - -	(832,975)
Total other financing sources (uses)	4,772	(662,875)	672,330	160,645	174,872
NET CHANGE IN FUND BALANCES	749,568	10,061	(102,372)	20,663	677,920
FUND BALANCE (DEFICIT) - BEGINNING	(5,128)	81,011	(5,096)	57,479	128,266
FUND BALANCE (DEFICIT) - ENDING	\$ 744,440	\$ 91,072	\$(107,468)	\$ 78,142	\$ 806,186

The notes are an integral part of these financial statements.

PULASKI 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 \$ 677,920

Amounts reported for governmental activities in the
Statement of Activities are different because:

Net Pension Asset is the change in pension assets
resulting from contributions in excess of the
annual required contributions and is not reported
in Governmental Funds

8,302

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

Expenditures for capital assets	\$ 267,583	
Donated capital assets	60,340	
Less: current year depreciation	<u>(588,530)</u>	(260,607)

In the Statement of Activities, only the gain on
the disposal of capital assets is reported,
whereas in the Governmental Funds, the proceeds
from the sale increase financial resources.
Thus, the change in net assets differs from the
change in fund balance by the cost of the assets
disposed of and accumulated depreciation:

Cost of disposed capital assets	\$(164,439)	
Accumulated depreciation of disposed capital assets	<u>95,809</u>	(68,630)

Revenues in the Statement of Activities that do
not provide current financial resources are not
reported as revenues in Governmental Funds:

Property taxes	\$ (49,839)	
Sales taxes	24,084	
Intergovernmental revenues	<u>2,404</u>	(23,351)

Expenditures in the Statement of Activities that
do not require the use of current financial
resources are not reported as expenditures in
Governmental Funds:

Compensated absences	\$ (2,127)	
Salaries and wages	1,483	
Bond issuance costs	<u>(8,899)</u>	(9,543)

Issuance of long-term debt provides current
financial resources to Governmental Funds, while
the repayment of the principal of long-term debt
consumes current financial resources of
Governmental Funds. Neither transaction, however,
has any effect on net assets:

Notes payable principal payments	\$ 119,965	
Issuance of notes payable	(37,872)	
Capital lease principal payments	128,784	
Revenue bonds principal payments	735,000	
Post-closure care costs	5,621	
Accrued interest paid	<u>1,809</u>	953,307

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES

\$1,277,398

The notes are an integral part of these financial statements.

PULASKI COUNTY, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
DECEMBER 31, 2009

AGENCY FUNDS

ASSETS

Cash - financial institutions	<u>\$1,650,408</u>
Total assets	<u>\$1,650,408</u>

LIABILITIES

Other liabilities	\$ 26,351
Funds held in escrow	273,708
Due to other governments	<u>1,350,349</u>
Total liabilities	<u>\$1,650,408</u>

The notes are an integral part of these financial statements.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Pulaski County, Georgia (the County) is a political subdivision of the State of Georgia. The County operates under a sole commissioner form of government. The County provides various services, levies taxes, and issues licenses as provided by the Charter. These services include public safety, highways and streets, and administrative services.

The financial statements of the County have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles. The County's reporting entity applies all relevant GASB pronouncements. The financial statements of the business-type activities apply pronouncements of the Financial Accounting Standards Board (FASB) and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. The following is a summary of the more significant policies:

A. **THE REPORTING ENTITY:** As required by GAAP, the financial reporting entity consists of (1) the primary government (the County), (2) organizations for which the County is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the County are such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The financial statements are formatted to allow the user to clearly distinguish between the primary government and its component units. The financial statements presented herein do not include agencies that have been formed under applicable state laws or separate and distinct units of government apart from the County.

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. Some component units, because of the closeness of their relationship with the County, should be blended as though they are part of the County. Otherwise, most component units should be discretely presented. At present, there are three organizations which would be considered discretely presented component units of the County because the County appoints the majority of the governing board of these respective organizations, and one organization, that is considered a blended component unit because of the close relation to and financial integration with the County:

Hawkinsville-Pulaski County Recreation Board - Management has determined that the Hawkinsville-Pulaski County Recreation Board is considered to be a discretely presented component unit of the County. The Hawkinsville-Pulaski County Recreation Board (the Recreation Board) is governed by a nine member board appointed by the County Commissioner and the City of Hawkinsville's Board of Commissioners. The Recreation Board's purpose is to establish a system of supervised recreation for the citizens of Pulaski County, Georgia and the City of Hawkinsville, Georgia. Component unit financial statements are available from the Recreation Board, 153 Lower River Road, Hawkinsville, Georgia.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Hawkinsville-Pulaski County Development Authority - Management has determined that the Hawkinsville-Pulaski County Development Authority is considered to be a discretely presented component unit of the County. The Hawkinsville-Pulaski County Development Authority (the Authority) is governed by a nine member board appointed by the County Commissioner and the City of Hawkinsville's Board of Commissioners. The Authority's purpose is to encourage and promote the expansion and development of industrial and commercial facilities in Pulaski County, Georgia and the City of Hawkinsville, Georgia. Component unit financial statements are available from the Authority, P.O. Box 29, Hawkinsville, Georgia.

Pulaski County Board of Health - Management has determined that the Pulaski County Board of Health is considered to be a discretely presented component unit of the County. The Pulaski County Board of Health (the Board of Health) is governed by a seven member board appointed by the County Commissioner and the City of Hawkinsville's Board of Commissioners. The Board of Health provides various health services for citizens in the County under a contract with the Georgia Department of Human Resources. Component unit financial statements are available from the Board of Health, Lumpkin Street, Hawkinsville, Georgia.

Pulaski-Wilcox County Regional Jail Authority - Management has determined that the Pulaski-Wilcox County Regional Jail Authority is considered to be a blended component unit of the County due to the closeness of its relationship with the County and is included as a Capital Projects Fund and a Debt Service Fund. The Pulaski-Wilcox County Regional Jail Authority (the Jail Authority) is governed by a five member board appointed by the County Commissioner and the Wilcox County's Board of Commissioners and one member is elected by the Jail Authority Board. The Jail Authority's purpose is to establish and maintain a jail or a jail-holding facility in Pulaski County, Georgia and Wilcox County, Georgia. The Jail Authority's financial statements were audited in conjunction with the County audit and are shown in the government-wide financial statements. However, a separate set of financial statements is not issued.

B. RELATED ORGANIZATIONS: The County's officials are responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making these appointments. The County Commissioner appoints the board members of the Pulaski County Board of Family and Children Services.

C. JOINT VENTURE -

Middle Georgia Regional Commission - Under Georgia law, the County, in conjunction with municipalities and counties in the eleven (11) county Middle Georgia area are members of the Middle Georgia Regional Commission (MGRC), formerly known as the Middle Georgia Regional Development Center (RDC). Membership in an MGRC is required for each municipality and county in the Middle Georgia region. The Official Code of Georgia Section 50-8-34 provides for the organizational structure of the RDCs. The MGRC Board membership includes the chief elected official of each county and the chief elected official of each municipality. The County board members and municipal board members from the same county elect one Member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as a nonpublic member and a minority member who must be an elected official to serve as board members from a County. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RDC. Separate financial statements for the MGRC are available from:

Middle Georgia Regional Commission
175 Emery Highway, Suite C
Macon, GA 31217

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

- D. JOINTLY GOVERNED ORGANIZATIONS: The County, in connection with the City of Hawkinsville, Georgia (the City), has created the Library Board, Hawkinsville-Pulaski County Recreation Board, and the Hawkinsville-Pulaski County Development Authority. The board members for each organization are composed as follows:

Library Board - 6 appointed by the County, 6 appointed by the City;
Hawkinsville-Pulaski County Recreation Board (the Recreation Board) - 5 appointed by the County, 4 appointed by the City; Hawkinsville-Pulaski County Development Authority (the Authority) - 3 appointed by the County along with the sole Commissioner, 2 appointed by the City with Commission Chairman, and 1 member at large.

The County's expenditures for December 31, 2009, were \$18,640, \$79,517, and \$24,000 to the Library Board, the Recreation Board, and the Authority, respectively

- E. BASIC FINANCIAL STATEMENTS - GASB STATEMENT NO. 34: The basic financial statements consist of the government-wide financial statements, fund financial statements, and notes to the financial statements. Both the government-wide financial statements and the fund financial statements categorize activities as either governmental activities or business-type activities. These statements provide valuable information that can be analyzed and compared.

Government-Wide Financial Statements - The government-wide financial statements include a Statement of Net Assets and a Statement of Activities. These statements display information about the reporting government as a whole and provide a consolidated financial picture of the government. All funds other than fiduciary activities are included at the government-wide reporting level. The primary government and component units are presented separately within the financial statements with the focus on the primary government. In the government-wide Statement of Net Assets, both governmental activities and component units columns are presented on a consolidated basis by column and are reflected on a full accrual, economic resources basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and for each component unit 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 government-wide Statement of Activities also reports functional categories of programs provided by the County and demonstrates how and to what degree those programs are supported by specific revenues. Program revenues are classified into three categories: charges for services, operating grants and contributions, and capital grants and contributions. Charges for services relate to charges to customers who purchase, use, or directly benefit from goods or services provided by a given function. Grants and contributions refer to revenues restricted for specific functions for operational or capital requirements. The general revenues section displays revenues collected that help support all functions of the government and contribute to the change in the net assets for the fiscal year. The gross expenses (including depreciation) are reduced by related program revenues, operating grants, and capital grants. The net costs (by function) are normally covered by general revenue.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Fund Financial Statements - Fund financial statements for the government's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually and non-major funds in the aggregate for governmental funds. The governmental funds statements in the fund financial statements are presented on a current financial resource and modified accrual basis of accounting. The fiduciary funds statements are presented on a full accrual, economic resources basis. The fiduciary funds are presented by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented on the page following the statement which briefly explains the adjustment necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation.

F. BASIS OF PRESENTATION: The financial transactions of the County are organized on the basis of funds. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which the resources are to be spent and the means by which spending activities are controlled. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category and the governmental and enterprise funds combined) for the determination of major funds. The County has used GASB No. 34 minimum criteria for major fund determination. The non-major funds, if more than one, are combined in a column in the fund financial statements and detailed in the supplementary information section of this report.

Governmental Funds - Governmental Funds are those through which most governmental functions typically are financed. The acquisition, use, and balances of the government's expendable financial resources and the related current liabilities - except those accounted for in other funds - are accounted for through governmental funds. The flow of current financial resources measurement focus is used for governmental funds. It is based on the determination of financial position, rather than on net income determination. Major Governmental Funds used by the County include:

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

Capital Projects Funds - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by Enterprise Funds, Internal Service Funds, or trust funds.

SPLOST Fund is used to account for the resources to be used to purchase capital items for the Recreation Board and the Pulaski County Fire Department.

Debt Service Funds - Debt Service Funds are established for the purpose of accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs, other than those payable from Enterprise Funds and Special Assessment Funds.

Jail Authority is used to account for the collection and disbursement of the 2004 1% Special Purpose Local Option Sales Tax (SPLOST) needed to comply with the interest and principal requirements of the revenue bonds issued for the construction of the Pulaski County jail.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Additionally, the County reports the following nonmajor governmental fund type:

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources and grants (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

E-911 Fund is used to account for monies from various telephone and cellular companies to be used in support of the Enhanced 911 service.

Pulaski County Law Library Fund is used to account for the law library fees included in all fines which are specifically designated for the County's law library.

Fiduciary Funds - Fiduciary Funds are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Fiduciary Funds used by the County include -

Agency Funds - Agency Funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus.

Noncurrent Governmental Assets/Liabilities - GASB Statement No. 34 eliminates the presentation of Account Groups, but provides for these records to be maintained and incorporates the information into the Governmental column in the government-wide Statement of Net Assets.

- G. **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, governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

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 calendar 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 calendar year. For the County, the phrase, "available for exchange transaction" means expected to be received within 60 days of year end.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Revenues - Nonexchange Transactions - Nonexchange 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 and on the modified accrual basis, it is recognized in the year received (i.e., when considered available). Revenue from property taxes is recognized in the calendar year for which the taxes are levied. Revenue from grants and donations is recognized in the calendar 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 specific purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions also must be available (i.e., collected within 60 days of year end) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: grants, interest on investments, and property taxes.

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

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred revenue (i.e., they are measurable but not available) rather than as revenue. Sales taxes collected by the State of Georgia, Department of Revenue, for the November and December sales are reported as deferred revenue at year end. Property taxes receivable not collected within 60 days of year end have been recorded as deferred revenue. Grants received before the eligibility requirements are met also are recorded as deferred revenue.

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

Interfund Activity - The County has two types of interfund transactions. Services rendered transactions are accounted for as revenues and expenditures in the funds involved and operating appropriations are accounted as transfers in the funds involved. Interfund transfers, except interfund services provided and used and reimbursements, are reported as transfers in or out in the funds involved as other financing sources. However, as a general rule, recorded interfund revenues and expenditures have been eliminated in the GAAP-basis government-wide financial statements.

- H. CASH AND CASH EQUIVALENTS: Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

- I. CONTRACTUAL PROVISIONS FOR DEPOSITS AND INVESTMENTS: The County follows the practice of maintaining separate cash accounts for each fund.

Various restrictions on deposits and investments, including repurchase agreements, are imposed by State statutes. These restrictions are summarized below:

Deposits - All deposits with financial institutions must be collateralized in an amount equal to 110% of uninsured deposits. However, the County may waive the collateral requirement for operating funds placed in demand deposit accounts.

Investments - The County may invest and reinvest funds subject to its control and jurisdiction in obligations of the United States and of its agencies and instrumentalities; and in bonds or certificates of indebtedness of this State and of its agencies and instrumentalities; and certificates of deposit of banks that have deposits insured by the Federal Deposit Insurance Corporation. The County may also invest through the Georgia Fund 1 state investment pool and other specific Georgia and Georgia related financial instruments.

- J. RECEIVABLES: The County does not normally record an allowance for doubtful accounts, nor does the County account for bad debts. The amounts that are potentially uncollectible are considered immaterial.
- K. INTERFUND RECEIVABLES/PAYABLES: Outstanding balances resulting in transactions between funds are reported as "due to/from other funds." To the extent that these balances are between governmental funds, they have been eliminated on the government-wide financial statements.
- L. PROPERTY TAXES: Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 20, and are due and payable by December 20. All unpaid taxes levied October 20, become delinquent after December 20, and fifa's are recorded on or after March 20.
- M. INVENTORIES: On government-wide financial statements, inventories are recorded at the lower of cost or market using the first in first out flow assumption and are accounted for using the consumption method.
- On the fund financial statements, inventories of governmental funds are recorded at cost using the first in first out flow assumption and are accounted for using the purchase method.
- N. PREPAID ITEMS: Payments made to vendors for services that benefit periods beyond December 31, 2009, are recorded as prepaid items.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

- O. **CAPITAL ASSETS:** Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, water and sewerage distribution systems and similar items) are reported in the applicable governmental activities and discretely presented component units columns in the government-wide financial statements. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized in the governmental activities columns of the government-wide financial statements to the extent the County's capitalization threshold of \$5,000 is met. Likewise, such items are capitalized in the component units columns of the government-wide financial statements to the extent the Recreation Board's capitalization threshold of \$2,500 or the Board of Health's capitalization threshold of \$1,000 is met.

All property, plant, and equipment acquired after December 31, 1983, is valued at cost. Assets acquired before 1984 are recorded at historical cost where available and insured values which approximate appraised value which is a departure from GAAP. Donated property, plant, and equipment is valued at the estimated fair value on the date donated. General infrastructure assets acquired or constructed prior to January 1, 2004 are not reported in the financial statements. General infrastructure assets include all roads and bridges and other infrastructure assets acquired or constructed subsequent to January 1, 2004.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. The County follows the policy of capitalizing interest as a component of the cost of property, plant, and equipment constructed for its own use. During the current fiscal year, no interest was capitalized.

Depreciation for capital assets is computed using the straight-line method over the assets estimated useful lives. The estimated useful lives for governmental activities and component units are as follows:

	Governmental Activities	Component Units	
		Recreation Board	Board of Health
Buildings	20-40 years	20-40 years	- - -
Improvements other than buildings	20-50 years	20-50 years	- - -
Machinery and equipment	5-10 years	5-10 years	5 years
Infrastructure	20-50 years	20-50 years	- - -

- P. **COMPENSATED ABSENCES:** Vacation leave is earned by all full-time County employees at the rate of five days per year for the first two years of service. After two years of service and up to ten years of service, the employees earn at a rate of ten days per year. After ten years of service, the employees earn at a rate of fifteen days per year. Vacation leave may be accumulated and carried over to a maximum of one-half the annual leave eligible to be earned each year. Upon termination or retirement from the County, employees are entitled to accumulated vacation leave. At December 31, 2009, accrued vacation leave of \$64,068 has been recorded in the government-wide Statement of Net Assets in the Governmental Activities, which represents the County's commitment to fund such cost from future operations. In governmental fund financial statements, the cost of vacation leave is recognized when due to employees.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

- Q. **LONG-TERM OBLIGATIONS:** In the government-wide financial statements, long-term debt is reported as liabilities in the applicable governmental activities statement of net assets. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt using the effective interest method.

In the fund financial statements, governmental fund types recognize bond issuance costs during the current period. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

- R. **NET ASSETS:** The government-wide financial statements utilize a net asset presentation. Net assets are categorized as investment in capital assets (net of related debt), restricted, and unrestricted.

Investment in Capital Assets (net of related debt) - This category is intended to reflect the portion of net assets which are associated with non-liquid capital assets less outstanding capital asset related debt.

Restricted Net Assets - This category represents funds for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specified purpose.

Unrestricted Net Assets - This category represents unrestricted liquid assets.

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the County's policy is to apply restricted net assets first.

- S. **OPERATING LEASES:** The County is currently involved in four 60 month leases for copiers with GDP Capital. The monthly lease expense for the copiers is \$788. The County is also leasing a mail meter from Pitney Bowes for 60 months. The monthly lease expense for the mail meter is \$176. The following is a schedule of annual lease requirements as of December 31, 2009:

<u>Year ending</u> <u>December 31</u>	<u>Amount</u>
2010	
2011	\$11,568
2012	10,512
2013	816
2014	408
Total	<u> </u>
	<u>\$23,304</u>

- T. **POST EMPLOYMENT HEALTH CARE BENEFITS:** Effective January 1, 2009, there will be no post-retirement health and medical benefits provided by the County other than those benefits under COBRA.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the County provides health care benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. This program is offered for a duration of 18 months after the determination date. There is no cost to the County under this program. There was one former employee or eligible dependent participating in this plan as of December 31, 2009.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

- U. **ACCUMULATED EMPLOYEE BENEFIT AMOUNTS:** Accumulated employee benefit amounts are not accrued in governmental funds. The County has available a Section 125 Cafeteria Plan and a 457 tax deferred plan, explained in Note 11, for its employees. Each of these plans are available to all employees who choose to participate. The County does not have any expenses associated with these plans.
- V. **RECENT ACCOUNTING PRONOUNCEMENTS:** As of December 31, 2009, GASB has issued the following statements which are effective for audits beginning after June 15, 2009 and various other periods:
- Statement No. 51 - "Accounting and Reporting for Intangible Assets"
 - Statement No. 53 - "Accounting and Financial Reporting for Derivative Instruments"
 - Statement No. 54 - "Fund Balance Reporting and Governmental Fund Type Definitions"
 - Statement No. 57 - "OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans"
 - Statement No. 58 - "Accounting and Financial Reporting for Chapter 9 Bankruptcies"

Management is currently evaluating the impact of applying these statements.

2. **CUSTODIAL CREDIT RISK - DEPOSITS:** Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it.

Primary Government

The County does not have a deposit policy for custodial credit risk. As of December 31, 2009, the County and its blended component unit's bank balances of \$462,832 was 100% insured by the Federal Deposit Insurance Corporation.

Discretely Presented Component Units

The Hawkinsville-Pulaski County Recreation Board does not have a deposit policy for custodial credit risk. As of December 31, 2009, the Hawkinsville-Pulaski County Recreation Board's bank balance was 100% insured by the Federal Deposit Insurance Corporation.

The Hawkinsville-Pulaski County Development Authority does not have a deposit policy for custodial credit risk. As of December 31, 2009, the Hawkinsville-Pulaski County Development Authority's bank balance was 100% insured by the Federal Deposit Insurance Corporation.

The Pulaski County Board of Health's (the Board) deposit policy for custodial credit risk requires collateral at 110% of the Board's deposits, less the amount of the Federal Deposit Insurance Corporation insurance, to be held in the Board's name by the safekeeping agent in accordance with Georgia statute. As of December 31, 2009, the Pulaski County Board of Health's bank balance was 100% insured by the Federal Deposit Insurance Corporation.

Fiduciary Funds - Agency Funds

The Fiduciary Funds - Agency Funds do not have deposit policies for custodial credit risk. As of December 31, 2009, the Agency Funds' bank balances of \$2,134,032 was 100% insured by the Federal Deposit Insurance Corporation (FDIC). This coverage was provided as a result of the Transaction Account Guarantee Program which is a part of the Temporary Liquidity Guarantee Program. This program provides full deposit insurance coverage for non-interest bearing deposit transaction accounts in FDIC insured institutions, regardless of the dollar amount. This coverage expires June 30, 2010.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

3. INTERFUND RECEIVABLES/PAYABLES 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.

Primary Government

<u>Payable to:</u>	<u>Payable from:</u>	
	<u>Jail Authority Debt Service Fund</u>	<u>Total</u>
General Fund	\$ 89,921	\$ 89,921
E-911 Special Revenue Fund	20,000	20,000
Total	<u>\$109,921</u>	<u>\$109,921</u>

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

<u>Transfers to:</u>	<u>Transfers from:</u>		
	<u>General Fund</u>	<u>SPLOST Capital Projects Fund</u>	<u>Total</u>
E-911 Special Revenue Fund	\$160,645	\$ - - -	\$160,645
Jail Authority Debt Service Fund	- - -	672,330	672,330
Total	<u>\$160,645</u>	<u>\$672,330</u>	<u>\$832,975</u>

Transfers are used to move unrestricted revenues collected in various funds to finance various programs accounted for in other funds in accordance with budgetary authorizations and to return money to the fund from which it was originally provided, once a project is completed. Transfers from the General Fund to the E-911 Special Revenue Fund were to fund E-911 salaries and related expenses in the E-911 Special Revenue Fund. Transfers from the SPLOST Capital Projects Fund to the Jail Authority Debt Service Fund were the transfers of SPLOST receipts to be used to pay the payments due on the Jail Revenue Bonds.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

4. CAPITAL ASSETS:

Primary Government

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

	Balance January 1, 2009	Additions	Deletions	Balance December 31, 2009
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 352,848	\$ - - -	\$ - - -	\$ 352,848
Construction in progress	49,201	9,104	- - -	58,305
Total capital assets, not being depreciated	402,049	9,104	- - -	411,153
Capital assets, being depreciated:				
Buildings	9,805,928	- - -	- - -	9,805,928
Improvements other than buildings	374,844	- - -	- - -	374,844
Infrastructure	392,862	- - -	- - -	392,862
Machinery and equipment	3,442,855	318,819	164,439	3,597,235
Total capital assets, being depreciated	14,016,489	318,819	164,439	14,170,869
Less accumulated depreciation for:				
Buildings	2,410,360	262,248	- - -	2,672,608
Improvements other than buildings	59,771	13,798	- - -	73,569
Infrastructure	23,028	13,548	- - -	36,576
Machinery and equipment	1,562,841	298,937	95,809	1,765,969
Total accumulated depreciation	4,056,000	588,531	95,809	4,548,722
Total capital assets, being depreciated, net	9,960,489	(269,712)	68,630	9,622,147
Governmental activities capital assets, net	\$10,362,538	\$(260,608)	\$ 68,630	\$10,033,300

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	\$115,209
General government	280,122
Public safety	147,311
Public works	26,288
Health and welfare	18,816
Culture and recreation	785
Community and economic development	588,531
Total depreciation expense - governmental activities	\$588,531

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

4. CAPITAL ASSETS: (continued)

Discretely Presented Component Units

Capital asset activity for the Hawkinsville-Pulaski County Recreation Board for the year ended December 31, 2009 was as follows:

	<u>Hawkinsville-Pulaski County Recreation Board</u>			
	Balance January 1, 2009	Additions	Deletions	Balance December 31, 2009
Capital assets, being depreciated:				
Buildings	\$ 20,455	\$ - - -	\$ - - -	\$ 20,455
Improvements other than buildings	60,989	7,990	- - -	68,979
Machinery and equipment	<u>90,803</u>	<u>- - -</u>	<u>- - -</u>	<u>90,803</u>
Total capital assets, being depreciated	<u>172,247</u>	<u>7,990</u>	<u>- - -</u>	<u>180,237</u>
Less accumulated depreciation for:				
Buildings	2,104	1,023	- - -	3,127
Improvements other than buildings	10,115	3,249	- - -	13,364
Machinery and equipment	<u>45,553</u>	<u>8,599</u>	<u>- - -</u>	<u>-54,152</u>
Total accumulated depreciation	<u>57,772</u>	<u>12,871</u>	<u>- - -</u>	<u>70,643</u>
Total capital assets, being depreciated, net	<u>114,475</u>	<u>(4,881)</u>	<u>- - -</u>	<u>109,594</u>
Hawkinsville-Pulaski County Recreation Board capital assets, net	<u>\$114,475</u>	<u>\$ (4,881)</u>	<u>\$ - - -</u>	<u>\$109,594</u>

Capital asset activity for the Pulaski County Board of Health for the year ended June 30, 2009 was as follows:

	<u>Pulaski County Board of Health</u>			
	Balance July 1, 2008	Additions	Deletions	Balance June 30, 2009
Capital assets, being depreciated - Machinery and equipment	<u>\$63,111</u>	<u>\$ - - -</u>	<u>\$11,445</u>	<u>\$51,666</u>
Total capital assets, being depreciated	<u>63,111</u>	<u>- - -</u>	<u>11,445</u>	<u>51,666</u>
Less accumulated depreciation for - Machinery and equipment	<u>61,924</u>	<u>632</u>	<u>11,445</u>	<u>51,111</u>
Total accumulated depreciation	<u>61,924</u>	<u>632</u>	<u>11,445</u>	<u>51,111</u>
Total capital assets, being depreciated, net	<u>1,187</u>	<u>(632)</u>	<u>- - -</u>	<u>555</u>
Pulaski County Board of Health capital assets, net	<u>\$ 1,187</u>	<u>\$ (632)</u>	<u>\$ - - -</u>	<u>\$ 555</u>

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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5. SHORT-TERM OBLIGATIONS:

The County issues tax anticipation notes in advance of property tax collections, depositing the proceeds in its General Fund. These notes are necessary because the County's supplemental payments to various agencies are made on a monthly basis, whereas tax collections are received shortly before their December 20 due date.

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

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>
Tax anticipation notes	\$- - -	\$1,600,000	\$1,600,000	\$- - -
Total short-term debt	<u>\$- - -</u>	<u>\$1,600,000</u>	<u>\$1,600,000</u>	<u>\$- - -</u>

6. LONG-TERM OBLIGATIONS:

Primary Government

The following is a summary of changes in long-term obligations for the year ended December 31, 2009:

	<u>Balance January 1, 2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance December 31, 2009</u>	<u>Amounts Due Within One Year</u>
Governmental activities:					
Compensated absences	\$ 61,941	\$ 2,127	\$ - - -	\$ 64,068	\$ 64,068
Recreation Department note payable	118,649	9,255	75,067	52,837	52,837
Fire Department note payable	89,585	200	35,711	54,074	54,074
Sheriff department note payable	- - -	28,417	9,187	19,230	9,425
Capital leases payable	757,538	- - -	128,784	628,754	288,204
Jail revenue bonds payable	1,490,000	- - -	735,000	755,000	755,000
Post-closure care costs	128,408	- - -	5,621	122,787	5,520
Total governmental activities	<u>\$2,646,121</u>	<u>\$39,999</u>	<u>\$989,370</u>	<u>\$1,696,750</u>	<u>\$1,229,128</u>

Compensated Absences - Compensated absences for governmental activities are generally paid by the General Fund.

Recreation Department note payable - The County entered into a loan agreement with SunMark Community Bank for funding to expand and improve various fields and buildings at the Recreation Department complex. The note is due on December 31, 2010, plus accrued interest at 6.00%.

The annual debt service requirements to maturity, including principal and interest, for the note payable as of December 31, 2009, are as follows:

<u>Year ended December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	<u>\$52,837</u>	<u>\$1,141</u>	<u>\$53,978</u>
Total	<u>\$52,837</u>	<u>\$1,141</u>	<u>\$53,978</u>

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

6. LONG-TERM OBLIGATIONS: (continued)

Fire Department note payable - The County entered into a loan agreement with SunMark Community Bank for funding to purchase a 2007 International Heavy Rescue Fire Truck. The note is due on December 31, 2010, plus accrued interest at 6.00%.

The annual debt service requirements to maturity, including principal and interest, for the note payable as of December 31, 2009, are as follows:

<u>Year ended</u> <u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	<u>\$54,074</u>	<u>\$2,170</u>	<u>\$56,244</u>
Total	<u>\$54,074</u>	<u>\$2,170</u>	<u>\$56,244</u>

Sheriff Department note payable - The County entered into a loan agreement with SunMark Community Bank for funding to purchase a 2009 Ford Crown Victoria. The note is due on December 31, 2011, plus accrued interest at 3.96%.

The annual debt service requirements to maturity, including principal and interest, for the note payable as of December 31, 2009, are as follows:

<u>Year ended</u> <u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 9,425	\$ 775	\$10,200
2011	<u>9,805</u>	<u>395</u>	<u>10,200</u>
Total	<u>\$19,230</u>	<u>\$1,170</u>	<u>\$20,400</u>

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

6. LONG-TERM OBLIGATIONS: (continued)

Capital leases payable - The assets under capital leases are recorded as machinery and equipment and totaled \$880,482 at December 31, 2009. Leases payable consisted of the following leases at December 31, 2009:

Way Brothers, Inc. -

Collateralized by one Ford truck for \$17,041,
due in sixty monthly installments of \$329,
including interest at 6.075%. \$ 2,109

Yancey Caterpillar:

Collateralized by a Caterpillar excavator
for \$180,500, due in four annual installments
of \$28,882 and one balloon payment of \$96,704,
including interest at 4.3%. 92,140

Collateralized by a 140H Caterpillar motorgrader
for \$179,695 due in four annual installments
of \$20,150 and one balloon payment of \$133,940,
including interest at 4.22%. 128,313

Collateralized by a Caterpillar wheel loader
for \$93,500, due in four annual installments
of \$22,076, including interest at 5.8%. 40,869

BancorpSouth Equipment Finance:

Collateralized by a Caterpillar D6K Dozer for
\$159,000, due in five annual installments of
\$23,693 and one balloon payment of \$62,000,
including interest at 3.45%. 140,880

Collateralized by a Caterpillar 12M motorgrader
for \$190,746, due in five annual installments
of \$21,869 and one balloon payment of \$110,000,
including interest at 3.45%. 175,631

Collateralized by a Challenger AG tractor for
\$60,000, due in five annual installments of
\$13,291, including interest at 3.45%. 48,812

Total 628,754

Less current portion (288,204)

Total long-term portion \$ 340,550

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

6. LONG-TERM OBLIGATIONS: (continued)

The following is a schedule of future minimum lease payments under capital leases and the present value of the net minimum lease payments as of December 31, 2009:

<u>Year ending</u> <u>December 31,</u>	
2010	\$309,456
2011	81,231
2012	58,785
2013	120,785
2014	<u>110,000</u>
Total minimum lease payments	680,257
Less amount representing interest	<u>51,503</u>
Present value of minimum lease payments	<u>\$628,754</u>

Jail Revenue Bonds - The County entered into an Intergovernmental Contract (Contract) dated December 1, 2004, with the Pulaski-Wilcox County Regional Jail Authority (the Jail Authority). The Jail Authority, at the request of the County, has issued \$3,720,000 Pulaski-Wilcox County Regional Jail Authority Jail Revenue Bonds (Bonds), Series 2004, with an interest rate of 3.28%. The Bonds were issued for the purpose of providing funds to (i) finance, in whole or in part, the acquisition, construction, and installation of the Project for lease to the County under the terms of the Intergovernmental Contract, (ii) pay interest on the Series 2004 Bonds, during construction of the Project, and (iii) pay all expenses incident to the issuance of the Bonds. The Authority as a part of the Contract leased to the County the Jail (Project) and the County assumed any and all powers, duties, and responsibilities regarding the operation and maintenance of jail facilities and the provision of jail services in Pulaski County. The Authority agreed to acquire, construct, and install the Project from the proceeds of the Bonds and the County agreed to make rental payments for the Project to the Authority equal to principal and interest on the Bonds as they come due for and in consideration of the right of use of the Project during the term of the Contract. The 1% Special Purpose Local Option Sales Tax funds are being used to pay quarterly installments on the Bonds.

The annual debt service requirements to maturity, including principal and interest, for the Lease as of December 31, 2009, are as follows:

<u>Year ended</u> <u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$755,000	\$15,539	\$770,539
Total	<u>\$755,000</u>	<u>\$15,539</u>	<u>\$770,539</u>

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

6. LONG-TERM OBLIGATIONS: (continued)

Landfill closure and post-closure care costs - The County was under contract with the City of Hawkinsville to share in the cost of operating the local landfill. Therefore, the County is responsible to share in the cost of closure and post-closure of the local landfill.

State and federal laws and regulations require that a final cover be placed on the landfill when it stops accepting waste, and to perform certain maintenance and monitoring functions at the site. The local landfill was closed on April 8, 1994. All requirements for closure have been met, and the Certificate of Closure (Certificate) was received by the County as of April 19, 2002. Conditions of the closure certificate include monitoring and maintenance for a period of thirty years from the Certificate date.

The County has provided one-half of the cost to place a final cover on the landfill and monitoring costs to date. The remaining cost to monitor the landfill is estimated to be \$122,787 and has been included in accrued expenses of the governmental activities. These expenses were estimated by the County's outside engineering firm and do not specifically include any estimates due to the effect of inflation or deflation, technology, or changes in applicable laws or regulations. During the current year, actual post-closure expenses of \$5,621 were paid. Post-closure care costs are generally paid by the General Fund.

Discretely Presented Component Units

Pulaski County Board of Health - The following is a summary of changes in long-term obligations for the year ended June 30, 2009:

	Balance July 1, 2008	Additions	Reductions	Balance June 30, 2009	Amounts Due Within One Year
Compensated absences	\$14,852	\$ - -	\$838	\$14,014	\$2,803
Total	<u>\$14,852</u>	<u>\$ - -</u>	<u>\$838</u>	<u>\$14,014</u>	<u>\$2,803</u>

Compensated Absences - Compensated absences for the Board of Health are generally paid by the General Fund.

7. FUND BALANCE RESERVES:

Fund balance reserves for governmental funds consist of the following:

<u>Description</u>	<u>General Fund</u>	<u>E-911 Special Revenue Fund</u>
Prepaid items	\$38,943	\$ 836
Inventory	3,452	- - -
Other purposes:		
Jail Construction	17,245	- - -
Drug Condemnation	<u>10,234</u>	<u>- - -</u>
Total	<u>\$69,874</u>	<u>\$ 836</u>

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

8. FUND BALANCE DEFICITS:

The Jail Authority Debt Service Fund ended the year with a deficit fund balance of \$107,468 due to debt expenditures.

Management expects to eliminate this deficit by transfers from the General Fund.

9. VIOLATION OF FINANCE-RELATED LEGAL AND CONTRACTUAL PROVISIONS:

Excess of expenditures over appropriations - The following funds had expenditures in excess of appropriations for the year ended December 31, 2009, as follows:

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Variance</u>
General Fund:			
Public safety	\$2,023,752	\$1,974,934	\$ 48,818
Community and economic development	171,174	168,189	2,985
Debt service:			
Principal retirement	134,348	8,000	126,348
Interest and finance charge	62,325	17,000	45,325
Pulaski County Law Library -			
Judicial	\$ 15,322	\$ 8,500	\$ 6,822
Capital Projects Fund - SPLOST:			
General government	\$ 1,317	\$ - - -	\$ 1,317
Public safety	319,888	250,000	69,888
Public works	664,471	647,000	17,471
Culture and recreation	852,755	700,000	152,755

Material amounts were related to the purchase of two Sheriff vehicles and SPLOST expenditures for public safety, public works, and recreation equipment that was not budgeted; however, the budget was not amended to include the expenditures. County officials will review items and amend budgets in the future.

Violation of Georgia law - The County signed a multi-year note for the purchase of a Sheriff's vehicle. This note does not provide for automatic termination in the event that appropriated and unobligated funds are no longer available to satisfy the obligations of the County. State law prohibits any government from binding or committing a subsequent government for financial purposes. The Commissioner intends to reconfigure the note during 2010.

10. 2004 SPECIAL PURPOSE LOCAL OPTION SALES TAX:

The voters of the County approved a One Percent Special Purpose Local Option Sales Tax (SPLOST) on September 21, 2004 for the construction of a jail and listed capital projects. Collections of the SPLOST began October 1, 2004 and will continue for six years. These funds must be kept separate from other cash deposits held by the County. The County, as discussed in Note 6, has entered into an Intergovernmental Contract with the Pulaski-Wilcox County Regional Jail Authority to issue revenue bonds to fund the construction of the jail which is one of capital projects covered by the SPLOST proceeds. The construction activities were accounted for in the Jail Authority Capital Projects Fund. SPLOST proceeds will repay the Jail Revenue Bonds and are being accumulated in the Jail Authority Debt Service Fund.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

11. DEFERRED COMPENSATION PLAN:

The County offers its employees a deferred compensation plan, created in accordance with Internal Revenue Code Section 457, the Pulaski County 457 Deferred Compensation Plan. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Pursuant to changes in Internal Revenue Code Section 457, the plan has been amended to convert the deferred compensation plan to a trust. The plan is administered by GebCorp. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the trust, established for the exclusive benefit of the participants and their beneficiaries. The County has no liability for these assets and they are not subject to the claims of the County's general creditors. All contributions to this plan are voluntary employee contributions.

12. PENSIONS:

Defined Benefit Pension Plan

Plan Description - The County sponsors the Association County Commissioners of Georgia (ACCG) Restated Pension Plan for Pulaski County Employees (the Plan) which is a defined benefit pension plan. The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The Plan, through execution of an adoption agreement, is affiliated with the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (the ACCG Plan), an agent multiple-employer pension plan administered by GEBCorp. The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions of the ACCG Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan, as provided in Section 19.02 of the ACCG Plan document. The ACCG issues a publicly available financial report that includes financial statements and required supplementary information for the County's pension plan. A copy of this report is on file at the County Commissioner's office.

Funding Policy - The County is required to contribute an actuarially determined amount annually to the Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and must satisfy the minimum contribution requirement contained in the State of Georgia statutes. Section 47-20 of the Georgia Code sets forth the funding standards for state and local governmental pension plans. Administrative expenses are based on total covered payroll of plan members and are added to the state-required annual funding requirement. The projection of benefits for financial accounting purposes does not explicitly incorporate the potential effects of the legal or contractual funding limitations.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

12. PENSIONS: (continued)

The Georgia Constitution enables the governing authority of the County, the Commissioner, to establish and amend from time to time, the contribution rates for the employer and its plan members.

Effective January 1, 2009, no contributions are required by Participants. The County contributes the entire cost of the Plan, using the actuarial basis described in the annual valuation report. The annual County contribution meets or exceeds the minimum funding requirements of Georgia Statute 47-20.

The County's covered compensation for employees participating in the Plan as of January 1, 2009 was \$1,095,524. The required contribution for 2009 was \$12,072, which represents 1.1% of the covered payroll. The actual contribution for 2009 was \$15,000, which represents 1.4% of the covered payroll.

Annual Pension Cost and Net Pension Obligation (Asset) - The County's annual pension cost and net pension obligation for the Plan for the current year were determined as follows:

Derivation of Net Pension Obligation (Asset):

Net Pension Obligation (Asset) as of Beginning of Prior Year		\$ (45,534)
Annual Pension Cost for Prior Year	\$109,722	
Actual Contributions to Plan for Prior Year	<u>118,024</u>	
Increase in Net Pension Obligation (Asset)		<u>(8,302)</u>
Net Pension Obligation (Asset) as of Beginning of the Year		<u><u>\$ (53,836)</u></u>

Derivation of Annual Pension Cost:

Annual Required Contribution	\$74,626
Interest on Net Pension Obligation	(4,172)
Amortization of Net Pension Obligation	<u>4,464</u>
Annual pension cost	<u><u>\$74,918</u></u>

Basis of Valuation:

Current Valuation Date	January 1, 2009
Annual Return on Invested Plan Assets	7.75% per year
Projected Annual Salary Increases	5.0% - 7.5% per year, based on age
Expected annual inflation	3.0% per year
Actuarial Value of Assets	Smoothed Actuarial Value
Actuarial Funding Method	Projected Unit Credit
Amortization Method	Level Percent of Pay (closed)
Amortization Period	10 years

The governmental activities column in the government-wide statement of net assets reports net pension assets of \$53,836.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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12. PENSIONS: (continued)

Changes to Plan - The actuarial asset valuation method was changed from market value to smoothed actuarial value. The actuarial assumptions were revised by changing the investment return from 8.0% to 7.75%, age banding the salary increase assumption and applying assumed employee termination rates based on age and length of service. As of December 31, 2008, the Plan was amended to: 1) close the plan for new hires and rehires effective January 1, 2009; 2) freeze the accrued benefit of all active participants of the plan as of December 31, 2008; and 3) no employee contributions are required as of January 1, 2009.

Three Year Trend Information

<u>Fiscal Year Beginning</u>	<u>Annual Pension Cost (APC)</u>	<u>Actual County Contribution</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
01/01/07	\$103,859	\$114,656	110.0%	\$(34,737)
01/01/08	109,722	118,024	108.0%	(45,534)
01/01/09	74,918	N/A	N/A	(53,836)

Funded Status and Funding Progress - The funded status of the plan for the current year is as follows:

Actuarial valuation date	January 1, 2009
Actuarial value of assets	\$1,356,475
Actuarial accrued liability (AAL)	\$1,541,112
Actuarial value of assets as percentage of AAL	88.0%
Unfunded actuarial accrued liability (UAAL)	\$184,637
Annual covered payroll	\$1,095,524
UAAL as percentage of annual covered payroll	16.9%

The schedule of funding progress, presented as RSI following the notes to the financials statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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12. PENSIONS: (continued)

Defined Contribution Pension Plan

The County offers its employees a defined contribution money purchase retirement plan in accordance with Internal Revenue Code 401(a). The ACCG 401(a) Defined Contribution Plan for Employees of Pulaski County (401(a) Plan) is a defined contribution plan established by the County Commissioner on December 1, 2008. This plan is administered by GEBCorp. The 401(a) Plan provides benefits at retirement to Pulaski County employees. Plan provisions and contribution requirements are established and may be amended by the County.

Employees are eligible to participate in the 401(a) Plan on their employment date and must work at least 40 hours per week. Employees are not required to contribute to the 401(a) Plan. Participants are fully vested in the County's contributions upon completion of five years of service. Participants are fully vested immediately in their contributions to the 401(a) Plan. The County shall make a basic contribution on behalf of each employee equal to 2.0% of compensation. The County shall make a matching contribution on behalf of each participant to this 401(a) Plan equal to half of the first 4.0% the participant contributes to the Pulaski County 457 Deferred Compensation Plan up to a maximum contribution by the County of 2%. Therefore, an employee who contributes 4% to the Pulaski County 457 Deferred Compensation Plan will receive an additional 2% contribution to this 401(a) Plan.

The County's contributions were calculated using the formula detailed above. For the year ended December 31, 2009, the County's contribution to the 401(a) Plan was \$50,363.

13. RURAL TRANSPORTATION:

The County currently operates a public transit system in the Pulaski County area. The County received a capital contract for public transportation through the Georgia Department of Transportation (DOT). The Georgia DOT agreed to a matching grant for the costs of operations. Within a given budget limit, the Georgia DOT will pay 80% of the administrative costs and 50% of the net operation costs. These funds paid by the state are pass-thru funds from the federal government.

For 2009, the expenses listed in the schedule of departmental expenditures are considered correct for purposes of reimbursements from the Georgia DOT.

14. CONDUIT DEBT:

On September 4, 2003, the Pulaski County/Hawkinsville Development Authority (Authority) issued \$19,500,000 in revenue bonds for the express purpose of financing the acquisition of various health care facilities and operations for Health Systems Facilities, Inc. (HSFI). There were three separate issues: \$17,200,000 for the Elder Care Pharmacy Project, \$1,540,000 for the ECP Distributors Project, and \$760,000 for the Golden Age Nursing Home Project. The bonds will bear interest at a tax exempt rate not to exceed 9.0% per annum and will mature no later than January 1, 2034. The principal outstanding at December 31, 2009 was \$15,633,864. The first payment on the bonds was due January 1, 2004. The bonds were purchased by the former shareholders of Elder Care Pharmacy, ECP Distributors, and Golden Age Nursing Home and all payments will be made directly to these individuals (lenders) by the borrower, HSFI.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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14. CONDUIT DEBT: (continued)

These bonds shall constitute only a limited obligation of the issuer, the Authority, and shall be payable solely from the amounts received from the Company under the Lease Agreement and any other security specifically pledged therefor and will not constitute a debt or a general obligation or pledge of the faith and credit of the State of Georgia or any political subdivision thereof, including the City of Hawkinsville and Pulaski County, and shall not directly, indirectly, or contingently obligate the State of Georgia or any political subdivision, including the City of Hawkinsville and Pulaski County, to levy or to pledge any form of taxation whatever for the payment thereof.

15. UPPER PAYMENT LIMIT INTERGOVERNMENTAL TRANSFERS:

The Authority, HSFI, and various nursing centers have applied to the State of Georgia for the Upper Payment Limit Rate Adjustment (UPLRA) payments available with respect to the nursing centers under the Upper Limit Payment Rate Adjustment program (Upper Limit Program). The Authority, HSFI, and the nursing centers have agreed upon a mutually agreeable funding mechanism to fund the Upper Payment Limit Intergovernmental Transfers required in order to qualify for and obtain the UPLRA Payments under the Upper Limit Program. The Authority at the request of HSFI and the nursing centers will transfer to the State of Georgia certain funds which HSFI has arranged to borrow and provide to the Authority. The Authority is entitled to a transaction handling fee in an amount equal to one-fourth of one percent (.25%) of the aggregate wire transfer amount. During 2009, the Authority received and transferred \$1,666,768 of UPLRA Payments to the State of Georgia and received \$4,200 in handling fees.

16. RISK MANAGEMENT:

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County maintains commercial insurance coverage covering each of these risks of loss other than injuries to employees. The risks of loss for injuries to employees is provided through participation in the Association County Commissioners of Georgia Group Self-Insurance Workers' Compensation Fund (Fund) and Georgia Interlocal Risk Management Agency (GIRMA), public entity risk pools currently operating as common risk management and insurance programs for member local governments. This membership allows the County to share liability, crime, motor vehicle, and property damage risks.

Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorizes Georgia municipalities to form interlocal risk management agencies. GIRMA is a municipal interlocal risk management agency to function as an unincorporated nonprofit instrumentality of its member municipalities. GIRMA establishes and administers one or more group self insurance funds and a risk management service to prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of municipal government. GIRMA is to defend and protect in accordance with the member government contract and related coverage descriptions any member of GIRMA against liability or loss.

As part of these risk 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.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

16. RISK MANAGEMENT: (continued)

The liability of the Fund to the employees of the County is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and/or employer's liability. GIRMA members shall be jointly and severally liable for all legal obligations of the pools. Based upon the financial performance of the risk pools, the County may be liable for additional premium assessments to meet any financial deficiencies or be entitled to receive a dividend. The County's risk is constituted by a \$1,000 deductible for each automobile occurrence and a \$2,500 deductible each for all other occurrences.

The fund is to defend, in the name of and on behalf of the members, any suits or other proceedings which may at any time be instituted against them on account of injuries or death within the realm of the Worker's Compensation Law of Georgia, or on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding compensation therefore, although such suits, other proceedings, allegations or demands be wholly groundless, false, or fraudulent. The fund is to pay all costs 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.

Management believes such coverage is sufficient to preclude any significant uninsured losses to the County. Settled claims have not exceeded the coverage provided in any of the past three fiscal years.

17. COMMITMENTS AND CONTINGENCIES:

The County has received federal and state grant or loan monies for specific purposes that are subject to review and audit by grantor agencies to ensure compliance with the specific conditions of the grant or loan. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant or loan. Any liability for reimbursement that may arise as a result of these reviews or audits cannot be reasonably determined at this time. Management believes that the amount, if any, would be immaterial.

The County was a defendant in 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.

The County entered into an agreement with the City of Hawkinsville, Georgia to establish and maintain an enhanced 911 emergency communications system for the County and the City. The agreement will last for a term of one year and will automatically renew unless terminated. Each party will contribute to the E-911 Fund through cellular and phone line subscriber charges with any additional program costs being shared.

The County signed a Boat Ramp Operation and Maintenance Agreement and a Lease for Boat Ramp Construction with the Georgia Department of Natural Resources (DNR). The County will be responsible for maintaining and operating the boat ramp at no charge to the public. The lease will be in effect for 25 years after execution. This Agreement and Lease has not been executed by DNR as of the date of this report.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

18. PRIOR PERIOD ADJUSTMENT:

Net assets for the Governmental Activities has been restated to reflect a prior period adjustment of \$45,534. The County was required to record its net pension asset in accordance with GASB Statement No. 27, as amended by GASB Statement 34.

Net assets, beginning of year, as previously stated	\$8,450,525
Prior period adjustment to record net pension asset	<u>45,534</u>
Net assets, beginning of year, as restated	<u>\$8,496,059</u>

19. SUBSEQUENT EVENT:

Subsequent to year end, the County signed a lease agreement with Caterpillar Financial Services Corporation for a 140M Caterpillar Motor Grader for the amount of \$204,714.

Also, the County received notification of approval for two Assistance to Firefighters Grants totaling \$206,190. These grants require the County to provide a 5.0% match with local funds which totals \$10,309.

The County entered into an agreement with the City of Hawkinsville, Georgia (City) to consolidate the Sheriff and Police Departments for the County and the City. The agreement will commence July 1, 2010 and shall terminate on June 30, 2013. This agreement shall continue after termination under the same terms unless terminated by either party upon ninety days' written notice. The City will pay the County \$43,333.33 per month beginning July 10, 2010. Also, police equipment and vehicles shall be transferred to the County. The County will hire the current six full-time City police officers for at least a six month probationary period.

REQUIRED SUPPLEMENTARY INFORMATION

PULASKI COUNTY, GEORGIA
SCHEDULE OF FUNDING PROGRESS -
ACCG RESTATED PENSION PLAN FOR PULASKI COUNTY EMPLOYEES

Actuarial Valuation Date (01/01)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAAL) (2) - (1)	(5) Covered Payroll (prior year)	(6) UAAAL as a Percentage of Covered Payroll (4) / (5)
2007	\$1,323,593	\$1,791,783	73.9%	\$468,190	\$ 995,459	47.0%
2008	1,373,707	1,946,886	70.6%	573,179	1,015,199	56.5%
2009	1,356,475	1,541,112	88.0%	184,637	1,095,524	16.9%

The actuarial value of assets for the years 2008 and 2009 reflect the change to asset smoothing adopted by the ACCG Pension Plan and Trust Board of Trustees.

The assets and liabilities shown above reflect expected amounts as of the last day of the plan year. These amounts may vary from those used in determining the required contribution, since those calculations use actual amounts as of the first day of the next plan year.

PULASKI COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:				
Taxes	\$4,381,699	\$4,422,376	\$4,478,216	\$ 55,840
Licenses and permits	48,000	48,000	38,017	(9,983)
Intergovernmental	162,000	162,000	465,870	303,870
Charges for services	272,000	272,000	267,591	(4,409)
Fines and forfeitures	176,000	176,000	270,112	94,112
Interest	2,500	2,500	727	(1,773)
Miscellaneous	<u>103,700</u>	<u>103,700</u>	<u>116,474</u>	<u>12,774</u>
Total revenues	<u>5,145,899</u>	<u>5,186,576</u>	<u>5,637,007</u>	<u>450,431</u>
EXPENDITURES:				
Current:				
General government	820,089	820,089	728,882	91,207
Judicial	535,412	535,412	522,713	12,699
Public safety	1,934,257	1,974,934	2,023,752	(48,818)
Public works	1,068,722	1,068,722	794,639	274,083
Health and welfare	385,222	385,222	356,221	29,001
Culture and recreation	118,800	118,800	98,157	20,643
Community and economic development	168,189	168,189	171,174	(2,985)
Debt service:				
Principal retirement	8,000	8,000	134,348	(126,348)
Interest and finance charge	<u>17,000</u>	<u>17,000</u>	<u>62,325</u>	<u>(45,325)</u>
Total expenditures	<u>5,055,691</u>	<u>5,096,368</u>	<u>4,892,211</u>	<u>204,157</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>90,208</u>	<u>90,208</u>	<u>744,796</u>	<u>654,588</u>
OTHER FINANCING SOURCES (USES):				
Notes payable	- - -	- - -	28,417	28,417
Capital leases	46,500	46,500	- - -	(46,500)
Proceeds from sales of capital assets	25,000	25,000	137,000	112,000
Transfers out	<u>(161,708)</u>	<u>(161,708)</u>	<u>(160,645)</u>	<u>1,063</u>
Total other financing sources (uses)	<u>(90,208)</u>	<u>(90,208)</u>	<u>4,772</u>	<u>94,980</u>
NET CHANGE IN FUND BALANCES	- - -	- - -	749,568	749,568
FUND BALANCE (DEFICIT) - BEGINNING	<u>(5,128)</u>	<u>(5,128)</u>	<u>(5,128)</u>	- - -
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (5,128)</u>	<u>\$ (5,128)</u>	<u>\$ 744,440</u>	<u>\$749,568</u>

See notes to required supplementary information.

PULASKI COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL -
DEBT SERVICE FUND - JAIL AUTHORITY
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES -				
Interest	\$ 1,100	\$ 1,100	\$ 191	\$ (909)
Total revenues	<u>1,100</u>	<u>1,100</u>	<u>191</u>	<u>(909)</u>
EXPENDITURES -				
Debt service:				
Principal	735,000	735,000	735,000	- - -
Interest	40,000	40,000	39,893	107
Bond issue costs and other charges	<u>100</u>	<u>100</u>	<u>- - -</u>	<u>100</u>
Total expenditures	<u>775,100</u>	<u>775,100</u>	<u>774,893</u>	<u>207</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(774,000)</u>	<u>(774,000)</u>	<u>(774,702)</u>	<u>(702)</u>
OTHER FINANCING SOURCES (USES) -				
Transfers in	<u>774,000</u>	<u>774,000</u>	<u>672,330</u>	<u>(101,670)</u>
Total other financing sources (uses)	<u>774,000</u>	<u>774,000</u>	<u>672,330</u>	<u>(101,670)</u>
NET CHANGE IN FUND BALANCES	- - -	- - -	(102,372)	(102,372)
FUND BALANCE (DEFICIT) - BEGINNING	<u>(5,096)</u>	<u>(5,096)</u>	<u>(5,096)</u>	<u>- - -</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (5,096)</u>	<u>\$ (5,096)</u>	<u>\$ (107,468)</u>	<u>\$ (102,372)</u>

See notes to required supplementary information.

PULASKI COUNTY, GEORGIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2009

1. BUDGETARY POLICY:

The budget is prepared by the sole County Commissioner using generally accepted accounting principles. It is presented in an advertised public hearing forum for discussion and published in a local newspaper. The budget for the year ending December 31 is then adopted by a Resolution, as required by generally accepted accounting principles.

Annual budgets are prepared and adopted for the General Fund, Special Revenue Funds, and the Debt Service Fund. Capital Projects Funds are prepared and adopted on a total project or project-length basis rather than on an annual basis.

The legal level of budgetary control is at the department level within individual funds. A Departmental Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual is included as supplemental information. As required by Georgia law, the amount budgeted for specific items or purposes is not required to be utilized for such items or purposes and may be spent by the County Commissioner for other items within the same department for which allocations are originally made.

2. EXCESS OF EXPENDITURES OVER APPROPRIATIONS:

The individual major fund which had expenditures in excess of appropriations for the year ended December 31, 2009, is as follows:

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Variance</u>
General Fund:			
Public safety	\$2,023,752	\$1,974,934	\$ 48,818
Community and economic development	171,174	168,189	2,985
Debt service:			
Principal retirement	134,348	8,000	126,348
Interest and finance charge	62,325	17,000	45,325

SUPPLEMENTARY INFORMATION

PULASKI COUNTY, GEORGIA
 COMBINING BALANCE SHEET -
 NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2009

	<u>SPECIAL REVENUE FUNDS</u>		<u>TOTAL</u>
	<u>E-911</u>	<u>PULASKI COUNTY LAW LIBRARY</u>	<u>NONMAJOR GOVERNMENTAL FUNDS</u>
<u>ASSETS</u>			
Cash - financial institutions	\$ 2,647	\$ 17,474	\$ 20,121
Receivables:			
Accounts	48,677	- - -	48,677
Due from other funds	20,000	- - -	20,000
Prepaid expenses	836	- - -	836
Total assets	<u>\$ 72,160</u>	<u>\$ 17,474</u>	<u>\$ 89,634</u>
<u>LIABILITIES AND FUND BALANCES</u>			
<u>LIABILITIES:</u>			
Accounts payable	\$ 10,214	\$ - - -	\$ 10,214
Other payables	1,278	- - -	1,278
Total liabilities	<u>11,492</u>	<u>- - -</u>	<u>11,492</u>
<u>FUND BALANCE:</u>			
Reserved - prepaid expenses	836	- - -	836
Unreserved -			
Special revenue funds	59,832	17,474	77,306
Total fund balance	<u>60,668</u>	<u>17,474</u>	<u>78,142</u>
Total liabilities and fund balances	<u>\$ 72,160</u>	<u>\$ 17,474</u>	<u>\$ 89,634</u>

PULASKI COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2009

	SPECIAL REVENUE FUNDS		TOTAL NONMAJOR GOVERNMENTAL FUNDS
	E-911	PULASKI COUNTY LAW LIBRARY	
REVENUES:			
Intergovernmental	\$ 107,599	\$ - - -	\$ 107,599
Charges for services	128,469	13,459	141,928
Interest	- - -	64	64
Total revenues	<u>236,068</u>	<u>13,523</u>	<u>249,591</u>
EXPENDITURES -			
Current:			
Judicial	- - -	15,322	15,322
Public safety	<u>374,251</u>	- - -	<u>374,251</u>
Total expenditures	<u>374,251</u>	<u>15,322</u>	<u>389,573</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(138,183)</u>	<u>(1,799)</u>	<u>(139,982)</u>
OTHER FINANCING SOURCES (USES) -			
Transfers in	<u>160,645</u>	- - -	<u>160,645</u>
Total other financing sources (uses)	<u>160,645</u>	- - -	<u>160,645</u>
NET CHANGE IN FUND BALANCES	22,462	(1,799)	20,663
FUND BALANCE - BEGINNING	<u>38,206</u>	<u>19,273</u>	<u>57,479</u>
FUND BALANCE - ENDING	<u>\$ 60,668</u>	<u>\$17,474</u>	<u>\$ 78,142</u>

PULASKI COUNTY, GEORGIA
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES -
FIDUCIARY FUNDS - AGENCY FUNDS
DECEMBER 31, 2009

	CLERK OF SUPERIOR COURT	PROBATE JUDGE	SHERIFF	TAX COMMISSIONER	TOTAL AGENCY FUNDS
<u>ASSETS</u>					
Cash - financial institutions	\$198,090	\$98,177	\$3,792	\$1,350,349	\$1,650,408
Total assets	<u>\$198,090</u>	<u>\$98,177</u>	<u>\$3,792</u>	<u>\$1,350,349</u>	<u>\$1,650,408</u>
<u>LIABILITIES</u>					
Other liabilities	\$ 15,042	\$ 7,517	\$3,792	\$ - - -	\$ 26,351
Funds held in escrow	183,048	90,660	- - -	- - -	273,708
Due to other governments	- - -	- - -	- - -	1,350,349	1,350,349
Total liabilities	<u>\$198,090</u>	<u>\$98,177</u>	<u>\$3,792</u>	<u>\$1,350,349</u>	<u>\$1,650,408</u>

PULASKI COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL -
SPECIAL REVENUE FUND - E-911
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:				
Intergovernmental	\$ 107,805	\$ 107,805	\$ 107,599	\$ (206)
Charges for services	<u>120,000</u>	<u>120,000</u>	<u>128,469</u>	<u>8,469</u>
Total revenues	<u>227,805</u>	<u>227,805</u>	<u>236,068</u>	<u>8,263</u>
EXPENDITURES -				
Current -				
Public safety	<u>389,513</u>	<u>389,513</u>	<u>374,251</u>	<u>15,262</u>
Total expenditures	<u>389,513</u>	<u>389,513</u>	<u>374,251</u>	<u>15,262</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(161,708)</u>	<u>(161,708)</u>	<u>(138,183)</u>	<u>23,525</u>
OTHER FINANCING SOURCES (USES) -				
Transfers in	<u>161,708</u>	<u>161,708</u>	<u>160,645</u>	<u>(1,063)</u>
Total other financing sources (uses)	<u>161,708</u>	<u>161,708</u>	<u>160,645</u>	<u>(1,063)</u>
NET CHANGE IN FUND BALANCES	- - -	- - -	22,462	22,462
FUND BALANCE - BEGINNING	<u>38,206</u>	<u>38,206</u>	<u>38,206</u>	<u>- - -</u>
FUND BALANCE - ENDING	<u>\$ 38,206</u>	<u>\$ 38,206</u>	<u>\$ 60,668</u>	<u>\$22,462</u>

PULASKI COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL -
SPECIAL REVENUE FUND - PULASKI COUNTY LAW LIBRARY
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:				
Charges for services	\$ 8,000	\$ 8,000	\$13,459	\$ 5,459
Interest	<u>500</u>	<u>500</u>	<u>64</u>	<u>(436)</u>
Total revenues	<u>8,500</u>	<u>8,500</u>	<u>13,523</u>	<u>5,023</u>
EXPENDITURES -				
Current -				
Judicial	<u>8,500</u>	<u>8,500</u>	<u>15,322</u>	<u>(6,822)</u>
Total expenditures	<u>8,500</u>	<u>8,500</u>	<u>15,322</u>	<u>(6,822)</u>
NET CHANGE IN FUND BALANCES	- - -	- - -	(1,799)	(1,799)
FUND BALANCE - BEGINNING	<u>19,273</u>	<u>19,273</u>	<u>19,273</u>	<u>- - -</u>
FUND BALANCE - ENDING	<u>\$19,273</u>	<u>\$19,273</u>	<u>\$17,474</u>	<u>\$(1,799)</u>

PULASKI COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL -
CAPITAL PROJECTS FUND - SPLOST FUND
FOR THE PERIOD ENDED DECEMBER 31, 2009

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL TO DATE</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:				
Taxes	\$ 5,400,000	\$ 5,400,000	\$ 4,850,925	\$ (549,075)
Intergovernmental revenues	- - -	- - -	26,320	26,320
Interest	- - -	2,000	1,823	(177)
Miscellaneous	- - -	11,500	11,560	60
Total revenues	<u>5,400,000</u>	<u>5,413,500</u>	<u>4,890,628</u>	<u>(522,872)</u>
EXPENDITURES:				
Intergovernmental	1,050,000	1,050,000	935,132	114,868
Capital outlay:				
General government	- - -	- - -	1,317	(1,317)
Public safety	250,000	250,000	319,888	(69,888)
Public works	- - -	647,000	664,471	(17,471)
Health and welfare	- - -	25,000	5,139	19,861
Culture and recreation	<u>500,000</u>	<u>700,000</u>	<u>852,755</u>	<u>(152,755)</u>
Total expenditures	<u>1,800,000</u>	<u>2,672,000</u>	<u>2,778,702</u>	<u>(106,702)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>3,600,000</u>	<u>2,741,500</u>	<u>2,111,926</u>	<u>(629,574)</u>
OTHER FINANCING SOURCES (USES):				
Capital leases	- - -	508,500	508,851	351
Recreation Department note proceeds	- - -	350,000	410,845	60,845
Fire Department note proceeds	- - -	- - -	112,040	112,040
Transfers out	<u>(3,600,000)</u>	<u>(3,600,000)</u>	<u>(3,052,590)</u>	<u>547,410</u>
Total other financing sources (uses)	<u>(3,600,000)</u>	<u>(2,741,500)</u>	<u>(2,020,854)</u>	<u>720,646</u>
NET CHANGE IN FUND BALANCES	- - -	- - -	91,072	91,072
FUND BALANCE - BEGINNING	- - -	- - -	- - -	- - -
FUND BALANCE - ENDING	<u>\$ - - -</u>	<u>\$ - - -</u>	<u>\$ 91,072</u>	<u>\$ 91,072</u>

PULASKI COUNTY, GEORGIA
DEPARTMENTAL STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

REVENUES:

Tax Commissioner	\$3,794,045
Local option sales tax	452,961
Insurance premium tax	261,367
Mobile home tax	19,456
Franchise fee tax	17,848
Beer tax	23,170
Real estate transfer tax	11,090
Magistrate Court	25,548
Building permits	30,017
Bank business licenses	12,941
Beer and liquor licenses	8,000
Clerk of Superior Court	76,711
Probate Court	166,963
Sheriff	87,370
Intergovernmental	392,125
Grants	73,745
Reimbursements:	
Landfill expense	12,701
Building expense	42,184
Insurance	9,909
Board of Prisoners	6,965
Payroll taxes	6,242
Transit system	24,998
Juvenile services	5,512
Building inspection	15,585
Other	2,329
Miscellaneous	17,580
Jail Construction Fund	26,120
Drug Abuse Treatment and Education Fund	12,798
Interest	<u>727</u>
Total revenues	<u>5,637,007</u>

PULASKI COUNTY, GEORGIA
DEPARTMENTAL STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

EXPENDITURES:

Administrative and general	\$ 313,229
Courthouse building	77,663
Tax Commissioner	162,792
Tax Assessor	148,082
Sheriff and jail	1,377,617
Civil defense	72,997
Public safety building	10,987
Fire department	71,252
Ambulance service	286,806
Roads and bridges	574,065
Environmental protection	136,469
Clerk of Superior Court	185,882
Superior Court	86,230
Probate Court	145,355
Magistrate Court	105,246
Public health	283,228
Department of Family and Children Services (DFACS)	4,800
Multipurpose senior center	19,244
Public library	18,640
Recreation	79,517
Agriculture	36,618
Building inspection	68,309
Rural transportation	48,949
Regional Development Center	8,381
Industrial development	52,153
Coroner	20,614
Registrar	27,117
Other expenditures	5,713
Capital expenditures:	
Sheriff and jail	88,507
Ambulance service	94,972
Roads and bridges	84,104
Debt service:	
Principal retirement	134,348
Interest and finance charges	<u>62,325</u>
Total expenditures	<u>4,892,211</u>

EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER)
EXPENDITURES

744,796

OTHER FINANCING SOURCES (USES):

Notes payable	28,417
Proceeds from sale of capital assets	137,000
Transfers in (out)	<u>(160,645)</u>
Total other financing sources (uses)	<u>4,772</u>

EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING
SOURCES (USES) OVER (UNDER) EXPENDITURES

749,568

FUND BALANCE (DEFICIT) - BEGINNING

(5,128)

FUND BALANCE (DEFICIT) - ENDING

\$ 744,440

PULASKI COUNTY, GEORGIA
DEPARTMENTAL STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES:			
Tax Commissioner	\$3,595,346	\$3,794,045	\$198,699
Local option sales tax	525,000	452,961	(72,039)
Insurance premium tax	265,000	261,367	(3,633)
Mobile home tax	30,000	19,456	(10,544)
Franchise fee tax	6,000	17,848	11,848
Beer tax	29,000	23,170	(5,830)
Real estate transfer tax	15,000	11,090	(3,910)
Magistrate Court	25,000	25,548	548
Building permits	40,000	30,017	(9,983)
Bank business licenses	22,000	12,941	(9,059)
Beer and liquor licenses	8,000	8,000	-
Clerk of Superior Court	89,000	76,711	(12,289)
Probate Court	85,000	166,963	81,963
Sheriff	130,000	87,370	(42,630)
Intergovernmental	167,000	392,125	225,125
Grants	-	73,745	73,745
Reimbursements:			
Landfill expense	11,000	12,701	1,701
Building expense	13,500	42,184	28,684
Insurance	5,000	9,909	4,909
Board of Prisoners	6,000	6,965	965
Payroll taxes	15,000	6,242	(8,758)
Transit system	26,000	24,998	(1,002)
Juvenile services	5,000	5,512	512
Building inspection	5,000	15,585	10,585
Other	12,000	2,329	(9,671)
Miscellaneous	30,230	17,580	(12,650)
Jail Construction Fund	12,000	26,120	14,120
Drug Abuse Treatment and Education Fund	12,000	12,798	798
Interest	<u>2,500</u>	<u>727</u>	<u>(1,773)</u>
Total revenues	<u>5,186,576</u>	<u>5,637,007</u>	<u>450,431</u>

PULASKI COUNTY, GEORGIA
DEPARTMENTAL STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES:			
Administrative and general	\$ 328,929	\$ 313,229	\$ 15,700
Courthouse building	78,372	77,663	709
Tax Commissioner	173,633	162,792	10,841
Tax Assessor	169,900	148,082	21,818
Sheriff and jail	1,412,236	1,377,617	34,619
Civil defense	70,000	72,997	(2,997)
Public safety building	11,000	10,987	13
Fire department	76,521	71,252	5,269
Ambulance service	291,800	286,806	4,994
Roads and bridges	665,450	574,065	91,385
Environmental protection	143,272	136,469	6,803
Clerk of Superior Court	192,304	185,882	6,422
Superior Court	88,400	86,230	2,170
Probate Court	144,607	145,355	(748)
Magistrate Court	108,601	105,246	3,355
Public health	304,700	283,228	21,472
Department of Family and Children Services (DFACS)	4,800	4,800	-
Multipurpose senior center	22,000	19,244	2,756
Public library	41,800	18,640	23,160
Recreation	77,000	79,517	(2,517)
Agriculture	38,840	36,618	2,222
Building inspection	69,149	68,309	840
Rural transportation	53,722	48,949	4,773
Regional Development	9,200	8,381	819
Industrial development	49,000	52,153	(3,153)
Coroner	17,377	20,614	(3,237)
Registrar	25,955	27,117	(1,162)
Other expenditures	2,000	5,713	(3,713)
Capital expenditures:			
Administrative and general	34,000	-	34,000
Courthouse building	7,500	-	7,500
Tax Commissioner	800	-	800
Tax Assessor	1,000	-	1,000
Sheriff and jail	48,000	88,507	(40,507)
Fire department	48,000	-	48,000
Roads and bridges	260,000	84,104	175,896
Ambulance service	-	94,972	(94,972)
Probate Court	1,000	-	1,000
Magistrate Court	500	-	500
Debt service:			
Principal retirement	8,000	134,348	(126,348)
Interest and finance charge	17,000	62,325	(45,325)
Total expenditures	<u>5,096,368</u>	<u>4,892,211</u>	<u>204,157</u>

PULASKI COUNTY, GEORGIA
DEPARTMENTAL STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$ 90,208	\$ 744,796	\$654,588
OTHER FINANCING SOURCES (USES):			
Notes payable	- - -	28,417	28,417
Capital leases	46,500	- - -	(46,500)
Proceeds from sales of capital assets	25,000	137,000	112,000
Transfers in (out)	<u>(161,708)</u>	<u>(160,645)</u>	<u>1,063</u>
Total other financing sources (uses)	<u>(90,208)</u>	<u>4,772</u>	<u>94,980</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	- - -	749,568	749,568
FUND BALANCE (DEFICIT) - BEGINNING	<u>(5,128)</u>	<u>(5,128)</u>	<u>- - -</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (5,128)</u>	<u>\$ 744,440</u>	<u>\$749,568</u>

PULASKI COUNTY, GEORGIA
SCHEDULE OF DEPARTMENTAL EXPENDITURES -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

ADMINISTRATIVE AND GENERAL:

Salaries	\$122,494
Office supplies and printing	3,996
Telephone and utilities	24,736
Travel	5,344
Dues and subscriptions	4,394
Repairs and maintenance	10,660
Insurance and bonding	29,958
Legal and audit	81,060
Payroll taxes	9,502
Retirement	1,998
Office equipment leases	4,332
Bicentennial expenditure	6,212
Miscellaneous	<u>8,543</u>
Total	<u>313,229</u>

COURTHOUSE BUILDING:

Salaries	20,140
Supplies	13,450
Telephone and utilities	20,300
Repairs and maintenance	10,125
Insurance	4,752
Payroll taxes	1,566
Retirement	730
Miscellaneous	<u>6,600</u>
Total	<u>77,663</u>

TAX COMMISSIONER:

Salaries	112,063
Office supplies and printing	3,091
Telephone	4,078
Travel	1,580
Repairs and maintenance	149
Insurance	9,068
Legal advertising	1,100
Payroll taxes	7,770
Retirement	3,391
Miscellaneous	<u>20,502</u>
Total	<u>162,792</u>

TAX ASSESSOR:

Salaries	72,371
Office supplies and printing	1,923
Telephone	2,300
Travel	5,450
Insurance	9,694
Payroll taxes	5,246
Retirement	3,960
Service of Tax Assessors Board	2,425
Fees Board of Equalization	27,650
Reevaluation	10,875
Legal services	429
Miscellaneous	<u>5,759</u>
Total	<u>148,082</u>

PULASKI COUNTY, GEORGIA
SCHEDULE OF DEPARTMENTAL EXPENDITURES -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

SHERIFF AND JAIL:

Salaries	\$ 803,486
Office supplies and printing	9,866
Supplies (Jail)	25,215
Telephone	16,879
Utilities (Jail)	46,915
Travel	52,615
Dues and subscriptions	14,251
Repairs and maintenance	33,790
Insurance and bonding	120,881
Payroll taxes	61,342
Retirement	25,957
Board of prisoners	117,245
Medical - prisoners	35,557
Uniforms	9,030
Rent - equipment	2,700
Miscellaneous	<u>1,888</u>
Total	<u>1,377,617</u>

CIVIL DEFENSE:

Appropriation	49,037
Animal control	<u>23,960</u>
Total	<u>72,997</u>

PUBLIC SAFETY BUILDING:

Telephone and utilities	10,028
Miscellaneous	<u>959</u>
Total	<u>10,987</u>

FIRE DEPARTMENT:

Salaries	19,706
Operational supplies	3,646
Utilities	15,610
Travel	3,645
Repairs and maintenance	8,803
Insurance	15,662
Payroll taxes	830
Services	3,292
Miscellaneous	<u>58</u>
Total	<u>71,252</u>

AMBULANCE SERVICE:

Appropriation	275,004
Repairs and Maintenance	964
Insurance	4,138
State license	<u>6,700</u>
Total	<u>286,806</u>

PULASKI COUNTY, GEORGIA
SCHEDULE OF DEPARTMENTAL EXPENDITURES -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

ROADS AND BRIDGES:

Salaries	\$259,586
Supplies and small hand tools	7,535
Telephone and utilities	22,684
Repairs and maintenance	48,620
Insurance	71,221
Payroll taxes	20,103
Retirement	8,781
Construction materials	42,156
Gas, oil, and grease	79,985
Vehicle	9,802
Uniforms	3,510
Miscellaneous	<u>82</u>

Total	<u>574,065</u>
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ENVIRONMENTAL PROTECTION:

Salaries	30,128
Supplies	4,071
Telephone and utilities	3,936
Repairs and maintenance	575
Insurance	1,918
Payroll taxes	2,381
Solid waste fees	77,305
Groundwater	14,435
Miscellaneous	<u>1,720</u>

Total	<u>136,469</u>
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CLERK OF SUPERIOR COURT:

Salaries	131,324
Office supplies and printing	9,574
Telephone	3,703
Travel	997
Repairs and maintenance	3,278
Insurance and bonding	13,411
Payroll taxes	9,147
Retirement	6,276
Office equipment leases	2,520
Miscellaneous	<u>5,652</u>

Total	<u>185,882</u>
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SUPERIOR COURT:

Salaries	17,710
Telephone	2,260
Insurance	1,103
Jury and Bailiff Script	13,000
Court appointed attorney	46,242
Community work program	5,151
Miscellaneous	<u>764</u>

Total	<u>86,230</u>
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PULASKI COUNTY, GEORGIA
SCHEDULE OF DEPARTMENTAL EXPENDITURES -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

PROBATE COURT:

Salaries	\$105,072
Office supplies and printing	3,001
Telephone	2,126
Travel	1,726
Repairs and maintenance	1,034
Insurance and bonding	7,077
Payroll taxes	7,626
Retirement	2,097
Election	12,201
Office equipment leases	1,200
Miscellaneous	<u>2,195</u>

Total	<u>145,355</u>
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MAGISTRATE COURT:

Salaries	77,710
Office supplies and printing	1,888
Telephone	1,443
Travel	1,998
Repairs and maintenance	2,862
Insurance and bonding	8,920
Payroll taxes	5,381
Retirement	3,661
Miscellaneous	<u>1,383</u>

Total	<u>105,246</u>
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PUBLIC HEALTH:

Appropriation	52,104
Repairs and maintenance	20
Mental health clinic	6,084
Burials	600
Indigent care - Taylor Memorial Hospital	<u>224,420</u>

Total	<u>283,228</u>
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DEPARTMENT OF FAMILY AND CHILDREN SERVICES:

Appropriation	2,400
Child welfare	<u>2,400</u>

Total	<u>4,800</u>
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MULTIPURPOSE SENIOR CENTER:

Appropriation	6,600
Utilities	9,969
Repairs and maintenance	1,465
Insurance	<u>1,210</u>

Total	<u>19,244</u>
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PUBLIC LIBRARY:

Appropriation	16,800
Repairs and maintenance	<u>1,840</u>

Total	<u>18,640</u>
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PULASKI COUNTY, GEORGIA
SCHEDULE OF DEPARTMENTAL EXPENDITURES -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

RECREATION:

Appropriation	\$77,000
Insurance	<u>2,517</u>
Total	<u>79,517</u>

AGRICULTURE:

Salaries	20,533
Supplies	1,535
Telephone	4,243
Travel	4,114
Repairs and maintenance	15
Payroll taxes	1,621
Retirement program	1,898
4-H program supplement	1,000
Office equipment leases	884
Miscellaneous	<u>775</u>
Total	<u>36,618</u>

BUILDING INSPECTION:

Salaries	49,195
Office supplies and printing	1,573
Telephone	1,977
Travel	722
Insurance	6,210
Payroll taxes	1,818
Retirement	646
Miscellaneous	<u>6,168</u>
Total	<u>68,309</u>

RURAL TRANSPORTATION:

Salaries	22,386
Repairs and maintenance	1,574
Insurance	6,078
Payroll taxes	1,767
Retirement	855
Fuel and oil	407
Supplements	<u>15,882</u>
Total	<u>48,949</u>

REGIONAL DEVELOPMENT - Dues

8,381

INDUSTRIAL DEVELOPMENT:

Supplement	27,500
Archway project	<u>24,653</u>
Total	<u>52,153</u>

CORONER:

Salaries	1,540
Payroll taxes	118
Inquest	<u>18,956</u>
Total	<u>20,614</u>

PULASKI COUNTY, GEORGIA
SCHEDULE OF DEPARTMENTAL EXPENDITURES -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2009

REGISTRAR:

Salaries	\$ 21,595
Office supplies and printing	314
Insurance	210
Payroll taxes	2,322
Miscellaneous	2,656
Board of Registrars fees	<u>20</u>
Total	<u>27,117</u>

OTHER DISBURSEMENTS - Airport

5,713

CAPITAL EXPENDITURES:

Sheriff and Jail	88,507
Ambulance service	94,972
Roads and bridges	<u>84,104</u>
Total	<u>267,583</u>

DEBT SERVICE:

Principal retirements	134,348
Interest and finance charges	<u>62,325</u>
Total	<u>196,673</u>

Total expenditures	<u><u>\$4,892,211</u></u>
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SCHEDULES TO MEET REGULATORY REQUIREMENTS

SCHEDULE OF PROJECTS - SPLOST

PULASKI COUNTY, GEORGIA
SCHEDULE OF PROJECTS - 2004 SPLOST
FOR THE YEAR ENDED DECEMBER 31, 2009

	Original Estimated Cost	Expenditures		Total	Estimated Percentage of Completion
		Prior Years	Current Year		
Construction of County Jail	\$3,400,000	\$3,567,610	\$ - - -	\$3,567,610	104.93%
Fire Department facilities and equipment	250,000	247,290	202	247,492	99.00%
Recreation Board facilities and equipment	250,000	228,231	5,474	233,705	93.48%
Road Equipment	175,000	175,000	- - -	175,000	100.00%
County Buildings	25,000	25,000	- - -	25,000	100.00%
Intergovernmental - City of Hawkinsville, Georgia	<u>1,300,000</u>	<u>983,456</u>	<u>123,806</u>	<u>1,107,262</u>	85.17%
Totals	<u>\$5,400,000</u>	<u>\$5,226,587</u>	<u>\$129,482</u>	<u>\$5,356,069</u>	

NOTE: Proceeds used to repay principal are not shown as expenditures.

REPORT ON COMPLIANCE AND INTERNAL CONTROL



GIDDENS, BENNETT & COMPANY, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
106 FIRST STREET • P.O. BOX 467
COCHRAN, GEORGIA 31014-0467

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

To the Honorable C. Brooks Bailey
County Commissioner and Treasurer
Pulaski County, Georgia

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pulaski County, Georgia, as of and for the year ended December 31, 2009, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 29, 2010. Our report was modified to include a reference to other auditors. In our report, our opinion on governmental activities was qualified because capital assets acquired prior to December 31, 1983, were capitalized at appraised values and the County did not maintain a record of its capital assets. The effects of these departures on the governmental activities cannot be reasonably determined. Except as discussed above, 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. Other auditors audited the financial statements of the Pulaski County Board of Health, as described in our report on Pulaski County, Georgia's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Pulaski 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 Pulaski County, Georgia's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Pulaski County, Georgia's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and responses as item number 2007-1 that we consider to be significant deficiencies in internal control over financial reporting. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Pulaski County, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance and other matters that are required to be reported under *Government Auditing Standards*, and which are described in the accompanying schedule of findings and responses as item number 2009-1.

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

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


GIDDENS, BENNETT & COMPANY, P. C.

June 29, 2010

PULASKI COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
DECEMBER 31, 2009

FINDINGS - FINANCIAL STATEMENT AUDIT

2007-1 Segregation of Duties

Condition: There is not appropriate segregation of duties between initiation, authorization, recording, processing, and reconciliation of cash accounts and other operational functions in the various funds and agencies possessed by the County.

Criteria: Internal controls should be in place which provide reasonable assurance that an individual cannot misappropriate funds without such actions being detected during the normal course of business.

Effect: Failure to properly segregate duties between recording, distribution, and reconciliation of accounts can lead to misappropriation of funds that is not detected during the normal course of business.

Recommendation: The duties of recording, distribution, and reconciliation should be segregated between employees.

Response: The Commissioner concurs with the recommendation. Due to the size of the County's staff, this condition can not be totally addressed; however, this condition is minimized due to the Commissioner's involvement and the involvement of the elected officials of the agency fund offices.

2009-1 Violation of Georgia Law-Debt

Condition: The County signed a multi-year note for the purchase of a Sheriff's Department vehicle. This note does not provide for automatic termination in the event that appropriated and unobligated funds are no longer available to satisfy the obligations of the County.

Criteria: State law prohibits any government from binding or committing a subsequent government for financial purposes.

Effect: The County could default on an obligation by funding for the debt service not being appropriated in future years.

Recommendation: The note should be reconfigured as an annual note with provision for automatic termination in the event that appropriated and unobligated funds are no longer available to satisfy the obligations of the County.

Response: The Commissioner concurs with the recommendation. The County intends to reconfigure the note during 2010 and monitor any new debt to ensure that this condition does not reoccur.

INDEPENDENT AUDITORS' REPORT
AND
GRANT CERTIFICATION



GIDDENS, BENNETT & COMPANY, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

106 FIRST STREET • P.O. BOX 467

COCHRAN, GEORGIA 31014-0467

INDEPENDENT AUDITORS' REPORT

To the Honorable C. Brooks Bailey
County Commissioner and Treasurer
Pulaski County, Georgia

We have examined management's assertion included in the accompanying State of Georgia Grant Certification Forms about Pulaski County, Georgia's compliance during the year ended December 31, 2009, with the requirement to use grant proceeds solely for the purpose or purposes for which the grant was made for each of the following grant awards:

Local Assistance Grant No. 98-C-LB519

Special Project Local Assistance Grant No. 08-C-L-054

Special Project Local Assistance Grant No. 07-C-L-118

Management is responsible for Pulaski County, Georgia's compliance with this requirement. Our responsibility is to express an opinion on management's assertion about Pulaski County, Georgia's compliance based on our examination.

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

In our opinion, management's assertion that Pulaski County, Georgia complied with the aforementioned requirement for the year ended December 31, 2009, is fairly stated, in all material respects.

This report is intended solely for the information and use of the Georgia Department of Audits and Accounts and the State grantor agency identified on the Grant Certification Form and is not intended and should not be used by anyone other than the specified parties.


GIDDENS, BENNETT & COMPANY, P. C.

June 29, 2010

State of Georgia Grant Certification Form
Local Government Recipient (with no subrecipient)

LINE

A	Local Government	PULASKI COUNTY
B	State Awarding Agency	DEPARTMENT OF COMMUNITY AFFAIRS
C	Grant Identification Number	98-C-LB519
D	Grant Title	LOCAL ASSISTANCE GRANT
E	Grant Award Date	06/30/98
F	Grant Amount	\$25,000.00

	COLUMN 1 Current Year Activity For the Year Ended:	COLUMN 2 Cumulative Grant Activity Through the Year Ended:
G	12/31/2009	12/31/2009
H	Balance - Prior Year (Cash or Accrued or Deferred Revenue) \$3,434.19	
I	Grant Receipts or Revenue Recognized \$0.00	\$18,750.00
J	Grant Disbursements or Expenditures EXCLUDING AUDIT FEES \$0.00	\$15,315.81
K	Disbursements or Expenditures for Audit Fees \$0.00	\$0.00
L	Balance - Current Year (Cash or Accrued or Deferred Revenue) [Line H (col 1 only) + Line I - Line J - Line K] \$3,434.19	\$3,434.19

EDIT CHECKS IF FORM COMPLETED ON EXCEL SPREADSHEET:

Column 1, Line L equals Column 2, Line L.
 Grant Receipts/Revenue Does Not Exceed Grant Award.
 Date is Provided in Line G, Column 1.
 Date is Provided in Line G, Column 2.
 Year End Dates On Line G Agree.
 Column 1, Line L Foots Correctly.
 Column 2, Line L Foots Correctly.
 Audit Fee is Within Legal Limit (\$250).

Line A Is Completed.
 Line B Is Completed.
 Line C Is Completed.
 Line D Is Completed.
 Line E Is Completed.
 Line F Is Completed.

Certification of Local Government Officials

I have reviewed the information presented above and certify that it is accurate and correct. I further certify that the proceeds of the grant award identified above were used solely for the express purpose or purposes for which the grant was made.

Signature of Chief Elected Official *C Brooks Bailey* Date 06-09-10

Signature of Chief Financial Officer *Vickie P. Vaughn* Date 06-09-10

Rev. 8/2006

State of Georgia Grant Certification Form
Local Government Recipient (with no subrecipient)

LINE

A Local Government	PULASKI COUNTY
B State Awarding Agency	DEPARTMENT OF COMMUNITY AFFAIRS
C Grant Identification Number	08-C-L-054
D Grant Title	SPECIAL PROJECT LOCAL ASSISTANCE GRANT
E Grant Award Date	11/08/07
F Grant Amount	\$10,000.00

	<u>COLUMN 1</u> Current Year Activity For the Year Ended:	<u>COLUMN 2</u> Cumulative Grant Activity Through the Year Ended:
G	12/31/2009	12/31/2009
H	Balance - Prior Year (Cash or Accrued or Deferred Revenue) -\$1,790.50	
I	Grant Receipts or Revenue Recognized \$2,141.42	\$9,641.42
J	Grant Disbursements or Expenditures EXCLUDING AUDIT FEES \$350.92	\$9,641.42
K	Disbursements or Expenditures for Audit Fees \$0.00	\$0.00
L	Balance - Current Year (Cash or Accrued or Deferred Revenue) [Line H (col 1 only) + Line I - Line J - Line K] \$0.00	\$0.00

EDIT CHECKS IF FORM COMPLETED ON EXCEL SPREADSHEET:

Column 1, Line L should equal Column 2, Line L.
 Grant Receipts/Revenue Does Not Exceed Grant Award.
 Date is Provided in Line G, Column 1.
 Date is Provided in Line G, Column 2.
 Year End Dates On Line G Agree.
 Column 1, Line L Foots Correctly.
 Column 2, Line L Foots Correctly.
 Audit Fee is Within 2% Limit (\$250 max).

Line A Is Completed.
 Line B Is Completed.
 Line C Is Completed.
 Line D Is Completed.
 Line E Is Completed.
 Line F Is Completed.

Certification of Local Government Officials

I have reviewed the information presented above and certify that it is accurate and correct. I further certify that the proceeds of the grant award identified above were used solely for the express purpose or purposes for which the grant was made.

Signature of Chief Elected Official *Brooks Bailey* Date 06-09-10

Signature of Chief Financial Officer *Vickie P. Vaughn* Date 06-09-10

State of Georgia Grant Certification Form
Local Government Recipient (with no subrecipient)

LINE

A Local Government	PULASKI COUNTY
B State Awarding Agency	DEPARTMENT OF COMMUNITY AFFAIRS
C Grant Identification Number	07-C-L-118
D Grant Title	SPECIAL PROJECT LOCAL ASSISTANCE GRANT
E Grant Award Date	08/10/06
F Grant Amount	\$4,000.00

	COLUMN 1 Current Year Activity For the Year Ended:	COLUMN 2 Cumulative Grant Activity Through the Year Ended:
	12/31/2009	12/31/2009
G		
H	Balance - Prior Year (Cash or Accrued or Deferred Revenue) \$0.00	
I	Grant Receipts or Revenue Recognized \$0.00	\$3,715.80
J	Grant Disbursements or Expenditures EXCLUDING AUDIT FEES \$0.00	\$3,715.80
K	Disbursements or Expenditures for Audit Fees \$0.00	\$0.00
L	Balance - Current Year (Cash or Accrued or Deferred Revenue) [Line H (col 1 only) + Line I - Line J - Line K] \$0.00	\$0.00

EDIT CHECKS IF FORM COMPLETED ON EXCEL SPREADSHEET:

Column 1, Line L equals Column 2, Line L.
 Grant Receipts/Revenue Does Not Exceed Grant Award.
 Date Is Provided in Line G, Column 1.
 Date Is Provided in Line G, Column 2.
 Year End Dates On Line G Agree.
 Column 1, Line L Foots Correctly.
 Column 2, Line L Foots Correctly.
 NO AUDIT FEES CHARGEABLE TO GRANTS OF \$5,000 OR LESS

Line A Is Completed.
 Line B Is Completed.
 Line C Is Completed.
 Line D Is Completed.
 Line E Is Completed.
 Line F Is Completed.

Certification of Local Government Officials

I have reviewed the information presented above and certify that it is accurate and correct. I further certify that the proceeds of the grant award identified above were used solely for the express purpose or purposes for which the grant was made.

Signature of Chief Elected Official Brook Bailey Date 06-09-10

Signature of Chief Financial Officer Vickie P. Vaughn Date 06-09-10

Rev. 8/2006

PULASKI COUNTY, GEORGIA
ANNUAL REPORT OF 9-1-1 COLLECTIONS AND EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2009



GIDDENS, BENNETT & COMPANY, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
106 FIRST STREET • P.O. BOX 467
COCHRAN, GEORGIA 31014-0467

INDEPENDENT ACCOUNTANTS' REPORT

To the Honorable C. Brooks Bailey
County Commissioner and Treasurer
Pulaski County, Georgia

We have examined management's assertion included in the accompanying Annual Report of 9-1-1 Collections and Expenditures about Pulaski County, Georgia's compliance during the fiscal year ended December 31, 2009, with the requirement to expend 9-1-1 funds in compliance with the expenditure requirements of the Official Code of Georgia Annotated, Section 46-5-134. Management is responsible for Pulaski County, Georgia's compliance with this requirement. Our responsibility is to express an opinion on management's assertion about Pulaski County, Georgia's compliance based on our examination.

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

In our opinion, management's assertion that Pulaski County, Georgia complied with the aforementioned requirement during the fiscal year ended December 31, 2009, is fairly stated, in all material respects.

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


GIDDENS, BENNETT & COMPANY, P.C.

June 29, 2010

PULASKI COUNTY, GEORGIA

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended December 31, 2009

Line
No.

UCOA
Reference

1 Indicate UCOA Fund Type Used to Account for 9-1-1 Activity (choose one):

☒ Special Revenue Fund ☐ Enterprise Fund

2 Monthly 9-1-1 charge billed to each exchange access facility subscriber: 46-5-134(a)(1) \$ 1.50

3 Total revenue from exchange access facility subscribers: \$ 63,489

4 Does 9-1-1 system provide automatic number identification of a wireless telecommunications connection? (choose one)

☒ Yes ☐ No

5 If the answer to Line 4 is "yes", indicate below which of the following apply (choose one)

☒ System provides location of base station or cell site

46-5-134(a)(2)(A)

☐ System provides automatic location identification

46-5-134(a)(2)(B)

6 If the answer to Line 4 is "yes", identify the monthly 9-1-1 charge billed to each wireless telecommunications connection subscriber: 46-5-134(a)(2) \$ 1.00

7 Total revenue from wireless telecommunications connection subscribers: \$ 64,980

8 Total Line 3 plus Line 7 (should equal UCOA Revenue Source 34.2500) \$ 128,469

9 Additional revenue sources:

9a Federal (UCOA Revenue Source 33.1000) 46-5-134(j)
Identify each funding agency individually. Attach list, if necessary.

\$ _____

\$ _____

9b State (UCOA Revenue Source 33.4000) 46-5-134(j)
Identify each funding agency individually. Attach list, if necessary.

\$ _____

\$ _____

9c Local (UCOA Revenue Source 33.6000) 46-5-134(j)
Identify each unit of local government individually. Attach list, if necessary.

\$ _____

\$ _____

9d Private (UCOA Revenue Source 37.1000) 46-5-134(j)
Identify each private source individually. Attach list, if necessary.

\$ _____

\$ _____

PULASKI COUNTY, GEORGIA

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended December 31, 2009

Line
No.O.C.G.A.
Reference

10	Investment Income (UCOA Revenue Source 36.1000 through 36.3000)		\$ _____
11	Other revenue sources not included above. Identify each source individually. Transfers from other funds of the local government should be reported on Line 25 and not included here.		
	City of Hawkinsville, Georgia		\$ 107,599
			\$ _____
			\$ _____
			\$ _____
			\$ _____
			\$ _____
			\$ _____
			\$ _____
12	Total Revenues (total of all amounts reported on Lines 8 through 11)		\$ 236,068
	Expenditures (UCOA Activity 3800)		
13	Wireless service supplier cost recovery charges (identify each supplier individually on lines below - attach list, if necessary)	46-5-134(c)	
			\$ _____
			\$ _____
			\$ _____
14	Emergency telephone equipment, including necessary computer hardware, software, and data base provisioning, addressing, and nonrecurring costs of establishing a 9-1-1 system:		
14a	Lease costs	46-5-134(d)(1)	\$ 33,743
14b	Purchase costs	46-5-134(d)(1)	\$ _____
14c	Maintenance costs	46-5-134(f)(1)	\$ 8,200
15	Rates associated with the service suppliers 9-1-1 service and other service suppliers recurring charges	46-5-134(f)(2)	\$ _____
16	Employees hired by the local government solely for the operation and maintenance of the emergency 9-1-1 system: Number of employees classified as: Full time _____ Part time _____		
16a	Salaries and wages	46-5-134(f)(3)	\$ 216,974
16b	Employee benefits	46-5-134(f)(3)	\$ 56,760

PULASKI COUNTY, GEORGIA

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended December 31, 2009

Line No.	O.C.G.A. Reference	
17	46-5-134(d)(3)	\$ 1,114
18	46-5-134(d)(4)	\$ 4,167
19a		
19a1	46-5-134(f)(5)	\$
19a2	46-5-134(f)(5)	\$
19b	46-5-134(f)(5)	\$
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
20		
20a	46-5-134(f)(6)	\$ 8,998
20b	46-5-134(f)(6)	\$
20c	46-5-134(f)(6)	\$ 9,468
21	46-5-134(f)(7)	\$
22		
22a	46-5-134(f)(8)	\$
22b	46-5-134(f)(8)	\$
22c	46-5-134(f)(8)	\$ 1,710
23		
Maintenance and Repairs \$ 999 Supplies \$ 17,314 Utilities \$ 13,968 Insurance \$ 836 \$ \$ \$ \$		
24		\$ 374,251

PULASKI COUNTY, GEORGIA
Annual Report of 9-1-1 Collections and Expenditures
For the Year Ended December 31, 2009

Line
No.

O.C.G.A.
Reference

25 Transfers From Other Funds (identify by fund)

General Fund \$ 160,646

26 Transfers To Other Funds (identify by fund)

\$
\$

27 Proceeds from Capital Lease (identify by asset class and, if equipment, purpose)

\$
\$

28 Net Change in Fund Balance (Line 12 - Line 24 + Line 25 - Line 26 + Line 27)

\$ 22,462

29 Fund Balance - Beginning of Year

\$ 38,206

30 Fund Balance - End of Year

\$ 60,668

31a Do amounts on Lines 12, 24, 28, 29, and 30 agree to amounts reported in the government's audited financial statements submitted to the Georgia Department of Audits and Accounts?

☒ Yes ☐ No

31b If the answer to Line 31a is "no", provide explanation (including amounts) to reconcile each line item specified in Line 31a above to government's audited financial statements. Reconciliation should be attached to this report.

Certification of Local Government Officials

I have reviewed the information presented in this report and certify that it is accurate and correct. I further certify that the 9-1-1 funds were expended in compliance with the expenditure requirements specified in the Official Code of Georgia Annotated (OCGA), Section 46-5-134. I understand that, in accordance with OCGA Section 46-5-134(m)(2), any local government which makes expenditures not in compliance with this Code section may be held liable for pro rata reimbursement to telephone and wireless telecommunications subscribers of amounts improperly expended. Further, the noncompliant local government shall be solely financially responsible for the reimbursement and for any costs associated with the reimbursement. Such reimbursement shall be accomplished by service providers abating the imposition of the 9-1-1 charges and 9-1-1 wireless enhanced charges until such abatement equals the total amount of the rebate.

Signature of Chief Elected Official

C. Brooks Bailey

Date

06-09-10

Print Name of Chief Elected Official C. Brooks Bailey

Title of Chief Elected Official Commissioner

Signature of Chief Financial Officer

Vickie P. Vaughn

Date

06-09-10

Print Name of Chief Financial Officer Vickie Vaughn