

CANDLER COUNTY, GEORGIA

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JUNE 30, 2012

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
of Candler County, Georgia:

We have audited the accompanying financial statements of the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Candler County, Georgia (the "County"), as of and for the year ended June 30, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Candler County, Georgia's elected officials and management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Candler County Board of Health, a component unit. Those financial statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Candler County Board of Health, is based on the report of the other auditor.

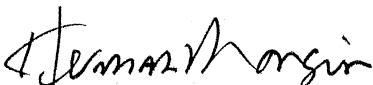
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and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

In our opinion, based on our audit and the report of the other auditor, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Candler County, Georgia, as of June 30, 2012, the respective changes in financial position, and the respective budgetary comparisons for the General and E-911 Funds 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 a report dated December 7, 2012 on our consideration of Candler County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. 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.

As described in Note 1, the management's discussion and analysis is not included as required supplementary information for the year ended June 30, 2012.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Candler County, Georgia's basic financial statements. The combining and individual fund financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the County. The combining and individual fund financial statements and schedules, including the Schedule of Expenditures of Special Sales Tax Proceeds have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.


December 7, 2012

CANDLER COUNTY, GEORGIA

STATEMENT OF NET ASSETS
JUNE 30, 2012

	----- Primary Government-----			-Component Unit-
	Governmental Activities	Business-Type Activities	Total	Board Health
<u>ASSETS</u>				
Cash	\$ 5,011,435	\$ 78,978	\$ 5,090,413	\$ 495,563 * <i>Cash</i>
Receivables (net of allowance for uncollectibles):				
Taxes	805,054		805,054	
Accounts	611,286		611,286	8,928
Tax Commissioner	145,936		145,936	
Accrued interest receivable	2,933		2,933	
Prepaid expenses	76,183		76,183	
Capital assets:				
Land and other non-depreciable assets	158,680	13,468	172,148	
Other capital assets, net of depreciation	<u>7,331,097</u>	<u>444,243</u>	<u>7,775,340</u>	<u>6,431</u>
Total assets	<u>14,142,604</u>	<u>536,689</u>	<u>14,679,293</u>	<u>510,922</u>
<u>LIABILITIES AND NET ASSETS</u>				
LIABILITIES:				
Accounts payable	165,257		165,257	
Payroll withholdings/accrued	65,069		65,069	
Deferred revenues	8,710		8,710	
Current portion of long-term debt:				
Notes	103,585	18,750	122,335	
Compensated absences				8,617
Accrued interest payable	4,441		4,441	
Long-term debt, net of current portion:				
Notes	370,990	300,000	670,990	
Landfill closure and post-closure costs	1,864,995		1,864,995	
Compensated absences	<u>104,203</u>		<u>104,203</u>	<u>8,618</u>
Total liabilities	<u>2,687,250</u>	<u>318,750</u>	<u>3,006,000</u>	<u>17,235</u>
NET ASSETS:				
Invested in capital assets, net of related debt	7,015,202	138,961	7,154,163	6,431
Restricted for:				
* Landfill closure costs	<u>903,744</u>		<u>903,744</u>	
Prior year program income				88,296
Capital projects	1,072,708		1,072,708	
Unrestricted	<u>2,463,700</u>	<u>78,978</u>	<u>2,542,678</u>	<u>398,960</u>
TOTAL NET ASSETS	<u>\$11,455,354</u>	<u>\$ 217,939</u>	<u>\$11,673,293</u>	<u>\$ 493,687 *</u> <i>(Fund Balance)</i>

See the accompanying notes to financial statements.

CANDLER COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012

Functions/Programs	Expenses	Charges for Services	Capital Grants and Contributions	Operating Grants and Contributions	Governmental Activities	Business Type Activities	TOTAL	Component Unit Board of Health
Primary Government:								
Governmental Activities:								
General government	\$1,141,847	\$ 74,568			\$(1,067,279)		\$(1,067,279)	
Judiciary	660,107	192,272			(467,835)		(467,835)	
Public safety	2,386,634	1,280,992			(1,028,142)		(1,028,142)	
Health and welfare	130,385		\$ 72,500		(130,385)		(130,385)	
Cultural and recreation	143,300				(140,545)		(140,545)	
Public works	3,016,547	2,755			(2,002,772)		(2,002,772)	
Housing and development	190,859	802,265		211,510	(190,859)		(190,859)	
Interest on long-term debt	19,121				(19,121)		(19,121)	
Total	<u>7,688,800</u>	<u>2,352,852</u>		<u>284,010</u>	<u>(5,046,938)</u>		<u>(5,046,938)</u>	
Business-type Activities:								
Public Building Authority	<u>10,396</u>	<u>35,025</u>				<u>\$ 24,629</u>	<u>24,629</u>	
Total primary government	<u>\$7,699,196</u>	<u>\$2,387,877</u>		<u>\$284,010</u>	<u>(5,046,938)</u>	<u>24,629</u>	<u>(5,022,309)</u>	
Component Unit:								
Public Health	<u>\$ 389,064</u>	<u>\$ 88,296</u>					<u>\$298,071</u>	<u>\$ (2,697)</u>
General Revenues:								
Property taxes							2,293,041	
Sales taxes							1,981,417	
Interest and fees on taxes							223,452	
Other taxes							170,890	
Insurance premium tax							276,139	
Interest							9,222	
Other							13,877	
Gain on disposal of equipment							7,676	
Total general revenues							<u>4,975,714</u>	
Change in net assets							(71,224)	24,629
Net assets - beginning							<u>11,526,578</u>	<u>193,310</u>
Net assets - ending							<u>\$11,455,354</u>	<u>\$ 217,939</u>
							<u>\$11,673,293</u>	<u>\$11,673,293</u>
							<u>\$ 496,384</u>	<u>\$ 493,687</u>

See the accompanying notes to financial statements.

CANDLER COUNTY, GEORGIA
GOVERNMENTAL FUNDS

BALANCE SHEET
JUNE 30, 2012

	General	Sales Tax Construction Fund	Other	Governmental Funds
<u>ASSETS</u>				
Cash	\$3,400,010	\$1,264,959	\$ 346,466	\$5,011,435
Receivables (net of allowance for uncollectibles):				
Taxes	805,054			805,054
Accounts	475,454	113,555	22,277	611,286
Tax collector	145,936			145,936
Interest	2,865		68	2,933
Prepaid insurance	76,183			76,183
Internal balances	<u>245,305</u>			<u>245,305</u>
TOTAL	<u>\$5,150,807</u>	<u>\$1,378,514</u>	<u>\$ 368,811</u>	<u>\$6,898,132</u>
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Accounts payable	\$ 65,904	\$ 99,353		\$ 165,257
Payroll withholdings/accrued	65,069			65,069
Deferred revenue	741,891			741,891
Interfund balances		206,453	\$ 38,852	245,305
Total	<u>872,864</u>	<u>305,806</u>	<u>38,852</u>	<u>1,217,522</u>
Fund Balance:				
Non-spendable	76,183			76,183
Assigned to:				
Capital projects/E-911		1,072,708	329,959	1,402,667
Landfill closure costs	903,744			903,744
Unassigned	<u>3,298,016</u>			<u>3,298,016</u>
Total	<u>4,277,943</u>	<u>1,072,708</u>	<u>329,959</u>	<u>5,680,610</u>
TOTAL	<u>\$5,150,807</u>	<u>\$1,378,514</u>	<u>\$ 368,811</u>	<u>\$6,898,132</u>

See the accompanying notes to financial statements.

CANDLER COUNTY, GEORGIA

RECONCILIATION OF NET ASSETS - GOVERNMENTAL FUNDS IN THE STATEMENT OF NET ASSETS
 TO TOTAL FUND BALANCE - GOVERNMENTAL FUNDS ON THE BALANCE SHEET
 FOR THE YEAR ENDED JUNE 30, 2012

Fund balance - total governmental funds \$ 5,680,610

Amounts reported for governmental activities in the statement of
 net assets are different because:

Capital assets used in governmental activities are not
 financial resources and therefore are not reported in
 the funds 7,489,777

Other long-term assets are not available to pay for current
 period expenditures and, therefore,
 are deferred in the funds 733,181

Some liabilities, including bonds payable, are not due
 and payable in the current period and therefore are not
 reported in the funds:

Notes payable (474,575)
 Accrued interest payable (4,441)
 Compensated absences (104,203)
 Landfill closure and post closure costs (1,864,995)

Net assets of governmental activities \$11,455,354

See the accompanying notes to financial statements.

CANDLER COUNTY, GEORGIA
GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2012

	General	Sales Tax Construction Fund	Other	Governmental Funds
REVENUES:				
Taxes	\$3,438,701	\$1,329,924		\$4,768,625
Licenses and permits	28,218			28,218
Interest and fees on taxes	246,360			246,360
Court fines and fees	334,302			334,302
Sheriff fees and costs	95,715			95,715
State and federal grants	215,186	72,500		287,686
Other	<u>1,760,884</u>	<u>1,324</u>	<u>\$164,825</u>	<u>1,927,033</u>
Total revenue	<u>6,119,366</u>	<u>1,403,748</u>	<u>164,825</u>	<u>7,687,939</u>
EXPENDITURES:				
Current:				
General government	1,042,310	12		1,042,322
Judiciary	659,122			659,122
Public safety	2,138,578		110,723	2,249,301
Health and welfare	130,385			130,385
Cultural and recreation	143,492			143,492
Public works	1,778,465			1,778,465
Housing and Development	<u>186,301</u>			<u>186,301</u>
Total	<u>6,078,653</u>	<u>12</u>	<u>110,723</u>	<u>6,189,388</u>
Intergovernmental		<u>865,167</u>		<u>865,167</u>
Capital outlays	<u>48,972</u>	<u>241,104</u>		<u>290,076</u>
Debt Service:				
Principal	99,814			99,814
Interest	<u>22,893</u>			<u>22,893</u>
Total	<u>122,707</u>			<u>122,707</u>
Total expenditures	<u>6,250,332</u>	<u>1,106,283</u>	<u>110,723</u>	<u>7,467,338</u>
 NET CHANGE IN FUND BALANCE	 (130,966)	 297,465	 54,102	 220,601
FUND BALANCE, BEGINNING OF YEAR	<u>4,408,909</u>	<u>775,243</u>	<u>275,857</u>	<u>5,460,009</u>
FUND BALANCE, END OF YEAR	<u>\$4,277,943</u>	<u>\$1,072,708</u>	<u>\$329,959</u>	<u>\$5,680,610</u>

See the accompanying notes to financial statements.

CANDLER COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2012

Net change in fund balances - Total Governmental Funds \$ 220,601

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

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

Capital assets reported as capital outlay in governmental fund statements	\$ 239,271
Loss on disposal of capital assets	(5,323)
Depreciation expense reported in the statement of activities	<u>(513,113)</u>
Amount by which capital outlays is more than depreciation in current period	(279,165)

Repayment of principal on long-term debt is reported in the
governmental funds as an expenditure, but is reported as a
reduction in long-term debt in the statement of net assets
and does not affect the statement of activities. The amount
of long-term debt principal payments in the current year is 99,814

Revenues in the statement of activities that do not provide
financial resources are not reported as revenues in the funds.
The amount of deferred revenues recognized as revenue in the
statement of activities is as follows:

Property taxes	(47,138)
Emergency Medical Services Ambulance Fees	(4,144)
Landfill fees	(13,757)

Some expenses reported in the statement of activities do not
require the use of current financial resources and therefore
are not reported as expenditures in governmental funds:

Accrued interest expense	3,772
Compensated absences	12,355
Landfill closure and post closure costs	<u>(63,562)</u>

Change in Net assets of Governmental Activities \$ (71,224)

See the accompanying notes to financial statements.

CANDLER COUNTY, GEORGIA
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012

	--Budgeted Amounts--		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$3,284,845	\$3,284,845	\$3,438,701	\$ 153,856
*Licenses	32,000	32,000	28,218	(3,782)
Interest and fees on taxes	199,900	199,900	246,360	46,460
*Court fines and fees	416,100	416,100	334,302	(81,798)
Sheriff fees and cost	75,000	75,000	95,715	20,715
State and federal grants	23,000	23,000	215,186	192,186
Other	1,717,372	1,717,372	1,760,884	43,512
Total	<u>5,748,217</u>	<u>5,748,217</u>	<u>6,119,366</u>	<u>371,149</u>
EXPENDITURES:				
General government	831,532	831,532	749,036	82,496
Judiciary	680,293	680,293	657,380	22,913
Police protection	703,028	703,028	670,103	32,925
Detention Center	531,462	531,462	530,045	1,417
Public buildings	64,842	64,842	54,556	10,286
Welfare	10,000	10,000	105,341	10,000
*Health	105,320	105,320	84,849	1,524
Agricultural assistance	86,373	86,373	1,228,806	(181,187)
*Roads and bridges	1,047,619	1,047,619	403,362	109,685
Garbage and trash disposal	513,047	513,047	269,004	1,606
Garbage and trash collection	270,610	270,610	9,922	5,070
Community Center	14,992	14,992	756,130	49,095
Ambulance Service	805,225	805,225	731,798	108,184
Other governmental services and unallocated expenditures	839,982	839,982	6,250,332	253,993
Total	<u>6,504,325</u>	<u>6,504,325</u>	<u>7,130,966</u>	<u>625,142</u>
NET CHANGE IN FUND BALANCE	(756,108)	(756,108)	*130,966	625,142
FUND BALANCE, BEGINNING OF YEAR	4,408,909	4,408,909	4,408,909	
FUND BALANCE, END OF YEAR	<u>\$3,652,801</u>	<u>\$3,652,801</u>	<u>\$4,277,943</u>	<u>\$ 625,142</u>

Fund Balance

See the accompanying notes to financial statements.

CANDLER COUNTY, GEORGIA
E-911 FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2012

	Budgeted Amounts Original and Final	Actuals Amounts	Variance with Final Budget Favorable (Unfavorable)
REVENUES:			
Surcharge	\$145,000	\$164,916	\$ 19,916
Interest		(91)	(91)
Total	<u>145,000</u>	<u>164,825</u>	<u>19,825</u>
EXPENDITURES:			
Contractual services	121,820	110,420	11,400
Travel, etc	<u>1,300</u>	<u>303</u>	<u>997</u>
Total	<u>123,120</u>	<u>110,723</u>	<u>12,397</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	21,880	54,102	32,222
FUND BALANCE, BEGINNING OF YEAR	<u>275,857</u>	<u>275,857</u>	<u> </u>
FUND BALANCE, END OF YEAR	<u>\$297,737</u>	<u>\$329,959</u>	<u>\$ 32,222</u>

See the accompanying notes to financial statements.

CANDLER COUNTY, GEORGIA
PROPRIETARY FUND - PUBLIC BUILDING AUTHORITY

STATEMENT OF NET ASSETS
 JUNE 30, 2012 AND 2011

	2012	June 30, 2011
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash	\$ 78,978	\$ 68,953
PROPERTY AND EQUIPMENT:		
Land	13,468	13,468
Building and other improvements	509,784	509,784
Equipment	<u>7,153</u>	<u>7,153</u>
Total	530,405	530,405
Less accumulated depreciation	<u>72,694</u>	<u>62,298</u>
Property and equipment - net	<u>457,711</u>	<u>468,107</u>
Total assets	<u>536,689</u>	<u>537,060</u>
<u>LIABILITIES</u>		
CURRENT LIABILITIES:		
Current portion - long-term notes	<u>18,750</u>	<u>18,750</u>
LONG-TERM DEBT:		
Note payable (less current portion shown above)	<u>300,000</u>	<u>325,000</u>
Total liabilities	<u>318,750</u>	<u>343,750</u>
<u>NET ASSETS</u>		
INVESTED IN CAPITAL ASSETS - NET OF RELATED DEBT	138,961	124,357
UNRESTRICTED	<u>78,978</u>	<u>68,953</u>
TOTAL NET ASSETS	<u>\$ 217,939</u>	<u>193,310</u>

See the accompanying notes to financial statements.

CANDLER COUNTY, GEORGIA
PROPRIETARY FUND - PUBLIC BUILDING AUTHORITY

STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND NET ASSETS
 FOR THE YEARS ENDED JUNE 30, 2012 AND 2011

	Year Ended June 30,	
	2012	2011
OPERATING REVENUES:		
Rents	\$ 35,025	\$ 37,725
OPERATING EXPENSES:		
Depreciation	10,396	10,396
Supplies		43
Total	10,396	10,439
OPERATING INCOME AND CHANGES IN NET ASSETS	24,629	27,286
NET ASSETS, BEGINNING OF YEAR	193,310	166,024
NET ASSETS, END OF YEAR	\$ 217,939	\$ 193,310

See the accompanying notes to financial statements.

CANDLER COUNTY, GEORGIA
PROPRIETARY FUND - PUBLIC BUILDING AUTHORITY

STATEMENT OF CASH FLOWS - ALL PROPRIETARY FUND TYPES
 FOR THE YEARS ENDED JUNE 30, 2012 AND 2011

	Year Ended June 30,	
	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers, users and grants	\$ 35,025	\$ 38,225
Cash paid to suppliers		(43)
Total	<u>35,025</u>	<u>38,182</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Principal payments on long-term debt	<u>(25,000)</u>	<u>(25,000)</u>
NET INCREASE IN CASH	10,025	13,182
CASH, BEGINNING OF YEAR	<u>68,953</u>	<u>55,771</u>
CASH, END OF YEAR	<u>\$ 78,978</u>	<u>\$ 68,953</u>
RECONCILIATION OF NET INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Income from operations	<u>24,629</u>	<u>27,286</u>
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Depreciation	10,396	10,396
Decrease (increase) in operating assets:		
Rents receivable		<u>500</u>
Total	<u>10,396</u>	<u>10,896</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 35,025</u>	<u>\$ 38,182</u>

See the accompanying notes to financial statements.

CANDLER COUNTY, GEORGIA
FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2012

Agency Funds

ASSETS

Cash \$ 513,265

LIABILITIES

Due to others:
Governmental units, retirement plans, etc. \$ 513,265

See the accompanying notes to financial statements.

CANDLER COUNTY, GEORGIANOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of Candler County, Georgia have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to Government units, except that the County did not include a management discussion and analysis (MD&A) section.

The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements. The more significant accounting policies established in GAAP and used by the County are described below.

In June, 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Certain other significant changes in the Statement include the following.

For the past and current fiscal years the financial statements include:

1. Financial statements prepared using full accrual accounting for all of the County's activities.
2. A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements). The County elected to implement the general provisions of the Statement in the past fiscal year and plans to include the MD&A section in future years.

A. THE REPORTING ENTITY

Candler County was incorporated under the laws of the State of Georgia and operates under an elected Board of Commissioners form of government. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of Candler County (the primary government) and its component unit. The component unit discussed below is included in the reporting entity because the Candler County Board of Commissioners, directly or indirectly, appoints a majority of the component unit's board members and a financial benefit/burden relationship exists between the component unit and the County.

In conformity with generally accepted accounting principles, the financial statements of the component unit have been included as a discretely presented component unit. The component unit column in the

government-wide financial statements includes the financial data for the County's component unit, as reflected in their most recent audited financial statements. The fiscal year end of the component unit is June 30. Financial information of the component unit is reported in a column separate from the County's financial information to emphasize that it is legally separate from the County.

The Candler County Board of Health manages the local health department located in the County. It is governed by a seven member board that is composed of the following: the chief executive officer of the County, three members appointed by the County, the chief executive officer of the City of Metter, one member appointed by the City of Metter, and the County's superintendent of schools.

Complete financial statements of the discretely presented component unit can be obtained directly from their administrative office. The address for the administrative office is as follows: Candler County Board of Health, North Rountree Street, Metter, Georgia 30439.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e. the statement of net assets, and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* are supported by taxes and intergovernmental revenues. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

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

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provided have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they will be collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The County reports the following major governmental funds:

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

The **Sales Tax Construction Fund** accounts for the acquisition of fixed assets or construction of major capital projects not being financed by the General Fund.

The County reports the following major enterprise fund:

The **Public Building Authority** accounts for activities for which a fee is charged to external users for goods or services, including public building rental activities.

The County also reports the following fund types:

The **Capital Projects Fund (CDBG)** - This fund accounts for the construction of capital projects being financed by a CDBG grant.

The **9-11 Fund** accounts for the activities of the County's emergency 911 systems for Candler County residents.

Agency Funds - These funds account for taxes and licenses collected on behalf of the County and other taxing entities; funds received and disbursed by the Clerk's Office in a fiduciary capacity; funds received and disbursed by the Sheriff's Office in a fiduciary capacity; and various other funds and fees received and disbursed in a fiduciary capacity.

GASB 34 eliminates the presentation of *Account Groups*, but provides for these records to be maintained and used to account for capital assets and long-term liabilities that are not reflected on the balance sheet of Governmental type funds due to the current financial resources measurement focus that they use.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

Governmental activities have been consolidated in the government-wide financial statements. Total governmental funds have been combined with capital assets and long term liabilities. The effect of interfund activity has been removed from the government-wide financial statements. Due to/from other funds have been eliminated as well as operating transfers between funds.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating

grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for leasing of real estate. Operating expenses for enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. ASSETS, LIABILITIES AND NET ASSETS OR EQUITY

1. **Deposits and investments** - Cash includes amounts in both interest-bearing and non-interest-bearing demand deposits. State statutes authorize the Government to invest in obligations of the U.S. Treasury, obligations of the State of Georgia or any other states, obligations fully insured or guaranteed by the United States government or governmental agency, Local Government Investment Pool, commercial paper, corporate bonds, obligation of other political subdivisions of the State of Georgia, and repurchase agreements. Any bank deposit in excess of the total FDIC insured amount must be secured by an equivalent amount of State or U.S. obligations.

Investments are recorded at cost or amortized cost plus accrued interest, which approximates market value.

2. **Receivables and Payables** - During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. The current portion of these interfund receivables and payables are classified as "due from other funds" or "due to other funds" in the governmental funds.

Non-current portions of long-term interfund loans receivable/payable are reported as "advances to other funds" or "advances from other funds". Advances receivable in the Governmental funds are offset equally by a fund balance reserve account, which indicates that they do not

constitute expendable available financial resources and therefore are not available for appropriation and are not expendable available financial resources.

Property tax receivables are shown net of an allowance for uncollectibles. The property tax receivable allowance is equal to 10 percent of outstanding property taxes at June 30, 2012. Property taxes are levied as of January 1, on property values assessed as of the same date.

Collections of property taxes are made throughout the year. They become delinquent after December 20. During the current fiscal year, the County levied property taxes on October 13, 2011.

3. **Prepaid Items** - For prepaid expenditures in the government-wide and fund financial statements, the County reports the expenditures during the benefiting period.

4. **Capital Assets** - Capital assets, which include property and plant equipment are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of two years. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Major outlays for capital assets and improvements are capitalized as projects are constructed. GASB statement 37 prohibits the capitalization of interest related to assets constructed for use in governmental activities. Property, plant, and equipment of the primary government, as well as the component units, is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Furniture and fixtures	10
Machinery and equipment	5 - 15
Vehicles	4 - 5
Site improvements	10 - 35

5. **Compensated Absences** - It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

6. **Long-term Obligations** - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

7. **Fund Balances** -

Financial Policies

The Board of Commissioners meet on a monthly basis to manage and review cash financial activities and to insure compliance with established policies. It is the County's policy to fund current expenditures with current revenues and the County's mission is to strive to maintain a diversified and stable revenue stream to protect the government from problematic fluctuations in any single revenue source and provide stability to ongoing services. The County's unassigned General Fund balance will be maintained to provide the County with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing.

The County has implemented GASB Statement No 54, Fund Balance Reporting and Governmental Fund Type Definitions, for fiscal year ended June 30, 2011 for its governmental funds. Under GASB Statement No. 54, fund balances are required to be reported according to the following classifications:

Nonspendable Fund Balance - Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification includes inventories, prepaid amounts, assets held for sale, and long-term receivables.

Restricted Fund Balance - Constraints place on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or other governments; or are imposed by law (through constitutional provisions or enabling legislation).

Committed Fund Balance - Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the County's highest level of decision-making authority, the Board of Commissioners.

Assigned Fund Balance - Amounts that are constrained by the County's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the Board of Commissioners, or by an official to whom that authority has been given. With the exception of the General Fund, this is the residual fund balance classification for all governmental funds with positive balances.

Unassigned Fund Balance - This is the residual classification of the General Fund. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification, as the result of overspending for specific purposes for which amounts had been restricted, committed or assigned.

The Board of Commissioners are authorized to assign amounts for specific purposes. The Governmental Funds Balance Sheet provides details of the amounts, if any, that have been assigned for specific purposes. The Board of Commissioners are also authorized to commit amounts for purposes.

8. **Estimates** - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgets and Budgetary Accounting

The annual budget is the financial plan for the operation of Candler County, Georgia for the ensuing annual period. The budget process provides for a professional management approach to the establishment of priorities and the implementation of work programs while providing an orderly means for control and evaluation of the financial posture of the Government. Candler County budgets are adopted on a basis generally consistent with GAAP; except that encumbrances are treated as budgeted expenditures in the year the commitment to purchase is incurred. Annual appropriated budgets are adopted for the general fund, and the debt special revenue fund. All unencumbered appropriations lapse at fiscal year end. Project-length financial plans are adopted for all capital projects funds.

The Candler County budget process begins in April with the department and agency heads submitting their departmental budgets. The County administrator formulates and remits the budget to all members of the Candler County Commission. The County Administrator and County Commissioners conduct budget hearings with all departments and agencies with any unresolved differences being presented to the Board of Commissioners. After review by the Commissioners, a final budget is approved when the budget resolution is adopted.

No increase in the departmental budget for the County may be made without the approval of the Board of Commissioners and amendment to the budget. Mid-year budget amendments are presented, where necessary, for adoption by the Commissioners. The general fund is subject to budgetary control on a department basis. During the year, the budget was amended by the method described above.

Unencumbered appropriations in the annual operating budget lapse at fiscal year end while encumbered appropriations are paid from reserved fund balances. When the County's expenditures reach the authorization provided by the operating budget, the Board of Commissioners approves supplemental appropriations.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting—under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation - is not utilized in the Governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the goods or services are yet to be received.

B. Excess of Expenditures over Appropriations

The General Fund did incur expenditures in excess of appropriations for the year ended June 30, 2012 as follows:

<u>Department</u>	<u>Budget</u>	<u>Actual</u>	<u>Overage</u>
Roads and bridges	\$1,047,619	\$1,228,806	\$ 181,187
Health	\$ 104,320	\$ 105,341	\$ 21

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits - At year-end, the carrying amount of the primary Government's deposits were \$4,825,762 and the bank balances were \$4,936,052. Of the bank balance, \$1,408,897 was covered by federal depository insurance and \$3,527,155 of the balance was covered by collateral held in the pledging institutions' trust departments in the Government's name. Statutes require collateral at 110% of pledged deposits to be held in the Government's name by the trust department.

At year-end, the carrying amount of the component units' deposits was \$495,563 and the bank balances were \$496,182. Of the bank balance, \$250,000 was covered by federal depository insurance and \$246,182 of the balance was covered by collateral held in the pledging institution's trust departments in the Government's name. Statutes require collateral at 110% of pledged deposits to be held in the Government's name by the trust department.

Investments - The County's investments as of June 30, 2012 consisted of certificate of deposits of \$777,916, bearing interest at .25% to 1.00% with maturities of December 2012 through January, 2013.

B. Property Taxes

State law requires that property taxes be based on assessed value, which is 40% of fair market value. All real and personal property (including motor vehicles) are valued as of January 1, of each year and must be declared and reported on a return for tax purposes by May 1. With the exception of motor vehicles and the property of public utilities, which are valued by the State Revenue Department, the Board of Tax Assessors of Candler County makes all assessments.

Upon completion of all assessments and tax returns, the information is turned over to the Candler County Tax Commissioner for compilation of the tax digest. The completed tax digest must be submitted to the State Revenue Commissioner for approval. The State Revenue Commissioner must ascertain that real property on the tax digest has been assessed at the

State mandated forty percent (40%) of fair market value. If not, the commissioner may require an across the board percentage adjustment to all real property. The County Tax Commissioner distributes tax notices and collects tax payments. Motor vehicle taxes must be paid by the birth date of the owner of the vehicle. Property taxes are usually levied on October 20, of each year. Real and personal property taxes are due by December 20, and considered delinquent by December 20.

Property taxes are attached as an enforceable lien on the day the taxes become delinquent. The total real and personal property tax levy is recorded as revenue in the fiscal year in which such amounts will be available (collected within 60 days of year-end) as net current assets. In the accompanying financial statements, the portion of the property tax levy for the tax year 2011 collected during the current year has been recognized as revenue.

Property taxes receivable at June 30, 2012, is composed of the following:

Year of Levy:

2011/2012	\$400,372
Prior to 2011	<u>494,132</u>
Total	894,504
Less - allowance for uncollectible	<u>89,450</u>
Net receivable	<u>\$805,054</u>

C. Accounts Receivable

Primary Government

Receivables at June 30, 2012 for the County's individual major funds in the aggregate, including applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	Sales Tax Construction <u>Fund</u>	<u>Total</u>
Receivable:			
Taxes	\$ 894,504		\$ 894,504
Accounts	1,599,985	\$113,555	1,713,540
Tax Commissioner	145,936		145,936
Interest	<u>2,865</u>		<u>2,865</u>
Gross receivables	2,643,290	113,555	2,756,845
Less: allowance for uncollectibles	<u>1,213,981</u>		<u>1,213,981</u>
Net total receivables	<u>\$1,429,309</u>	<u>\$113,555</u>	<u>\$1,542,864</u>

Discretely Presented Component Units

Trade receivables from the Candler County Board of Health as of June 30, 2012 are as follows:

	<u>Board of Health</u>
Receivables:	
Accounts	<u>\$ 8,928</u>
Less: allowance for uncollectibles	<u>NIL</u>
Net total receivables	<u>\$ 8,928</u>

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

Property taxes	\$ 733,181
Community Center fees	<u>8,710</u>
TOTAL	<u>\$ 741,891</u>

D. Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2012 was as follows:

	Primary Government			Ending Balance
	Beginning Balance	Increases	Decreases	
Governmental activities:				
Capital assets not being depreciated:				
Land	\$137,076			\$137,076
Site improvements in progress	1,128,999	\$13,022	\$1,120,417	21,604
Total capital assets not being depreciated	1,266,075	13,022	1,120,417	158,680
Other capital assets:				
Buildings & other improvements	6,039,688	\$6,523	\$7,904	6,038,307
Machinery and equipment	3,828,722	222,753	\$34,643	4,016,832
Depreciable site improvements	1,783,767	1,125,292		2,909,059
Total other capital assets at historical cost	11,652,177	1,354,568	42,547	12,964,198
Less accumulated depreciation:				
Buildings & other improvements	1,611,045	115,824		1,726,869
Machinery and equipment	2,015,381	289,516	29,320	2,275,577
Depreciable site improvements	1,522,882	107,773		1,630,655
Total accumulated depreciation	5,149,308	513,113	29,320	5,633,101
Other capital assets, net	6,502,869	841,455	13,227	7,331,097
Governmental activities, capital assets, net	\$7,768,944	\$854,477	\$1,133,644	\$7,489,777
Business-type activities:				
Capital assets not being depreciated:				
Land	\$13,468			\$13,468
Other capital assets:				
Building and other improvements	509,784			509,784
Equipment	7,153			7,153
Total other capital assets at historical cost	516,937			516,937
Less accumulated depreciation:				
Building and other improvements	55,056	10,396		65,452
Equipment	7,242			7,242
Total accumulated depreciation	62,298	10,396		72,694
Other capital assets - net	454,639	(10,396)		444,243
Business-type activities, capital assets, net	\$468,107	(\$10,396)		\$457,711

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

Governmental activities:	
General government	\$ 20,202
Judiciary	156
Police protection	39,628
Detention Center	34,610
Public buildings	81,380
Roads and bridges	111,724
Garbage and trash disposal	130,469
Ambulance service	71,105
Other - EMA	5,574
Agricultural assistance	4,420
Garbage and trash collection	<u>13,845</u>
 Total governmental activities depreciation expense	 <u>\$ 513,113</u>

Capital asset activity for the Board of Health for the year ended June 30, 2012 was as follows:

----Public Health Center----

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Ending Balance</u>
Other capital assets:			
Equipment	\$70,991		\$70,991
Less accumulated depreciation	<u>61,800</u>	<u>\$ 2,760</u>	<u>64,560</u>
 Other capital assets, net	 <u>\$ 9,191</u>	 <u>\$(2,760)</u>	 <u>\$ 6,431</u>

E. Interfund Receivables, Payables and Transfers

As of June 30, 2012, due to/from other funds which are considered current in nature, were as follows:

	<u>Due From</u>	<u>Due To</u>
Governmental Funds:		
Major Funds:		
General Fund	\$ 245,305	
Sales Tax Construction Fund		\$ 206,453
Non-major Fund:		
E-911 Fund	<u> </u>	<u>38,852</u>
TOTAL	<u>\$ 245,305</u>	<u>\$ 245,305</u>
Business-Type Activities:		
Public Bulding Fund	<u>\$ NIL</u>	<u>\$ NIL</u>

The above due to/from balances resulted from the normal course of the County's operations.

There were no transfers for the year ended June 30, 2012.

F. Long-term Debt

During the prior fiscal years, the County entered into six agreements with the Georgia Environmental Facilities Authority (GEFA) to borrow funds to finance closure costs on the Phase One landfill and the construction of a pumping station and a construction and demolition landfill (C & D). The notes bear interest at rates of 4%, 4.55% 5.12%, 5.3% and 5.6% with principal and interest commencing after the completion of each project. As of June 30, 2012, the County had received proceeds of \$1,633,962 under these GEFA loans.

During the prior fiscal years, the County entered into an intergovernmental services contract for \$500,000 from the OneGeorgia

Authority for a term of 20 years at 0%. Quarterly repayments of \$6,250 began July 1, 2005, date of certificate of occupancy was granted. A first mortgage on the building was taken by the OneGeorgia Authority as collateral for the contract. Also, the contract is secured by a blanket assignment of any leases. The County has also agreed that any revenues in excess of operating costs will be reinvested back into the project. As of June 30, 2012, the County had drawn down \$500,000 for the construction and related cost of the Agricultural Regional Resource Center building.

During the previous fiscal year, the County entered into an installment sale contract agreement for \$343,350 from Caterpillar Financial Services Corporation in connection with the acquisition of road equipment. The contract agreement is for a period of five (5) years, with payments of \$75,829.63 per year with 3.4% interest.

The following is a summary of the annual debt service requirements to maturity of all of the County's general long-term notes, including interest of \$51,035:

Primary Government:
Governmental Activities:

<u>FY Ending</u>	<u>Amount</u>	<u>Principal</u>	<u>Interest</u>
June 30, 2013	\$122,707	\$103,585	\$19,122
June 30, 2014	122,707	107,854	14,853
June 30, 2015	122,707	112,308	10,399
June 30, 2016	122,331	116,581	5,750
June 30, 2017	<u>35,158</u>	<u>34,247</u>	<u>911</u>
TOTAL	<u>\$525,610</u>	<u>\$474,575</u>	<u>\$ 51,035</u>

The following is a summary of the annual debt service requirements to maturity of all of the County's business-activity long-term notes, including no interest.

Business Activities:

<u>FY Ending</u>	<u>Amount</u>	<u>Principal</u>	<u>Interest</u>
June 30, 2013	\$ 18,750	\$ 18,750	NIL
June 30, 2014	25,000	25,000	NIL
June 30, 2015	25,000	25,000	NIL
June 30, 2016	25,000	25,000	NIL
June 30, 2017	25,000	25,000	NIL
June 30, 2018 - 2022	125,000	125,000	NIL
June 30, 2023 - 2025	<u>75,000</u>	<u>75,000</u>	<u>NIL</u>
TOTAL	<u>\$ 318,750</u>	<u>\$ 318,750</u>	<u>\$ NIL</u>

Closure and Postclosure Care Costs

State and federal laws and regulations require that the County place a final cover on its landfills when closed and to perform certain maintenance and monitoring functions at the landfill sites for five to thirty years after closure. The amount of costs recognized in each period is based on the relative amount of waste received during the period, even though some of the closure and postclosure care costs will be paid after the landfills are closed. The County currently provided for \$1,864,995 of estimated costs for the closed Phase One landfill site, and the C&D landfill site and the municipal solid waste landfill site based on land fill capacity used to date. The amount of the remaining estimated cost for landfill closure and postclosure care of \$1,177,607 will be recognized on a pro rata basis as the remaining estimated capacity of 783,209 cubic yards of usable space is filled. The County's Phase One landfill was closed during a prior fiscal year. The C&D landfill was closed September, 1997. The County's municipal solid waste landfill site has an estimated remaining capacity of twenty years with 54.12% of the capacity used to date. All amounts recognized are based on what it would cost to perform all closure and postclosure care at year-end; however, actual costs may be higher due to inflation. The County is required by state and federal laws and regulations to provide funds to finance closure and postclosure care. The County is currently providing for these funds by charging a landfill fee to property owners.

It is anticipated that future inflation costs and additional costs that might arise from changes in postclosure requirements (due to changes in technology or more rigorous environmental regulations, for example), may need to be covered by charges to future landfill users, taxpayers, or both.

The following is a summary of the changes in the long-term debt account:

	Amount of					Amount Due	
	Original	Balance			Balance	Within One	
	Issued	06/30/11	Additions	Reductions	06/30/12	Year	
Primary Government:							
Governmental Activities:							
Notes - GEFA	\$1,633,962	\$231,037		\$35,324	\$195,713	\$37,237	
Closure & postclosure landfill care costs		1,801,433	\$63,562		1,864,995		
Compensated absences		116,558		12,355	104,203		
Installment sales contract	343,350	343,350		64,488	278,862	66,348	
TOTAL	\$1,977,312	\$2,492,378	\$63,562	\$112,167	\$2,443,773	\$103,585	
Business-type Activities:							
0% Note - OneGeorgia Authority	\$500,000	\$343,750		\$25,000	\$318,750	\$18,750	
Component Unit:							
Compensated absences		\$18,224	\$8,123	\$9,112	\$17,235	\$8,617	

Payments of compensated absences is made by the General Fund.

III. CONTINGENT LIABILITIES:

A. Risk Management and Litigation:

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Government carries commercial insurance.

The County has joined together with other counties in the state as part of the ACCG-Group Self-Insurance Workers' Compensation Fund (WCSIF), public entity risk pools currently operating as common risk management and insurance programs for member local governments. The Association County Commissioners of Georgia (ACCG) administers this risk pool.

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

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

The County attorney advises that a suit may arise from an incident that occurred at the County's jail. The County has placed its insurance carrier on notice of this incident and there is insurance coverage both for the defense of a possible lawsuit, as well as to pay damage in the event the lawsuit is successful.

Significant losses experienced by the County are covered by commercial insurance for all risks. For insured risks there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or thru prior years.

B. Federally Assisted Grant Programs

Grants from the Federal Government to Candler County did not exceed \$500,000 for the year ended June 30, 2012, thus the County is not required to comply with provisions of the Single Audit Act of 1984.

IV. JOINT VENTURE

Under Georgia law, the County, in conjunction with other cities and counties in the seventeen county heart of Georgia area, is a member of the Heart of Georgia Altamaha Regional Development Center (RDC) and is required to pay annual dues thereto. During its year ended June 30, 2012, the County paid dues of \$6,868. Membership in a RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RDC in Georgia. The RDC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a RDC. Separate financial statements may be obtained from:

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

CANDLER COUNTY, GEORGIA
GENERAL FUND

BALANCE SHEET, JUNE 30, 2012 AND 2011

	2012	June 30, 2011
<u>ASSETS</u>		
CASH	\$3,400,010	\$3,784,315
RECEIVABLES (net of allowance for uncollectibles):		
Taxes	805,054	857,379
Accounts <i>(Receivable) This is where the \$210,186 from the DOT is included.</i>	475,454	247,243
Tax collector	145,936	124,026
Interest	2,865	3,201
DUE FROM OTHER FUNDS	245,305	285,733
PREPAID INSURANCE	<u>76,183</u>	<u>35,447</u>
TOTAL	<u>\$5,150,807</u>	<u>\$5,337,344</u>
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts payable	\$ 65,904	\$ 76,517
Payroll withholdings and accrued	65,069	46,933
Deferred revenue	<u>741,891</u>	<u>804,985</u>
Total	<u>872,864</u>	<u>928,435</u>
FUND BALANCE:		
Nonspendable	76,183	35,447
Assigned to:		
Landfill closure costs	903,744	765,611
Unassigned	<u>3,298,016</u>	<u>3,607,851</u>
Total	<u>4,277,943</u>	<u>4,408,909</u>
TOTAL	<u>\$5,150,807</u>	<u>\$5,337,344</u>

CANDLER COUNTY, GEORGIA
GENERAL FUND

ANALYSIS OF CHANGES IN FUND BALANCE
 FOR THE YEARS ENDED JUNE 30, 2012 AND 2011

	Year Ended June 30,	
	2012	2011
FUND BALANCE, BEGINNING OF YEAR	<u>\$4,408,909</u>	<u>\$4,423,651</u>
ADDITIONS:		
Revenues	6,119,366	5,855,036
Loan proceeds	<u> </u>	<u>64,156</u>
Total	<u>6,119,366</u>	<u>5,919,192</u>
DEDUCTIONS:		
Expenditures	<u>6,250,332</u>	<u>5,933,934</u>
FUND BALANCE, END OF YEAR	<u>\$4,277,943</u>	<u>\$4,408,909</u>

CANDLER COUNTY, GEORGIA
GENERAL FUND

STATEMENT OF REVENUES
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011

	Year Ended June 30,	
	2012	2011
TAXES:		
Property	\$2,061,202	\$2,037,784
Motor vehicles	248,913	224,017
Mobile homes	26,911	17,488
Recording (real estate mortgage with maturities in excess of three years)	23,801	22,704
Local option sales tax	651,493	623,018
Malt and alcoholic beverage	78,538	79,871
Real estate transfer	6,937	5,111
Insurance premiums	276,139	259,156
Franchise	29,780	24,723
Railroad equipment tax	3,153	3,343
Financial institutions' business license tax	31,834	31,567
Total	<u>3,438,701</u>	<u>3,328,782</u>
 LICENSES AND PERMITS:		
Business (malt and alcoholic beverage licenses)	13,500	13,500
Building/land permits, etc.	14,718	15,196
Total	<u>28,218</u>	<u>28,696</u>
 INTEREST AND FEES ON TAXES:		
Interest, penalties and costs	223,452	188,756
Commissions	17,508	18,100
Collection fees - City	5,400	5,850
Total	<u>246,360</u>	<u>212,706</u>
 COURT FINES AND FEES:		
Fines:		
State Court	177,734	219,485
Superior Court	31,146	38,858
Juvenile Court	30	90
Fees:		
State and Superior Courts	46,599	50,187
Probate Court	26,703	27,900
Magistrate Court	30,999	26,539
Jail Surcharge	21,091	26,225
Total	<u>334,302</u>	<u>389,284</u>

Candler County, Georgia
Statement of Revenues - For the years ended June 30, 2012 and 2011
Page 2

	Year Ended June 30,	
	2012	2011
SHERIFF:		
Fees and costs	\$ 95,715	\$ 75,203
 STATE AND FEDERAL GRANTS:		
Road projects	210,186	
Emergency Management Assistance (EMA) . .	5,000	5,000
Total	<u>215,186</u>	<u>5,000</u>
 OTHER:		
Proceeds from sale of sand, dirt, pipes, blades, etc.	2,195	9,346
Auto tag and title fees and penalties . .	14,851	14,582
Community Center	2,755	3,126
Aerial maps	553	650
City of Metter - Detention and Community Center	44,015	43,333
Community Service Program	12,347	10,499
Interest	9,222	17,258
Ambulance fees	827,110	818,505
Law Library	6,734	7,273
Contributions - Ga. Association of Emergency Med Services, Inc.		3,125
Other	11,682	27,067
Landfill and garbage fees	803,675	776,036
Election fees	6,388	616
Juvenile offender program	4,707	1,113
Sale of Capital Assets	13,000	77,636
Rentals	1,650	5,200
Total	<u>1,760,884</u>	<u>1,815,365</u>
TOTAL	<u>\$6,119,366</u>	<u>\$5,855,036</u>

CANDLER COUNTY, GEORGIA
GENERAL FUND

STATEMENT OF EXPENDITURES
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011

	Year Ended June 30,	
	2012	2011
GENERAL GOVERNMENT:		
Administrative:		
Salaries	\$ 171,868	\$ 168,698
Advertising	1,551	3,929
Supplies	8,378	7,565
Travel and training	8,495	6,205
Telephone	6,626	8,744
Miscellaneous	1,082	321
Computer service	6,491	6,418
Repairs and maintenance	2,724	2,028
Utilities	3,171	3,875
Dues and subscriptions	710	605
Workers' compensation insurance	1,487	1,536
Equipment leases	1,641	1,507
Group insurance	28,564	26,479
Payroll taxes	<u>13,492</u>	<u>13,181</u>
Total administrative	<u>256,280</u>	<u>251,091</u>
Office of Tax Commissioner:		
Salaries	146,439	140,768
Supplies	9,647	10,450
Computer services	11,120	9,607
Telephone	2,975	2,956
Miscellaneous	1,456	
Travel and training	1,556	1,562
Dues and subscriptions	300	300
Advertising		100
Equipment leases	1,414	1,489
Group insurance	35,456	34,395
Payroll taxes	11,087	10,658
Workers' compensation insurance	877	951
Repairs and maintenance	1,074	3,575
Capital outlays	1,434	1,000
Professional services	<u>5,200</u>	<u>4,950</u>
Total tax commissioner	<u>230,035</u>	<u>222,761</u>

Candler County, Georgia
Statement of Expenditures - For the years ended June 30, 2012 and 2011
Page 2

	Year Ended June 30,	
	2012	2011
Office of Tax Assessors:		
Salaries	\$ 151,030	\$ 146,600
Travel and training	7,070	8,433
Supplies	10,281	8,798
Telephone	3,418	3,391
Miscellaneous	1,010	43
Dues and subscriptions	280	280
Computer services	5,890	4,825
Advertising		65
Equipment leases	1,610	1,681
Professional services	10,710	7,024
Payroll taxes	11,357	11,123
Workers' compensation insurance	1,405	1,809
Repairs and maintenance	12,064	13,158
Group insurance	38,453	35,097
Capital outlays	8,143	
Total tax assessors	<u>262,721</u>	<u>242,327</u>
Total	<u>749,036</u>	<u>716,179</u>

JUDICIARY:

State and Superior Court:

Salaries	225,270	213,571
Professional services	3,109	555
Supplies	3,587	4,986
Telephone	5,042	5,000
Jury fees and costs	7,868	10,576
Miscellaneous	208	165
Travel and training	45	1,310
Court reporter	3,838	3,621
Contributions to operating budgets	99,048	88,912
Computer services	4,856	4,986
Indigent defense	40,842	31,352
Juvenile Court	19,262	14,898
Dues and subscriptions	250	250
Payroll taxes	16,997	16,200
Group insurance	28,978	26,291
Workers' compensation insurance	1,442	1,515
Repairs and maintenance	126	214
Equipment leases	2,741	2,800
Total State and Superior Courts	<u>463,509</u>	<u>427,202</u>

Candler County, Georgia
Statement of Expenditures - For the years ended June 30, 2012 and 2011
Page 3

	Year Ended June 30,	
	2012	2011
Probate Court:		
Salaries	\$ 58,288	\$ 59,652
Supplies	3,231	3,662
Telephone	2,034	1,913
Travel and training	1,999	1,117
Dues and subscriptions	360	200
Workers' compensation	390	424
Equipment leases	1,187	1,206
Group insurance	18,737	16,942
Professional fees	190	100
Computer services	320	12
Repairs and maintenance	453	353
Payroll taxes	4,317	4,490
Capital outlay	<u>3,592</u>	
Total Probate Court	<u>95,098</u>	<u>90,071</u>
Magistrate Court:		
Salaries	61,365	59,380
Supplies	2,451	2,905
Telephone	1,827	1,854
Miscellaneous	907	568
Equipment leases	897	906
Group insurance	8,790	8,661
Payroll taxes	4,689	4,541
Workers' compensation insurance	<u>454</u>	<u>523</u>
Total Magistrate Court	<u>81,380</u>	<u>79,338</u>
Coroner:		
Salary and costs	<u>17,393</u>	<u>18,654</u>
Total	<u>657,380</u>	<u>615,265</u>

Candler County, Georgia
Statement of Expenditures - For the years ended June 30, 2012 and 2011
Page 4

	Year Ended June 30,	
	2012	2011
POLICE PROTECTION:		
Salaries	\$ 408,851	\$ 426,366
Repairs and maintenance	13,283	30,255
Gasoline and oil	47,709	44,519
Supplies	11,465	9,857
Uniforms	2,607	4,037
Telephone	7,169	7,393
Capital outlays	22,864	12,952
Travel and training	2,629	3,336
Miscellaneous	1,294	2,055
Drug Task Force	13,405	13,405
Computer Service	2,367	2,500
Utilities	8,158	7,711
Dues and subscriptions	775	575
Equipment leases	445	426
Group insurance	82,525	75,694
Payroll taxes	30,867	32,250
Professional fees	3,175	750
Workers' compensation insurance	<u>10,515</u>	<u>11,977</u>
Total	<u>670,103</u>	<u>686,058</u>
DETENTION CENTER:		
Salaries	215,761	205,791
Telephone	1,969	1,174
Supplies	13,733	10,491
Utilities	32,632	30,753
Repairs and maintenance	13,521	16,354
Uniforms	455	805
Travel and training	159	645
Prisoners' food	108,648	103,585
Medical costs - prisoners	43,000	14,366
Computer services	3,221	3,057
Group insurance	71,954	60,072
Payroll taxes	16,413	15,613
Miscellaneous	2,970	222
Capital outlays		4,535
Workers' compensation insurance	<u>5,609</u>	<u>6,599</u>
Total	<u>530,045</u>	<u>474,062</u>

Candler County, Georgia
Statement of Expenditures - For the years ended June 30, 2012 and 2011
Page 5

	Year Ended June 30,	
	2012	2011
PUBLIC BUILDINGS:		
Supplies	\$ 5,116	\$ 4,793
Miscellaneous	225	175
Utilities	16,819	20,057
Repairs and maintenance	12,566	8,401
Contractual services	19,830	22,292
Total	<u>54,556</u>	<u>55,718</u>
 WELFARE:		
Dept. of Family and Children's Services		<u>9,416</u>
 HEALTH:		
Department of Public Health	<u>105,341</u>	<u>105,320</u>
 AGRICULTURAL ASSISTANCE:		
Salaries and wages	51,319	47,202
Travel and training	8,005	10,500
Utilities	2,018	2,520
Telephone	3,432	3,413
Contributions to retirement plans	5,086	4,837
Supplies and other	4,463	4,298
Rentals	4,200	4,200
Equipment leases	1,518	1,745
Capital outlays	676	1,337
Payroll taxes	4,132	3,776
Total	<u>84,849</u>	<u>83,828</u>

Candler County, Georgia
Statement of Expenditures - For the years ended June 30, 2012 and 2011
Page 6

	Year Ended June 30,	
	2012	2011
ROADS AND BRIDGES:		
Salaries and wages	\$ 370,773	\$ 382,716
Culverts, pipes & other materials	67,294	89,107
Capital outlays		64,156
Repairs & maintenance of machinery	87,553	91,341
Fuel, oil and grease	171,499	154,486
Utilities	1,900	1,459
Telephone	5,724	5,831
Miscellaneous	2,138	922
Uniforms	4,763	6,259
Contractual services	39,500	39,500
Travel and training	41	73
Road projects	210,186	
Group insurance	132,007	136,853
Payroll taxes	29,601	28,567
Workers' compensation insurance	29,792	37,076
Advertising	205	126
Total	<u>1,152,976</u>	<u>1,038,472</u>

GARBAGE AND TRASH DISPOSAL:		
Salaries	130,448	124,753
Materials and supplies	10,106	10,461
Repairs and maintenance	50,326	34,224
Gasoline, oil and grease	42,051	38,621
Professional services	23,179	28,812
Telephone	2,232	2,221
Miscellaneous	2,569	2,057
Contractual services	19,750	19,750
State assessment	3,886	4,537
Travel and training	99	323
Utilities	6,221	7,013
Monitoring fees	14,405	16,714
Equipment leases	393	409
Workers' compensation insurance	5,241	6,114
Group insurance	35,966	33,505
Computer services	7	22
Payroll taxes	9,606	9,190
Total	<u>356,485</u>	<u>338,726</u>

Candler County, Georgia
Statement of Expenditures - For the years ended June 30, 2012 and 2011
Page 7

	Year Ended June 30,	
	2012	2011
GARBAGE AND TRASH COLLECTION:		
Salaries	\$ 17,105	\$ 17,166
Payroll taxes	1,308	1,313
Worker's compensation insurance	788	996
Supplies	618	702
Telephone	455	453
Utilities	630	674
Contractual services	248,063	247,754
Professional services		1,150
Miscellaneous	37	32
Total	<u>269,004</u>	<u>270,240</u>
COMMUNITY CENTER:		
Salaries	3,975	3,900
Supplies	1,047	632
Telephone	618	615
Utilities	2,492	3,476
Repairs and maintenance	1,121	1,051
Travel and training	300	300
Payroll taxes	321	317
Capital outlays		4,050
Workers' compensation insurance	48	72
Total	<u>9,922</u>	<u>14,413</u>
AMBULANCE SERVICE:		
Salaries	493,719	486,481
Professional services	1,672	611
Supplies	27,831	26,618
Telephone	5,535	5,784
Repairs and maintenance	15,753	15,088
Travel and training	4,247	5,135
Fuel	24,671	20,150
Capital outlays	12,263	1,070
Computer service	4,272	14,184
Uniforms	2,546	1,232
Dues, subscriptions, and fees	8,880	8,545
Utilities	11,769	13,156
Miscellaneous	1,414	306
Equipment leases	1,036	1,070
Group insurance	90,206	79,113
Payroll taxes	37,021	36,588
Workers' compensation insurance	13,295	16,615
Total	<u>756,130</u>	<u>731,746</u>

Candler County, Georgia
Statement of Expenditures - For the years ended June 30, 2012 and 2011
Page 8

	Year Ended June 30,	
	2012	2011
OTHER GOVERNMENTAL SERVICES AND UNALLOCATED EXPENSES:		
Candler County Library	\$ 41,270	\$ 40,527
Candler County Recreation Program	92,300	92,300
Election costs	96,060	112,006
Heart of Georgia Altamaha Regional Development Center	6,868	6,335
Association County Commissioners of Georgia	2,234	2,234
Emergency management	23,587	10,779
Rentals, etc. - soil conservation	15,040	19,107
Insurance	80,049	66,800
Professional services	63,084	60,454
Fire protection	148,117	131,604
Metter airport	26,166	23,135
Indigent burials		650
Animal Haven	40,910	40,123
Forestry	8,392	8,359
Concerted services	6,044	6,194
Board of Equalization	801	1,637
Economic Development	52,530	52,530
Law Library	4,533	18,467
Victim Assistance Program		27,073
Debt service:		
Loans	122,707	61,048
Cities in Schools	15,000	5,576
Family connections	3,000	3,000
High Hope	1,000	1,000
School drug program	4,813	3,500
Miscellaneous		53
Total	<u>854,505</u>	<u>794,491</u>
TOTAL	<u>\$6,250,332</u>	<u>\$5,933,934</u>

CANDLER COUNTY, GEORGIA
CAPITAL PROJECTS FUND
SALES TAX CONSTRUCTION FUND

BALANCE SHEET, JUNE 30, 2012 AND 2011

	June 30,	
	2012	2011

ASSETS

Cash	\$1,264,959	\$1,111,312
Accounts Receivable	<u>113,555</u>	<u>114,592</u>
TOTAL .	<u>\$1,378,514</u>	<u>\$1,225,904</u>

LIABILITIES AND FUND BALANCE

LIABILITIES:

Accounts payable	\$ 99,353	\$ 203,998
Due to other funds	<u>206,453</u>	<u>246,663</u>
Total liabilities . . .	<u>305,806</u>	<u>450,661</u>

FUND BALANCE:

Assigned to Capital Projects	<u>1,072,708</u>	<u>775,243</u>
TOTAL .	<u>\$1,378,514</u>	<u>\$1,225,904</u>

CANDLER COUNTY, GEORGIA
CAPITAL PROJECTS FUND
SALES TAX CONSTRUCTION FUND

STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE
 FOR THE YEARS ENDED JUNE 30, 2012 AND 2011

	Year Ended June 30,	
	2012	2011
REVENUES:		
Special sales tax	\$1,329,924	\$1,271,505
EMS Grant	72,500	
Interest	<u>1,324</u>	<u>1,838</u>
Total	<u>1,403,748</u>	<u>1,273,343</u>
 EXPENDITURES:		
Capital Outlays:		
City of Metter projects	331,970	508,602
Roads and bridges	55,424	
City of Pulaski	33,197	50,860
Landfill	16,425	1,120,417
Public works - equipment		279,194
Public safety - equipment	149,710	107,948
Public buildings	19,545	56,335
Candler County Industrial Development Authority	<u>500,000</u>	
Total	<u>1,106,271</u>	<u>2,123,356</u>
Bank charges	<u>12</u>	
Total	<u>1,106,283</u>	<u>2,123,356</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 297,465	 (850,013)
 OTHER FINANCING SOURCES:		
Lease proceeds	<u> </u>	<u>279,194</u>
 EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES)	 297,465	 (570,819)
 FUND BALANCE, BEGINNING OF YEAR	 <u>775,243</u>	 <u>1,346,062</u>
FUND BALANCE, END OF YEAR	<u><u>\$1,072,708</u></u>	<u><u>\$ 775,243</u></u>

CANDLER COUNTY, GEORGIA
E-911 FUND

BALANCE SHEET
 JUNE 30, 2012 AND 2011

June 30,
 2012 2011

ASSETS

CURRENT ASSETS:

Cash	\$346,466	\$294,788
Accounts receivable	22,277	19,535
Accrued interest receivable	<u>68</u>	<u>604</u>

TOTAL \$368,811 \$314,927

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES:

Due to General Fund	\$ 38,852	\$ 39,070
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FUND BALANCE - Assigned	<u>329,959</u>	<u>275,857</u>
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TOTAL \$368,811 \$314,927

CANDLER COUNTY, GEORGIA
E-911 FUND

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2012 AND 2011

	June 30,	
	2012	2011
REVENUES:		
Surcharge	\$164,916	\$147,883
Interest	(91)	1,848
Total	<u>164,825</u>	<u>149,731</u>
 EXPENDITURES:		
Travel, etc	303	559
Contract costs	110,420	113,530
Total	<u>110,723</u>	<u>114,089</u>
 EXCESS OF REVENUES OVER EXPENDITURES	 54,102	 35,642
 FUND BALANCE, BEGINNING OF YEAR	 <u>275,857</u>	 <u>240,215</u>
 FUND BALANCE, END OF YEAR	 <u>\$329,959</u>	 <u>\$275,857</u>

CANDLER COUNTY, GEORGIA
FIDUCIARY FUNDS - AGENCY FUNDS

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - JUNE 30, 2012 AND 2011

	-----COURTS-----				Tax Commissioner	-----TOTALS-----	
	Probate	State and Superior	Magistrate	Sheriff		June 30, 2012	2011
Cash	<u>\$3,166</u>	<u>\$ 34,398</u>	<u>\$ 738</u>	<u>\$110,533</u>	<u>\$364,430</u>	<u>\$513,265</u>	<u>\$394,497</u>
DUE TO OTHERS:							
Collected funds	<u>\$3,166</u>	<u>\$ 34,398</u>	<u>\$ 738</u>	<u>\$110,533</u>	<u>\$364,430</u>	<u>\$513,265</u>	<u>\$394,497</u>

CANDLER COUNTY, GEORGIA
FIDUCIARY FUNDS - AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE YEAR ENDED JUNE 30, 2012

	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012
<u>ASSETS</u>				
CASH:				
Tax Commissioner	\$ 268,810	\$8,144,119	\$8,048,499	\$ 364,430
Clerk of Courts (State and Superior)	53,429	494,352	513,383	34,398
Sheriff	60,122	348,069	297,658	110,533
Probate Court	3,319	37,685	37,838	3,166
Magistrate Court	<u>8,817</u>	<u>153,322</u>	<u>161,401</u>	<u>738</u>
TOTAL	<u>\$ 394,497</u>	<u>\$9,177,547</u>	<u>\$9,058,779</u>	<u>\$ 513,265</u>
<u>LIABILITIES</u>				
DUE TO OTHERS:				
Governmental units, retirement plans, etc.	<u>\$ 394,497</u>	<u>\$9,177,547</u>	<u>\$9,058,779</u>	<u>\$ 513,265</u>

CANDLER COUNTY, GEORGIA
OFFICE OF TAX COMMISSIONER

STATEMENT OF CHANGES IN TAXES RECEIVABLE
 2011 PROPERTY AND MOTOR VEHICLES - NOD'S TAX DIGESTS
 FOR THE YEAR ENDED JUNE 30, 2012

	Total	State	County	School	City of Metter
CHARGES:					
Property tax digest	\$5,162,404	\$ 44,826	\$2,008,688	\$2,530,341	\$ 578,549
Motor vehicles	303,131	3,086	121,370	152,910	25,765
Additions to tax digest	18,981	187	8,530	9,610	654
Interest	19,923	127	11,410	6,945	1,441
Mobile homes	10,770	115	4,593	5,692	370
Timber	30,029	331	13,323	16,375	
	<u>5,545,238</u>	<u>48,672</u>	<u>2,167,914</u>	<u>2,721,873</u>	<u>606,779</u>
TOTAL					
CREDITS:					
Remittances	\$4,998,054	\$ 40,584	\$1,957,334	\$2,454,546	\$ 545,590
Commissions - County	7,080	3,927		2,449	704
Errors and reliefs	(11,827)	(121)	(4,206)	(5,655)	(1,845)
Taxes receivable - June 30, 2012	550,559	4,884	214,201	269,723	61,751
Under (over) remitted collections	1,372	(602)	585	810	579
	<u>5,545,238</u>	<u>48,672</u>	<u>2,167,914</u>	<u>2,721,873</u>	<u>606,779</u>
TOTAL					

CANDLER COUNTY, GEORGIA
OFFICE OF TAX COMMISSIONER

STATEMENT OF CHANGES IN TAXES RECEIVABLE -
2012 MOTOR VEHICLES, MOBILE HOMES, AND TIMBER TAX DIGESTS
FOR THE YEAR ENDED JUNE 30, 2012

	Total	State	County	School	City of Metter
<u>MOTOR VEHICLES, MOBILE HOMES AND TIMBER</u>					
CHARGES:					
Motor vehicles	\$ 319,548	\$ 3,033	\$ 127,027	\$ 160,876	\$ 28,612
Timber	12,301	127	5,467	6,707	
Mobile homes	23,814	236	10,021	12,504	1,053
Interest	87		69	18	
TOTAL	<u>\$ 355,750</u>	<u>\$ 3,396</u>	<u>\$ 142,584</u>	<u>\$ 180,105</u>	<u>\$ 29,665</u>
CREDITS:					
Remittances	\$ 352,665	\$ 3,185	\$ 141,773	\$ 178,932	\$ 28,775
Commissions - County	1,710	202		178	1,330
Taxes receivable - June 30, 2012	1,825	19	811	995	
Under (over) remitted collections	(450)	(10)			(440)
TOTAL	<u>\$ 355,750</u>	<u>\$ 3,396</u>	<u>\$ 142,584</u>	<u>\$ 180,105</u>	<u>\$ 29,665</u>

CANDLER COUNTY, GEORGIA
 SCHEDULE OF EXPENDITURES OF SPECIAL SALES TAX PROCEEDS
 FOR THE YEAR ENDED JUNE 30, 2012

	Original Estimated Cost	Latest Estimated Cost	Prior Years	-Expenditures- Current Year	Total of Completion	Estimated Percentage Completion
2006:						
Public building projects	\$ 904,000	\$ 904,000	\$ 589,406	\$ 19,546	\$ 608,952	67.36%
New equipment	1,250,000	1,283,580	1,206,370	77,210	1,283,580	100.00%
Public works project	883,000	1,743,522	1,227,085	516,437	1,743,522	100.00%
Drainage, roads & bridge improvements/expansions	1,850,000	1,132,947	290,270	55,424	345,694	30.51%
Recreation department projects	195,000	193,720	193,720	191,365	193,720	100.00%
City of Metter projects	3,630,000	2,997,691	2,806,326	191,365	2,997,691	100.00%
Town of Pulaski	363,000	299,769	280,633	19,136	299,769	100.00%
TOTAL	<u>\$9,075,000</u>	<u>\$8,555,229</u>	<u>\$6,593,810</u>	<u>\$ 879,118</u>	<u>\$7,472,928</u>	<u>87.35%</u>
2011:						
Public buildings projects	\$ 575,000	\$ 575,000				
Recreation Department projects	260,000	260,000				
Retirement of prior year debt	303,320	303,320				
Public Works projects	15,000	15,000				
Road maintenance/ improvements	469,930	469,930				
New equipment	2,408,750	2,408,750				
City of Metter projects	2,880,000	2,880,000				
Town of Pulaski	288,000	288,000				
TOTAL	<u>\$7,200,000</u>	<u>\$7,200,000</u>		<u>\$ 154,665</u>	<u>\$ 154,665</u>	<u>2.15%</u>

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

Board of Commissioners
Candler County, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Candler County, Georgia as of and for the year ended June 30, 2012, which collectively comprise Candler County's basic financial statements and have issued our report thereon dated December 7, 2012. We did not audit the financial statements of the Candler County Board of Health, a component unit. Those financial statements were audited by another auditor whose report thereon has been furnished to us, and our opinion on those financial statements, insofar as it relates to the amounts included for Candler County, Georgia, was based solely on the report of the other auditor. We have conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Candler County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Candler County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Candler County'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 misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

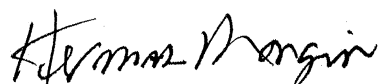
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and

was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

This report is intended solely for the information and use of the management, the Board of Commissioners, others within the entity, and federal awarding agencies, pass-through entities and the Georgia Department of Audits and Accounts and is not intended to be and should not be used by anyone other than these specified parties.



December 7, 2012