

**COLQUITT COUNTY, GEORGIA**  
**FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2011**

## INTRODUCTORY SECTION

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**COLQUITT COUNTY, GEORGIA**  
**FINACIAL REPORT**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

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**Board of Commissioners  
of Colquitt County, Georgia  
Moultrie, Georgia**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Colquitt County, Georgia**, as of and for the fiscal year ended June 30, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Colquitt 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 Colquitt County Board of Health, which represents 54.23% and 72.25% of the assets and revenues, respectively, of the aggregately discretely presented component units for the fiscal year ended June 30, 2011. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion on the basic financial statements, insofar as it relates to the amounts included for the Colquitt County Board of Health in the component unit column is based solely on the reports 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 reports of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Colquitt County, Georgia as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the General Fund and E911 Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1, Colquitt County, Georgia implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as of July 1, 2010.

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In accordance with *Government Auditing Standards*, we have also issued our report dated April 5, 2012, on our consideration of Colquitt County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 12 and the Required Supplementary Information on page 51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Colquitt County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of special purpose local option sales tax proceeds is presented for purposes of additional analysis as required by the Official Code of Georgia Annotated 48-8-121, and is not a required part of the basic financial statements. The schedule of state awards expended is presented for the purpose of additional analysis as required by the Official Code of Georgia 50-20-1 through 50-20-8 and is also not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements, the schedule of expenditures of special purpose local option sales tax proceeds, and the schedule of state awards expended 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.

*Mauldin & Jenkins, LLC*

Albany, Georgia  
April 5, 2012

# COLQUITT COUNTY, GEORGIA

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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As management of Colquitt County, Georgia, (the County) we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Colquitt County, Georgia for the fiscal year ended June 30, 2011. We encourage readers to read the information presented here in conjunction with the County's financial statements, which follow this narrative.

### FINANCIAL HIGHLIGHTS

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$77,163,847 (net assets). Of this amount, \$8,558,729 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net assets increased by \$2,163,399. Ninety five percent of this increase occurred in the Governmental funds and the remainder was related to Business –type activities.
- As of close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$19,719,435, an increase of \$658,822.
- At the close of the current fiscal year, unassigned fund balance of the General Fund was \$7,175,481 or 38% of the General Funds expenditures.
- The County's total long-term debt decreased by \$493,973 during the current year. The decrease is the result of payments on existing debt.

### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the County's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases and decreases in net assets may serve as useful indicator of whether the financial position of the County is improving or deteriorating.

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



# COLQUITT COUNTY, GEORGIA

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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Both of the government-wide financial statements distinguish functions of the County that principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, judicial, public safety, culture and recreation, public works, health and welfare, and economic development. The business-type activities of the County include solid waste collection and disposal system.

The government-wide financial statements include not only the County itself (known as the *primary government*), but also the Health Department and Public Library for which the County financial supports and is able to impose its will. Financial information for these *component units* are reported separately from the financial information presented for the primary government itself. The government-wide financial statements can be found on pages 13 through 16 of this report.

**Fund financial statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance finance-related requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The County maintains 13 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, E911 Fund, 2002 SPLOST Fund, and 2007 SPLOST Fund, all of which are considered to be major funds. Data from the other 9 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County adopts an annual appropriated budget for its General Fund and other special revenue funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the budget.

Basic governmental fund financial statements can be found on pages 17 through 23 of this report.

**COLQUITT COUNTY, GEORGIA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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**Proprietary funds.** The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses an enterprise fund to account for its solid waste collection and disposal activities. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses an internal service fund to account for its employee health and life insurance benefits. Because these services predominately benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide the information for the Solid Waste Fund, the County's only enterprise fund. It is considered a major fund for the County.

The basic proprietary fund financial statements can be found on pages 24 through 26 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary financial statements can be found on page 27 of this report.

**Notes to the financial statements.** The notes to the financial statements provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28 through 50 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on page 51 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 52 through 55 of this report.

# COLQUITT COUNTY, GEORGIA

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table presents a summary of the Statement of Net Assets for the County as of June 30, 2011 and 2010.

	Summary of Net Assets					
	Governmental		Business-Type		Total Primary	
	Activities		Activities		Government	
	2011	2010	2011	2010	2011	2010
Current & other assets	\$ 21,032,312	\$ 20,561,373	\$ (431,898)	\$ (616,141)	\$ 20,600,414	\$ 19,945,232
Capital assets	60,792,060	59,651,058	947,149	1,061,476	61,739,209	60,712,534
Total assets	81,824,372	80,212,431	515,251	445,335	82,339,623	80,657,766
Long-term debt	2,923,616	2,300,443	2,699	57,429	2,926,315	2,357,872
Other liabilities	2,224,888	3,295,772	24,573	3,674	2,249,461	3,299,446
Total liabilities	5,148,504	5,596,215	27,272	61,103	5,175,776	5,657,318
Net assets:						
Invested In capital, net of related debt	57,551,832	56,067,595	947,149	1,061,476	58,498,981	57,129,071
Restricted	10,106,137	8,883,343	-	-	10,106,137	8,883,343
Unrestricted	9,017,899	9,665,278	(459,170)	(677,244)	8,558,729	8,988,034
Total net assets	\$ 76,675,868	\$ 74,616,216	\$ 487,979	\$ 384,232	\$ 77,163,847	\$ 75,000,448

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$77,163,847 at the close of the most recent fiscal year.

By far the largest component of the County's net assets (76 percent) reflects its' investment in capital assets such as land, buildings, equipment, and infrastructure, less any related debt used to acquire or construct the assets that is still outstanding. The County uses these capital assets to provide services to the citizens and businesses in the County; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net assets (13 percent) represents resources that are subject to external restrictions, constitutional provisions, or enabling legislation on how they can be used. The remaining portion of net assets is *unrestricted*, which can be used to meet the County's ongoing obligations to citizens and creditors.

At the end of the end of the current fiscal year, the County is able to report positive balances in all three categories of net assets for the governmental activities. Unrestricted net assets total \$8,558,729, a 5 percent decrease compared to the prior year. Total net assets increased by approximately \$2.16 million from the prior year.

# COLQUITT COUNTY, GEORGIA

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

The following table summarizes the changes in net assets for the primary government for the fiscal years ended June 30, 2011 and 2010.

### Changes in Net Assets

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Revenues						
Program Revenues:						
Charges for services	\$ 5,678,836	\$ 5,381,962	\$ 2,166,599	\$ 2,035,730	\$ 7,845,435	\$ 7,417,692
Operating grants and contributions	263,546	1,401,016	-	-	263,546	1,401,016
Capital grants and contributions	1,951,500	608,343	-	-	1,951,500	608,343
General Revenues:						
Property taxes	14,494,699	14,316,002	-	-	14,494,699	14,316,002
Sales taxes	5,548,004	5,006,290	-	-	5,548,004	5,006,290
Insurance premium taxes	1,171,324	1,204,357	-	-	1,171,324	1,204,357
Business taxes	83,116	73,597	-	-	83,116	73,597
Other taxes	268,531	286,795	-	-	268,531	286,795
Unrestricted investment earnings	44,317	34,276	1,317	3,163	45,634	37,439
Gain on sale of capital assets	72,848	-	-	-	72,848	-
Total revenues	\$ 29,576,721	\$ 28,312,638	\$ 2,167,916	\$ 2,038,893	\$ 31,744,637	\$ 30,351,531
Program Expenses:						
General government	\$ 3,720,958	\$ 4,682,535	\$ -	\$ -	\$ 3,720,958	\$ 4,682,535
Judicial	2,547,787	2,221,072	-	-	2,547,787	2,221,072
Public safety	10,300,824	9,383,258	-	-	10,300,824	9,383,258
Public works	8,604,168	8,920,076	-	-	8,604,168	8,920,076
Health and welfare	496,632	537,768	-	-	496,632	537,768
Culture and recreation	1,169,619	1,152,767	-	-	1,169,619	1,152,767
Housing and development	496,023	603,233	-	-	496,023	603,233
Interest on long-term debt	181,058	209,122	-	14,871	181,058	223,993
Solid waste	-	-	2,064,169	1,825,994	2,064,169	1,825,994
Total expenses	\$ 27,517,069	\$ 27,709,831	\$ 2,064,169	\$ 1,840,865	\$ 29,581,238	\$ 29,550,696
Change in net assets	\$ 2,059,652	\$ 602,807	\$ 103,747	\$ 198,028	\$ 2,163,399	\$ 800,835

**Governmental activities.** Governmental activities increased the County's net assets by \$2,059,652, thereby accounting for 95 percent of the total growth in the net assets of the County for 2011.

- Revenues outpaced spending. Included in revenues is a special purpose local option sales tax (1 percent) that is used to fund a variety of capital projects. Spending for the projects vary from the revenue collections as many of the projects take several years to complete.

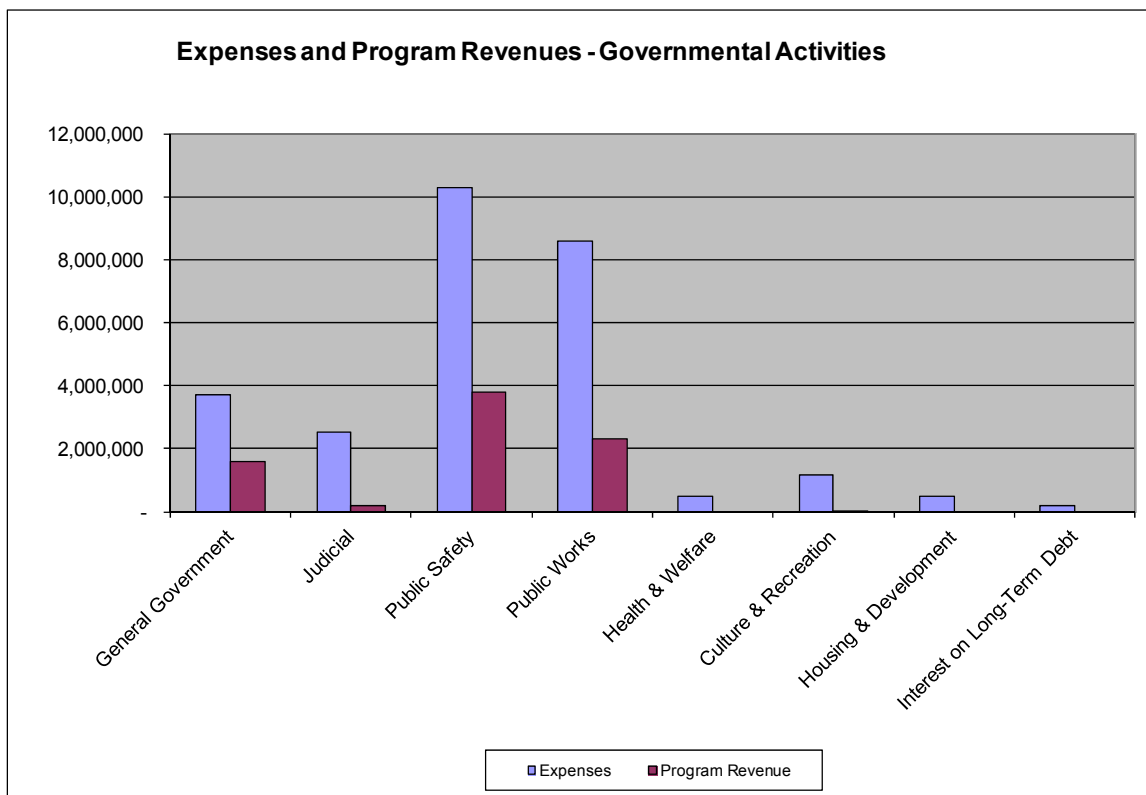
# COLQUITT COUNTY, GEORGIA

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

- Higher tax revenue in 2011. Overall tax revenues increased \$678,633 from the prior year. Property taxes and special local option sales taxes increased by \$178,697 and \$541,714, respectively. Other taxes decreased by \$41,778.

Approximately 49 percent of the County's governmental activities total revenues were derived from property taxes and approximately 24 percent came from taxes other than property taxes. Charges for services provided approximately 19 percent of the total revenues. The County's expenses cover a range of services. The largest expenses are related to public safety (approximately 37 percent), which include the Sheriff's office, E-911 services, county prison, ambulance service, animal control and the Coroner's office, and public works (approximately 31 percent), which include roads and bridges, landfill closure and the county maintenance shop.

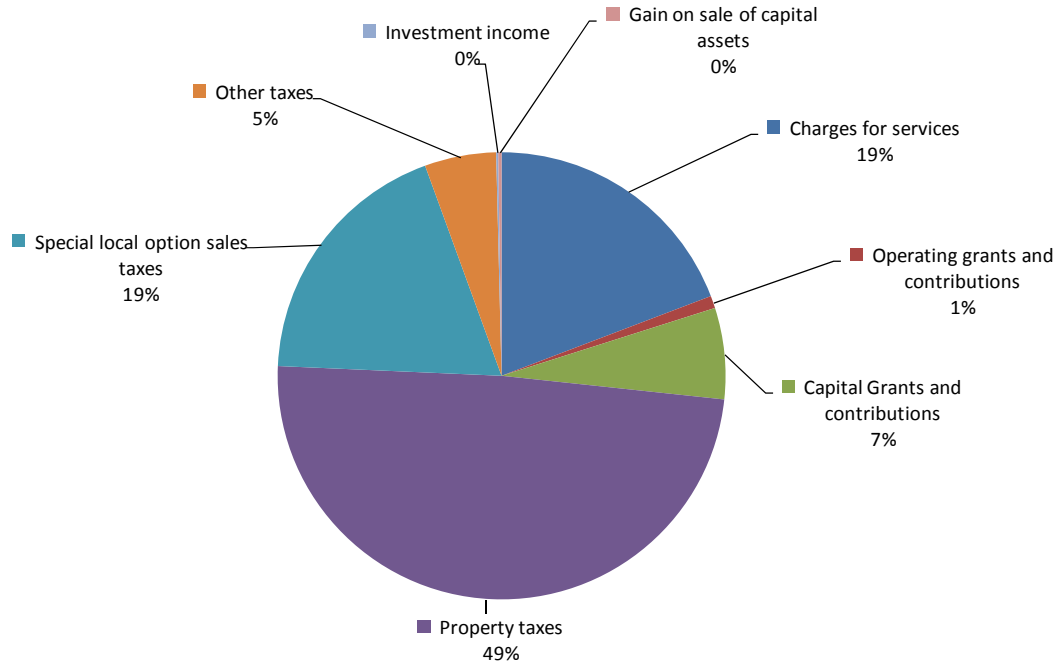
For the fiscal year ended June 30, 2011, governmental activities expenses exceeded program revenues, resulting in the use of approximately \$21.7 million of general tax and other revenues.



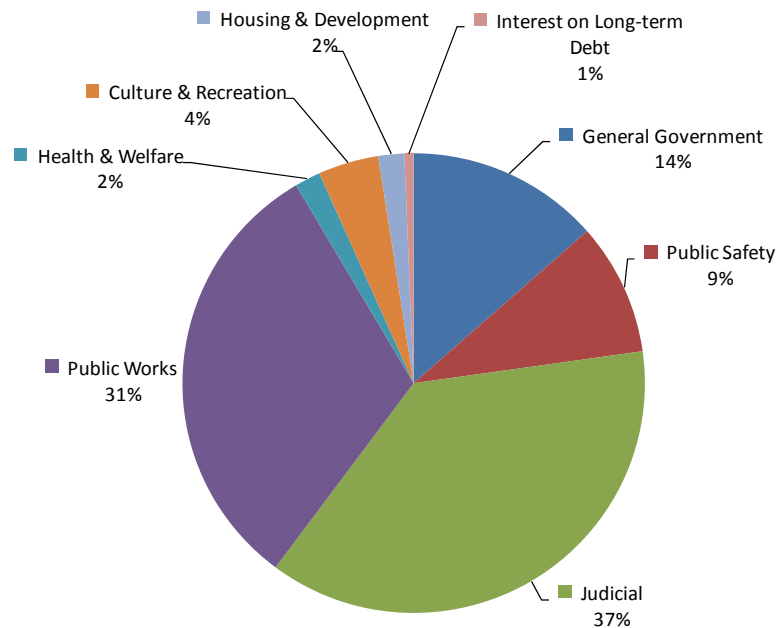
# COLQUITT COUNTY, GEORGIA

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

### Revenues by Source - Governmental Activities



### Expenses by Source - Governmental Activities



# COLQUITT COUNTY, GEORGIA

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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**Business-type activities.** Business-type activities increased the County's net assets by \$103,747, thereby accounting for 5 percent of County's assets for 2011. The key element of this increase is that the Solid Waste Fund revenues exceeded expenses by \$103,747. This was a decrease over the prior year of approximately \$95,000. Expenses increased approximately \$223,000 when compared to the prior year.

### FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, Colquitt County utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental funds.** The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of resources available for spending. Such information is useful in assessing the County's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the year.

At the end of the current year, the County's governmental funds reported a combined ending fund balance of \$19,719,435, an increase of \$658,822 in comparison to the prior year. Approximately 36 percent of this total amount (\$7,175,481) constitutes *unassigned fund balance* that is available for spending in futures years without restrictions that are more limited than the purpose of the fund. The restricted portions of fund balance totaling \$10,106,137 represent funding for capital projects, economic development, public safety, and the judicial system. Most of these projects are funded by special purpose local option sales tax, a legally restricted revenue source. The remainder of the fund balance is either *nonspendable* to indicate that it is not available for new spending because it has already been (1) paid for prepaid assets (\$411,124) or (2) classified as advances to other funds (\$400,000); *committed* for future retirement benefits (\$200,000); or *assigned* (1) for public safety capital outlay (\$237,500), (2) to balance the fiscal year 2012 General Fund budget (\$492,613), or (3) other capital outlay (\$696,580) .

The General Fund is the main operating fund of the County. At the end of the current year, unassigned fund balance of the General Fund was \$7,175,481, while total fund balance was \$8,916,718. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 38 percent of the total General Fund expenditures, as compared to 42 percent in 2010. The total fund balance represents 47 percent of the same amount, compared to 49 percent in the prior year.

The fund balance of the County's General Fund increased \$302,701 during the current fiscal year. Key factors in this increase are as follows:

- The County's General Fund receiving \$128,465 from the sale of capital assets from surplus at an auction in May, 2011.
- The County's General Fund receiving \$195,682 in net transfers from other governmental funds.

The E911 Fund has a fund balance of \$367,639, all of which is restricted for public safety related to the E911 system.

# COLQUITT COUNTY, GEORGIA

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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The 2002 SPLOST fund has a total fund balance of \$2,683,845, all of which is restricted for capital outlay. The net decrease in fund balance of \$582,398 during the current year was the result of using revenue collected in prior years to complete projects fund by special purpose local option sales taxes.

The 2007 SPLOST fund has a total fund balance of \$6,358,701, all of which is restricted for capital outlay. The County began receiving revenue from this tax in fiscal year 2007 and the increase of \$979,211 was the result of receiving revenue at a faster rate than the completion of projects was completed.

**Proprietary funds.** The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the Solid Waste Fund at the end of the current year amounted to a deficit of \$459,170, a decrease in deficit of \$218,074 over the prior year. This occurred mainly because the Solid Waste Fund repaid approximately \$300,000 to the General Fund for prior year loans and advances. Operating revenues were approximately \$130,000 more than the prior year. Operating expenses were approximately \$220,000 more than the prior year because of the increase in cost of services provided and administration.

### GENERAL FUND BUDGETARY HIGHLIGHTS

Generally, budget amendments fall into one of the following categories: 1) amendments made to adjust the estimates that are used to prepare the original budget once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

The actual revenues of the General Fund were less than final budgeted amounts by \$389,635 for the current year. The major factors contributing to this difference was the receiving less miscellaneous income offset by receiving more property taxes, intergovernmental revenues, and charges for services than budgeted.

The actual expenditures of the General Fund were less than final budgeted amounts by \$763,078 for the current year. The major factors contributing to this difference were the net positive variances in budgeted expenditures for general government, judicial, county prison and the ambulance service.

### CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital assets.** As of June 30, 2011, the County's investment in capital assets for its governmental and business-type activities amounts to \$61,739,209 (net of accumulated depreciation). This investment includes land, buildings and improvements, machinery and equipment, infrastructure, and construction in progress. Governmental activity assets (net of accumulated depreciation) in the amount of \$55,617 were removed from the County's assets in the fiscal year 2011. Construction in progress was retained in the 1999/Courthouse SPLOST fund, 2002 SPLOST fund, 2007 SPLOST fund, and Capital Projects fund and as those projects are completed they are transferred to the appropriate capital asset category. The total increase in the County's investment in capital assets for the current fiscal year was \$1,026,675 or 1.7 percent (a 1.9 percent increase for governmental activities and a 10.8 percent decrease for business-type activities).



# COLQUITT COUNTY, GEORGIA

## MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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Major capital asset transactions during the year included the completion of several new roads and bridges for the County, purchase of nine new vehicles for the Sheriff's Department, balance on a new radio system for the E-911 system, and two new tractors and mowers for Roads & Bridges. Refer to Note 6 of the Notes to Financial Statements on pages 42 and 43 for additional information on capital assets.

**Long-term debt.** At the end of the current year, the County had one outstanding loan in the amount of \$3,175,009 secured by a building and an equipment loan with a balance of \$65,219. The building loan is for a building that is leased to the Georgia Department of Human Services. The rent payments from the Georgia Department of Human Services are pledged for the debt service payments of the building loan. Refer to Note 7 of the Notes to Financial Statements on pages 44 and 45 for additional information on long-term debt.

### NEXT YEAR'S BUDGET

At the end of the current fiscal year, unassigned fund balance in the General Fund amounted to \$7,175,481. The County has appropriated \$492,613 of this unassigned fund balance to fund 2012 fiscal year expenditures. The 2012 General Fund budget contains total expenditures of \$19,499,687, a 2.1% decrease over the 2011 final budgeted amounts. After year end, the Board of Commissioners appropriated \$237,500 of the unassigned fund balance for capital outlays for Sheriff's Department.

### CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of Colquitt County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Colquitt County Finance Director, P. O. Box 517, Moultrie, Georgia 31776 – 0517.

# COLQUITT COUNTY, GEORGIA

## STATEMENT OF NET ASSETS JUNE 30, 2011

ASSETS	Primary Government		
	Governmental Activities	Business-type Activities	Total
Cash and cash equivalents	\$ 6,442,027	\$ 11,643	\$ 6,453,670
Investments	12,131,705	-	12,131,705
Taxes receivable	518,046	-	518,046
Accounts receivable	712,634	166,123	878,757
Internal balances	628,386	(628,386)	-
Due from other governments	152,202	-	152,202
Due from primary government	-	-	-
Prepaid expenses	411,124	18,722	429,846
Restricted cash	36,188	-	36,188
Capital assets, non-depreciable	3,573,415	573,485	4,146,900
Capital assets, depreciable, net of accumulated depreciation	57,218,645	373,664	57,592,309
Total assets	81,824,372	515,251	82,339,623
<b>LIABILITIES</b>			
Accounts payable	1,115,908	13,776	1,129,684
Accrued liabilities	326,333	-	326,333
Due to other governments	101,923	-	101,923
Due to component units	19,158	-	19,158
Unearned revenues	36,839	-	36,839
Net pension obligation	17,103	-	17,103
Note payable due within one year	358,814	-	358,814
Note payable due in more than one year	2,881,414	-	2,881,414
Compensated absences due within one year	148,810	10,797	159,607
Compensated absences due in more than one year	37,202	2,699	39,901
Environmental remediation due within one year	100,000	-	100,000
Environmental remediation due in more than one year	5,000	-	5,000
Total liabilities	5,148,504	27,272	5,175,776
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	57,551,832	947,149	58,498,981
Restricted for:			
Judicial	47,577	-	47,577
Public Safety	447,930	-	447,930
Economic Development	407,495	-	407,495
Capital outlay	9,203,135	-	9,203,135
Special use	-	-	-
Unrestricted	9,017,899	(459,170)	8,558,729
Total net assets	\$ 76,675,868	\$ 487,979	\$ 77,163,847

The accompanying notes are an integral part of these financial statements.

Component Units			
Colquitt County Health Department		Moultrie - Colquitt County Library	
\$	890,456	\$	819,935
	-		174,283
	-		-
	-		-
	-		-
	249,642		-
	19,158		-
	-		-
	-		-
	-		-
	29,229		9,024
	1,188,485		1,003,242
	34,124		8,182
	-		2,013
	32,597		-
	-		-
	-		-
	-		-
	-		-
	-		-
	10,458		-
	94,126		-
	-		-
	-		-
	171,305		10,195
	29,229		9,024
	-		-
	-		-
	-		-
	-		-
	729,367		-
	258,584		984,023
\$	1,017,180	\$	993,047

# COLQUITT COUNTY, GEORGIA

## STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 3,720,958	\$ 1,437,872	\$ 141,677	\$ -
Judicial	2,547,787	181,768	-	1,799
Public safety	10,300,824	3,663,272	121,869	12,437
Public works	8,604,168	395,924	-	1,937,096
Health and welfare	496,632	-	-	-
Culture and recreation	1,169,619	-	-	168
Housing and development	496,023	-	-	-
Interest on long-term debt	181,058	-	-	-
Total governmental activities	<u>27,517,069</u>	<u>5,678,836</u>	<u>263,546</u>	<u>1,951,500</u>
Business-type activities:				
Solid waste	2,064,169	2,166,599	-	-
Total business-type activities	<u>2,064,169</u>	<u>2,166,599</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 29,581,238</u>	<u>\$ 7,845,435</u>	<u>\$ 263,546</u>	<u>\$ 1,951,500</u>
<b>Component units:</b>				
Colquitt County Health Department	\$ 2,270,892	\$ 919,890	\$ 1,308,276	\$ -
Moultrie - Colquitt County Library	710,840	107,238	744,390	-
Total component units	<u>\$ 2,981,732</u>	<u>\$ 1,027,128</u>	<u>\$ 2,052,666</u>	<u>\$ -</u>
General revenues:				
Property taxes				
Sales taxes				
Insurance premium taxes				
Business taxes				
Other taxes				
Unrestricted investment earnings				
Gain on sale of capital assets				
Total general revenues				
Change in net assets				
Net assets, beginning of year				
Net assets, end of year				

The accompanying notes are an integral part of these financial statements.

Net (Expense) Revenue and Changes in Net Assets				
Governmental Activities	Business-type Activities	Total	Component Unit	Component Unit
			Colquitt County Health Department	Moultrie - Colquitt County Library
\$ (2,141,409)	\$ -	\$ (2,141,409)	\$ -	\$ -
(2,364,220)	-	(2,364,220)	-	-
(6,503,246)	-	(6,503,246)	-	-
(6,271,148)	-	(6,271,148)	-	-
(496,632)	-	(496,632)	-	-
(1,169,451)	-	(1,169,451)	-	-
(496,023)	-	(496,023)	-	-
(181,058)	-	(181,058)	-	-
<u>(19,623,187)</u>	<u>-</u>	<u>(19,623,187)</u>	<u>-</u>	<u>-</u>
	102,430	102,430	-	-
-	102,430	102,430	-	-
<u>\$ (19,623,187)</u>	<u>\$ 102,430</u>	<u>\$ (19,520,757)</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ (42,726)	\$ -
-	-	-	-	140,788
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (42,726)</u>	<u>\$ 140,788</u>
\$ 14,494,699	\$ -	\$ 14,494,699	\$ -	\$ -
5,548,004	-	5,548,004	-	-
1,171,324	-	1,171,324	-	-
83,116	-	83,116	-	-
268,531	-	268,531	-	-
44,317	1,317	45,634	-	3,967
72,848	-	72,848	-	-
<u>21,682,839</u>	<u>1,317</u>	<u>21,684,156</u>	<u>-</u>	<u>3,967</u>
2,059,652	103,747	2,163,399	(42,726)	144,755
74,616,216	384,232	75,000,448	1,059,906	848,292
<u>\$ 76,675,868</u>	<u>\$ 487,979</u>	<u>\$ 77,163,847</u>	<u>\$ 1,017,180</u>	<u>\$ 993,047</u>

# COLQUITT COUNTY, GEORGIA

## BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2011

ASSETS	General	E911 Fund	2002 SPLOST Fund	2007 SPLOST Fund	Other Governmental Funds	Total
Cash and cash equivalents	\$ 5,111,671	\$ 142,828	\$ 76,955	\$ 106,631	\$ 976,448	\$ 6,414,533
Investments	3,325,664	-	2,693,115	5,961,075	151,746	12,131,600
Taxes receivable, net of allowance	31,793	-	-	481,800	4,453	518,046
Accounts receivable, net of allowance	305,419	142,506	-	-	-	447,925
Due from other funds	266,690	-	-	-	400,963	667,653
Due from other governments	40,381	82,305	-	-	29,516	152,202
Prepaid expenses	411,124	-	-	-	-	411,124
Restricted cash	36,188	-	-	-	-	36,188
Advance to other funds	400,000	-	-	-	-	400,000
Total assets	<u>\$ 9,928,930</u>	<u>\$ 367,639</u>	<u>\$ 2,770,070</u>	<u>\$ 6,549,506</u>	<u>\$ 1,563,126</u>	<u>\$ 21,179,271</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 321,115	\$ 2,472	\$ 2,644	\$ 158,951	\$ 6,010	\$ 491,192
Accrued expenses	312,010	-	-	-	-	312,010
Due to other funds	296,659	158,170	-	30,366	3,291	488,486
Due to other governments	18,342	-	83,581	-	-	101,923
Due to component units	-	-	-	1,488	-	1,488
Deferred revenue	64,086	-	-	-	651	64,737
Total liabilities	<u>1,012,212</u>	<u>160,642</u>	<u>86,225</u>	<u>190,805</u>	<u>9,952</u>	<u>1,459,836</u>
<b>FUND BALANCES</b>						
Nonspendable:						
Prepaid expenditures	411,124	-	-	-	-	411,124
Advances to other funds	400,000	-	-	-	-	400,000
Restricted for:						
Judicial	-	-	-	-	47,577	47,577
Public safety	-	206,997	-	-	240,933	447,930
Economic development	-	-	-	-	407,495	407,495
Capital outlay	-	-	2,683,845	6,358,701	160,589	9,203,135
Committed to:						
Retirement benefits	200,000	-	-	-	-	200,000
Assigned for:						
Public safety - capital outlay	237,500	-	-	-	-	237,500
Budgetary stabilization	492,613	-	-	-	-	492,613
Capital outlay - other	-	-	-	-	696,580	696,580
Unassigned	<u>7,175,481</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,175,481</u>
Total fund balances	<u>8,916,718</u>	<u>206,997</u>	<u>2,683,845</u>	<u>6,358,701</u>	<u>1,553,174</u>	<u>19,719,435</u>
Total liabilities and fund balances	<u>\$ 9,928,930</u>	<u>\$ 367,639</u>	<u>\$ 2,770,070</u>	<u>\$ 6,549,506</u>	<u>\$ 1,563,126</u>	
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.						60,792,060
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.						27,898
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.						(3,545,563)
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities.						(300,859)
The net pension obligation is not due and payable in the current period and therefore is not reported in governmental funds.						(17,103)
Net assets of governmental activities						<u>\$ 76,675,868</u>

The accompanying notes are an integral part of these financial statements.

# COLQUITT COUNTY, GEORGIA

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	General	E911 Fund	2002 SPLOST Fund	2007 SPLOST Fund	Other Governmental Funds	Total
<b>Revenues:</b>						
Property taxes	\$ 12,710,856	\$ -	\$ -	\$ -	\$ 1,768,573	\$ 14,479,429
Sales taxes	-	-	-	5,548,004	-	5,548,004
Insurance premium tax	1,171,324	-	-	-	-	1,171,324
Business taxes	83,116	-	-	-	-	83,116
Other taxes	268,531	-	-	-	-	268,531
Licenses and permits	159,927	-	-	-	-	159,927
Intergovernmental	141,677	121,869	-	-	148,079	411,625
Charges for services	2,538,023	807,954	-	-	-	3,345,977
Fines and forfeitures	900,165	-	-	-	186,325	1,086,490
Interest	36,951	479	4,739	10,488	7,274	59,931
Other revenues	1,084,329	-	-	-	2,113	1,086,442
Total revenues	19,094,899	930,302	4,739	5,558,492	2,112,364	27,700,796
<b>Expenditures:</b>						
Current:						
General government	3,295,204	-	-	-	-	3,295,204
Judicial	2,249,521	-	-	-	17,861	2,267,382
Public safety	8,405,263	1,113,105	-	-	549,864	10,068,232
Public works	3,687,711	-	-	-	-	3,687,711
Health and welfare	336,316	-	-	-	8,618	344,934
Culture and recreation	417,911	-	-	-	685,219	1,103,130
Housing and development	198,858	-	-	-	258,934	457,792
Intergovernmental payments	-	-	427,754	2,722,147	254,075	3,403,976
Capital outlay	-	-	159,383	1,857,134	-	2,016,517
Debt service:						
Principal	343,235	-	-	-	-	343,235
Interest	182,326	-	-	-	-	182,326
Total expenditures	19,116,345	1,113,105	587,137	4,579,281	1,774,571	27,170,439
Excess (deficiency) of revenues over (under) expenditures	(21,446)	(182,803)	(582,398)	979,211	337,793	530,357
<b>Other financing sources (uses):</b>						
Proceeds from sale of capital assets	128,465	-	-	-	-	128,465
Transfers in	213,724	182,803	-	-	608,085	1,004,612
Transfers out	(18,042)	-	-	-	(986,570)	(1,004,612)
Total other financing sources (uses)	324,147	182,803	-	-	(378,485)	128,465
Net change in fund balances	302,701	-	(582,398)	979,211	(40,692)	658,822
<b>Fund balances, beginning of year</b>	8,614,017	206,997	3,266,243	5,379,490	1,593,866	19,060,613
<b>Fund balances, end of year</b>	\$ 8,916,718	\$ 206,997	\$ 2,683,845	\$ 6,358,701	\$ 1,553,174	\$ 19,719,435

The accompanying notes are an integral part of these financial statements.

# COLQUITT COUNTY, GEORGIA

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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

Net change in fund balances - total governmental funds	\$ 658,822
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. This is the difference between depreciation expense and capital outlay in the current period.	(591,188)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets.	1,732,190
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. Deferred revenues decreased during the year by this amount.	15,270
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the principle payments made on notes payable.	343,235
The internal service fund is used by management to charge the cost of employee health insurance to individual funds. The net revenue of the internal service fund is reported with governmental activities.	(245,808)
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.	147,131
	<u>\$ 2,059,652</u>

**The accompanying notes are an integral part of these financial statements.**



# COLQUITT COUNTY, GEORGIA

## GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues:</b>				
Property taxes	\$ 12,406,533	\$ 12,546,533	\$ 12,710,856	\$ 164,323
Insurance premium tax	1,204,356	1,204,356	1,171,324	(33,032)
Business taxes	75,000	75,000	83,116	8,116
Other taxes	145,000	235,000	268,531	33,531
Licenses and permits	148,200	152,200	159,927	7,727
Intergovernmental	48,924	64,242	141,677	77,435
Charges for services	2,217,200	2,344,460	2,538,023	193,563
Fines and forfeitures	855,000	914,000	900,165	(13,835)
Interest income	25,000	25,000	36,951	11,951
Miscellaneous	1,264,278	1,923,743	1,084,329	(839,414)
Total revenues	18,389,491	19,484,534	19,094,899	(389,635)
<b>Expenditures:</b>				
<b>Current:</b>				
General government:				
County commissioners	192,937	207,105	197,795	9,310
Administrator and county clerk	220,687	225,483	217,037	8,446
Registrar	19,776	19,686	17,164	2,522
Finance	306,564	315,778	248,015	67,763
Purchasing	102,639	108,331	106,496	1,835
Legal services	42,000	42,000	20,535	21,465
Information systems	165,277	173,721	169,828	3,893
Human resources	19,125	43,233	42,002	1,231
Tax commissioner	465,978	490,867	484,020	6,847
Tax assessor	586,257	627,585	597,447	30,138
Risk management	380,000	491,740	382,125	109,615
Buildings and grounds	358,283	386,950	380,903	6,047
Technical maintenance	425,669	459,721	396,591	63,130
General administration	226,451	35,436	35,246	190
Total general government	3,511,643	3,627,636	3,295,204	332,432
Judicial:				
Superior court	224,403	226,438	199,863	26,575
Clerk of courts	570,183	601,037	576,040	24,997
District attorney	241,657	241,657	241,848	(191)
State court	248,788	265,234	253,940	11,294
Magistrate court	278,586	287,318	277,139	10,179
Probate court	353,249	360,406	299,201	61,205
Juvenile court	121,034	147,234	136,063	11,171
Public defender	301,511	301,511	265,427	36,084
Total judicial	2,339,411	2,430,835	2,249,521	181,314

(Continued)

# COLQUITT COUNTY, GEORGIA

## GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Expenditures: (Continued)</b>				
<b>Current: (Continued)</b>				
Public safety:				
Law enforcement administration	\$ 734,681	\$ 713,208	\$ 680,956	\$ 32,252
Criminal investigation	416,056	447,931	452,646	(4,715)
Drug enforcement team	355,034	381,385	403,300	(21,915)
Uniform patrol	1,185,659	1,250,530	1,247,276	3,254
Records and identification	116,327	123,979	125,190	(1,211)
Youth investigations	309,633	325,468	299,583	25,885
Jail	2,750,996	3,061,776	3,111,832	(50,056)
Court services	333,630	350,378	333,773	16,605
Correctional institute	1,517,426	1,580,921	1,496,926	83,995
Ambulance services	222,773	250,273	128,995	121,278
Coroner	57,223	59,303	45,183	14,120
Animal control	65,014	65,014	63,827	1,187
Emergency management	19,192	19,137	15,776	3,361
Total public safety	8,083,644	8,629,303	8,405,263	224,040
Public works:				
Roads and bridges	3,029,431	3,308,769	3,302,351	6,418
Post-closure care	98,765	101,920	89,881	12,039
Shop	286,388	300,272	295,479	4,793
Total public works	3,414,584	3,710,961	3,687,711	23,250
Health and welfare:				
Public health administration	229,900	229,900	229,900	-
Welfare administration	23,987	23,987	66,247	(42,260)
Welfare general assistance	39,075	40,575	40,169	406
Total health and welfare	292,962	294,462	336,316	(41,854)
Culture and recreation:				
Museum	11,400	11,400	11,400	-
Library	406,511	406,511	406,511	-
Total culture and recreation	417,911	417,911	417,911	-
Housing and development:				
Agricultural resources - county agents	185,468	193,227	183,210	10,017
Forestry resources	15,648	16,178	15,648	530
Total housing and development	201,116	209,405	198,858	10,547

(Continued)

# COLQUITT COUNTY, GEORGIA

## GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Expenditures: (Continued)</b>				
<b>Current: (Continued)</b>				
Debt service:				
Principal	\$ 473,750	\$ 473,750	\$ 343,235	\$ 130,515
Interest	94,470	94,470	182,326	(87,856)
Total debt service	<u>568,220</u>	<u>568,220</u>	<u>525,561</u>	<u>42,659</u>
Total expenditures	<u>18,829,491</u>	<u>19,888,733</u>	<u>19,116,345</u>	<u>772,388</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(440,000)</u>	<u>(404,199)</u>	<u>(21,446)</u>	<u>382,753</u>
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets	15,000	15,000	128,465	113,465
Capital leases	250,000	250,000	-	(250,000)
Transfers in	175,000	175,000	213,724	38,724
Transfers out	-	(35,801)	(18,042)	17,759
Total other financing sources (uses)	<u>440,000</u>	<u>404,199</u>	<u>324,147</u>	<u>(80,052)</u>
Net change in fund balances	-	-	302,701	302,701
<b>Fund balance, beginning of year</b>	<u>8,614,017</u>	<u>8,614,017</u>	<u>8,614,017</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 8,614,017</u>	<u>\$ 8,614,017</u>	<u>\$ 8,916,718</u>	<u>\$ 302,701</u>

The accompanying notes are an integral part of these financial statements.

# COLQUITT COUNTY, GEORGIA

## E911 FUND STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
<b>Revenues:</b>				
Intergovernmental	\$ 224,217	\$ 224,217	\$ 121,869	\$ (102,348)
Charges for services	696,500	696,500	807,954	111,454
Interest income	-	-	479	479
Total revenues	<u>920,717</u>	<u>920,717</u>	<u>930,302</u>	<u>9,585</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Public safety	<u>1,287,043</u>	<u>1,287,043</u>	<u>1,113,105</u>	<u>173,938</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(366,326)</u>	<u>(366,326)</u>	<u>(182,803)</u>	<u>183,523</u>
<b>Other financing sources:</b>				
Transfers in	<u>336,326</u>	<u>336,326</u>	<u>182,803</u>	<u>(153,523)</u>
Total other financing sources	<u>336,326</u>	<u>336,326</u>	<u>182,803</u>	<u>(153,523)</u>
Net change in fund balances	(30,000)	(30,000)	-	30,000
<b>Fund balance, beginning of year</b>	<u>206,997</u>	<u>206,997</u>	<u>206,997</u>	<u>-</u>
<b>Fund balance, end of year</b>	<u>\$ 176,997</u>	<u>\$ 176,997</u>	<u>\$ 206,997</u>	<u>\$ 30,000</u>

The accompanying notes are an integral part of these financial statements.

# COLQUITT COUNTY, GEORGIA

## STATEMENT OF NET ASSETS PROPRIETARY FUNDS JUNE 30, 2011

	Major Enterprise Fund Solid Waste Fund	Governmental Activities- Internal Service Funds
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 11,643	\$ 27,494
Investments	-	105
Accounts receivable, net of allowances	166,123	264,709
Due from other funds	-	49,219
Prepaid expenses	18,722	-
Total current assets	196,488	341,527
<b>NONCURRENT ASSETS</b>		
Capital assets:		
Nondepreciable	573,485	-
Depreciable, net of accumulated depreciation	373,664	-
Total noncurrent assets	947,149	-
Total assets	1,143,637	341,527
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	13,776	-
Claims payable	-	642,386
Due to other funds	228,386	-
Current portion - compensated absences	10,797	-
Total current liabilities	252,959	642,386
<b>LONG-TERM LIABILITIES</b>		
Advance from other funds	400,000	-
Compensated absences, net of current portion	2,699	-
Total long-term liabilities	402,699	-
Total liabilities	655,658	642,386
<b>NET ASSETS (DEFICIT)</b>		
Invested in capital assets	947,149	-
Unrestricted (deficit)	(459,170)	(300,859)
Total net assets	\$ 487,979	\$ (300,859)

The accompanying notes are an integral part of these financial statements.

**COLQUITT COUNTY, GEORGIA**  
**STATEMENT OF REVENUES, EXPENSES AND**  
**CHANGES IN FUND NET ASSETS**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	Major Enterprise Fund <u>Solid Waste Fund</u>	Governmental Activities- Internal Service Funds
<b>OPERATING REVENUES</b>		
Charges for services	\$ 2,164,773	\$ 3,580,010
Miscellaneous	1,826	243
Total operating revenues	<u>2,166,599</u>	<u>3,580,253</u>
<b>OPERATING EXPENSES</b>		
Salaries and benefits	951,409	-
Cost of sales and services	642,015	-
Supplies	250,709	-
Claims	-	3,224,423
Insurance	-	23,105
Administration	59,811	578,533
Depreciation	143,351	-
Total operating expenses	<u>2,047,295</u>	<u>3,826,061</u>
Operating income (loss)	<u>119,304</u>	<u>(245,808)</u>
<b>NONOPERATING INCOME (EXPENSE)</b>		
Interest income	1,317	-
Interest expense	(16,874)	-
Total nonoperating income (expenses)	<u>(15,557)</u>	<u>-</u>
Change in net assets	103,747	(245,808)
<b>NET ASSETS (DEFICIT), beginning of year</b>	<u>384,232</u>	<u>(55,051)</u>
<b>NET ASSETS (DEFICIT), end of year</b>	<u><u>\$ 487,979</u></u>	<u><u>\$ (300,859)</u></u>

The accompanying notes are an integral part of these financial statements.

**COLQUITT COUNTY, GEORGIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

	<b>Major Enterprise Fund Solid Waste Fund</b>	<b>Governmental Activities- Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers and users	\$ 1,723,341	\$ 3,487,712
Payments to suppliers	(985,567)	(578,533)
Payments for insurance claims	-	(3,233,475)
Payments to employees	(956,284)	-
Net cash used in operating activities	(218,510)	(324,296)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition and construction of capital assets	(29,024)	-
Interest paid	(16,874)	-
Net cash used in capital and related financing activities	(45,898)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on investments	1,317	-
Net cash provided by investing activities	1,317	-
Net decrease in cash and cash equivalents	(263,091)	(324,296)
<b>Cash and cash equivalents:</b>		
Beginning of year	274,734	351,790
End of year	<u>\$ 11,643</u>	<u>\$ 27,494</u>
<b>Reconciliation of operating income (loss) to net cash used in operating activities:</b>		
Operating income (loss)	\$ 119,304	\$ (245,808)
Adjustments to reconcile operating income (loss) to net cash used in operating activities:		
Depreciation expense	143,351	-
Increase in accounts receivable	(10,463)	(100,550)
Decrease in due from other funds	-	8,251
Increase in prepaid expenses	(4,076)	-
Decrease in accounts payable	(28,956)	-
Increase in claims payable	-	14,053
Decrease in due to other funds	(432,795)	(242)
Decrease in compensated absences	(4,875)	-
Net cash used in operating activities	<u>\$ (218,510)</u>	<u>\$ (324,296)</u>

The accompanying notes are an integral part of these financial statements.

# COLQUITT COUNTY, GEORGIA

## STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES AGENCY FUNDS JUNE 30, 2011

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<b>ASSETS</b>	<b>Agency Funds</b>
Cash	\$ 304,938
Investments	7,781
Taxes receivable	<u>32,050</u>
Total assets	<u>\$ 344,769</u>
 <b>LIABILITIES</b>	
Due to others	\$ 312,719
Uncollected taxes	<u>32,050</u>
Total liabilities	<u>\$ 344,769</u>

The accompanying notes are an integral part of these financial statements.



# COLQUITT COUNTY, GEORGIA

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Colquitt County, Georgia (the "County") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

#### A. Reporting Entity

Colquitt County was created on February 25, 1856 under the laws of the State of Georgia. The County operates under a commission-administrator form of government, and provides the following services: public safety (police and fire), courts, public works, culture and recreation, public health and welfare, and general administrative services.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of Colquitt County, Georgia (the "primary government") and its component unit. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationships with the County. In conformity with accounting principles generally accepted in the United States of America, as set forth in Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity", as amended by GASB 39 "Determining Whether Certain Organizations are Component Units", the financial statements of the component units are discretely presented in the government-wide financial statements.

#### Discretely Presented Component Units

The Colquitt County Board of Health (the "Board of Health") is governed by a seven-member board consisting of four members appointed by the County Commissioners. The County appoints members of the Board of Health and provides funding annually in an amount sufficient to satisfy the local matching funds as required by the Georgia Department of Human Resources. The County has the authority to modify and approve the Board of Health's budget and the ability to approve health service fees. The Board of Health has a June 30<sup>th</sup> year-end.

The Board of Health's financial statements can be obtained by writing to the Colquitt County Board of Health, P.O. Box 639, Moultrie, Georgia 31776.

The Moultrie-Colquitt County Library provides public library services with funding primarily by participating local governmental agencies and grants from the State of Georgia. The County appoints a majority of the Library's Board members and provides a majority of funding for its operations. Separate financial statements are not issued.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 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 non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

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

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

#### 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, although the agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

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

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

The County reports the following major governmental funds:

The **General Fund** is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **E-911 System Fund** is used to account for the County's emergency communications operations by providing an open channel between citizens and public safety providers.

The **2002 SPLOST Fund** is a capital projects fund used to account for the County's receipt and expenditure of special purpose sales tax from the 2002 sales tax referendum.

The **2007 SPLOST Fund** is a capital projects fund used to account for the County's receipt and expenditure of special purpose sales tax from the 2007 sales tax referendum.

The County reports the following major proprietary fund:

The **Solid Waste Fund** is used to account for the operations related to the County's solid waste collections.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Additionally, the County reports the following fund types:

The ***special revenue funds*** account for specific revenues that are legally restricted to expenditure for particular purposes.

The ***capital project funds*** account for the acquisition or construction of capital facilities.

The ***debt service fund*** accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The ***internal service fund*** accounts for a self-insured program for health insurance. This Fund was created to accommodate the payment of claims and administrative expenses for the self-insured program.

The ***agency funds*** are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals, such as cash bonds, traffic fines, support payments and ad valorem and property taxes.

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.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the County's solid waste function and various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

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 sales and services provided. Operating expenses for the enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

#### D. Deposits and Investments

The County considers highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

State statutes authorize the County to invest in obligations of the State of Georgia or other states, obligations issued by the U.S. Government, obligations fully insured or guaranteed by the U.S. Government or by a government agency of the United States, prime bankers' acceptances, the local government investment pool established by state law, repurchase agreements and obligations of other political subdivisions of the State of Georgia.

Cash in excess of current requirements is invested in the State of Georgia's Local Government Investment Pool (Georgia Fund 1). Georgia Fund 1, created by OCGA 36-83-8, is a stable net asset value investment pool which follows Standard & Poor's criteria for AAAM rated money market funds and is regulated by the Georgia Office of Treasury and Fiscal Services. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings net of management fees on a monthly basis and determines participants' shares sold and redeemed based on \$1.00 per share.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### E. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. For the most part, the effect of interfund activity has been removed from the government-wide statement of net assets. Any residual balances outstanding between the governmental and business-type activities are reported in the government-wide statement of net assets as "internal balances." In the major fund balance sheets, these receivables and payables are classified as "due from other funds" and "due to other funds."

#### F. Prepaid Items

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

#### G. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. In accordance with GASB 34, infrastructure assets acquired after June 30, 1980 have been capitalized. Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred.

Capital assets are depreciated using the straight line method over the following useful lives:

<u>Asset Category</u>	<u>Years</u>
Primary Government	
Buildings	25 - 40
Infrastructure	40
Machinery and equipment	5 - 10
Colquitt County Board of Health	
Machinery and equipment	5 - 10
Moultrie-Colquitt County Library	
Machinery and equipment	5 - 10

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### H. Compensated Absences

It is the County'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 County does not have a policy to pay any amounts when the employees separate from service with the County. Therefore, all sick pay is expensed when incurred. The County does allow for employees to accumulate earned but unused vacation time with such time being fully vested when earned. For the County's government-wide funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

#### I. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight line method, which is not materially different from 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 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.

#### J. Fund Equity

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

**Fund Balance** - Generally, fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### J. Fund Equity (Continued)

- ***Nonspendable*** - Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- ***Restricted*** - Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- ***Committed*** - Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the County Commission through the adoption of a resolution. Only the County Commission may modify or rescind the commitment.
- ***Assigned*** - Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the County Commission has authorized the County Administrator to assign fund balances.
- ***Unassigned*** - Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

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

- Committed
- Assigned
- Unassigned



## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### J. Fund Equity (Continued)

**Net Assets** - Net assets represent the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the County has spent) for the acquisition, construction or improvement of those assets. Net assets are reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net assets are reported as unrestricted.

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

#### K. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from these estimates.

### NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

#### A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$3,545,563 difference are as follows:

Notes payable	\$ (3,240,228)
Accrued interest	(14,323)
Environmental remediation liability	(105,000)
Compensated absences	(186,012)
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	<u>\$ (3,545,563)</u>

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

#### B. Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense.” The details of this \$591,188 difference are as follows:

Capital outlay	\$ 2,391,982
Depreciation expense	<u>(2,983,170)</u>
Net adjustment to decrease <i>net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities</i>	<u>\$ (591,188)</u>

Another element of that reconciliation states that “the net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) has on net assets.” The details of this \$1,732,190 difference are as follows:

Donated capital assets	\$ 1,787,807
Disposal of capital assets	<u>(55,617)</u>
Net adjustment to increase <i>net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities</i>	<u>\$ 1,732,190</u>

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

#### B. Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities

Another element of that reconciliation explains that "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." The details of this \$147,131 difference are as follows:

Compensated absences	\$ 1,268
Net pension obligation	54,146
Accrued interest	91,717
Net adjustment to increase <i>net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities</i>	<u>\$ 147,131</u>

### NOTE 3. BUDGETS AND BUDGETARY ACCOUNTING

#### Budget Policies

Formal budgetary accounting is employed as a management control device for the General Fund, E911 Fund, Jail Fund, Drug Fund, Juvenile Services Fund and Special Service District Fund. Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance and amended as required for all governmental funds. The GAAP basis of accounting is used in preparing the budgets of all budgeted funds. The GAAP basis of accounting is used to reflect actual revenues and expenditures/expenses recognized which is not consistent with accounting principles generally accepted in the United States of America. Budgets for Capital Project Funds are adopted on a project basis, spanning more than one fiscal year. Budgetary control is exercised at the departmental level or by projects.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 3. BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

#### Budget Process

The County distributes budget forms to all department managers for their preparation and the requests are submitted to the Finance Director. The department budgets are formed during the various work sessions that include the department managers, elected officials, the Finance Director and the County Administrator. Prior to June 1, the County Administrator submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. Public notice of budget and tax proposals is provided in compliance with State of Georgia law. Public hearings are conducted to obtain taxpayer comments. Prior to July 1, the final budget is adopted by the County Commission.

#### Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by Colquitt County.

#### Excess of Expenditures over Appropriations

For the fiscal year ended June 30, 2011, expenditures exceeded budget, as follows:

<u>Department</u>	<u>Excess</u>
General Fund:	
District attorney	\$ 191
Criminal investigation	4,715
Drug enforcement team	21,915
Records and identification	1,211
Jail	50,056
Welfare administration	42,260
Debt service - interest	87,856

These overexpenditures were funded by greater than anticipated revenues and underexpenditures in other departments of the General Fund.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 4. DEPOSITS AND INVESTMENTS

At June 30, 2011, the County had the following investments:

<u>Investments</u>	<u>Maturities</u>	<u>Rating</u>	<u>Fair Value</u>
<b>Primary government:</b>			
Amounts as presented in the entity-wide statement of net assets:			
Georgia Fund 1	59 days weighted average	AAAm	\$ 12,131,705
Amounts as presented in the statement of fiduciary assets and liabilities:			
Certificates of deposit	8 months	N/A	7,781
<b>Component unit: Moultrie - Colquitt County Library</b>			
Certificates of deposit	1 month weighted average	N/A	174,283
Total			<u>\$ 12,313,769</u>

**Interest Rate Risk.** The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk.** State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

**Custodial Credit Risk – Deposits.** The County does not have a formal custodial credit risk policy. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2011, the County had no uncollateralized deposits.

**Custodial Credit Risk – Investments.** Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

**Interest Rate Risk – Colquitt County Board of Health.** The Board of Health does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Custodial Credit Risk – Deposits – Colquitt County Board of Health.** Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Board of Health will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2011, the Health Department did not have any balances exposed to custodial credit risk as uninsured and uncollateralized as defined by GASB pronouncements.

### NOTE 5. RECEIVABLES

Receivables at June 30, 2011, for the County's individual major and nonmajor funds in the aggregate are as follows:

	General	E911 Fund	2007 SPLOST Fund	Other Governmental Funds	Solid Waste Fund	Total
Receivables:						
Taxes	\$ 35,441	\$ -	\$ 481,800	\$ 4,453	\$ -	\$ 521,694
Accounts	305,419	142,506	-	-	977,562	1,425,487
Gross receivables	340,860	142,506	481,800	4,453	977,562	1,529,991
Less allowance						
for uncollectibles	(3,648)	-	-	-	(811,439)	(815,087)
Net receivables	<u>\$ 337,212</u>	<u>\$ 142,506</u>	<u>\$ 481,800</u>	<u>\$ 4,453</u>	<u>\$ 166,123</u>	<u>\$ 714,904</u>

Property taxes were levied on March 10, 2010. Bills are payable on or before December 10, 2010, after which the applicable property is subject to lien and penalties and interest as assessed. The County bills and collects its own property taxes. Property taxes levied for 2010 are recorded as receivables, net of estimated uncollectibles. The net receivables collected during the fiscal year ended June 30, 2011, and collected by August 31, 2011, are recognized as revenues in the fiscal year ended June 30, 2011. Net receivables estimated to be collected subsequent to August 31, 2011 are recorded as revenue when received. Prior year levies were recorded using substantially the same principles, and remaining receivables are reevaluated annually. Property taxes attached as an enforceable lien on property as of January 1, 2011.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. CAPITAL ASSETS

#### A. Primary Government

Capital asset activity for the fiscal year ended June 30, 2011, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Governmental Activities:</b>					
Capital assets, not being depreciated:					
Land and improvements	\$ 2,904,577	\$ -	\$ -	\$ -	\$ 2,904,577
Construction in progress	761,596	1,382,020	-	(1,474,778)	668,838
Total capital assets, not being depreciated	3,666,173	1,382,020	-	(1,474,778)	3,573,415
Capital assets, being depreciated:					
Buildings	35,600,530	-	-	-	35,600,530
Infrastructure	49,128,754	2,297,936	-	1,285,091	52,711,781
Machinery and equipment	11,969,154	499,833	(1,759,330)	189,687	10,899,344
Total capital assets, being depreciated	96,698,438	2,797,769	(1,759,330)	1,474,778	99,211,655
Less accumulated depreciation for:					
Buildings	(15,183,379)	(914,187)	-	-	(16,097,566)
Infrastructure	(16,699,481)	(1,276,029)	-	-	(17,975,510)
Machinery and equipment	(8,830,693)	(792,954)	1,703,713	-	(7,919,934)
Total accumulated depreciation	(40,713,553)	(2,983,170)	1,703,713	-	(41,993,010)
Total capital assets, being depreciated, net	55,984,885	(185,401)	(55,617)	1,474,778	57,218,645
Governmental activities capital assets, net	<u>\$ 59,651,058</u>	<u>\$ 1,196,619</u>	<u>\$ (55,617)</u>	<u>\$ -</u>	<u>\$ 60,792,060</u>
<b>Business-type Activities:</b>					
Capital assets, not being depreciated:					
Land	\$ 573,485	\$ -	\$ -	\$ -	\$ 573,485
Total capital assets, not being depreciated	573,485	-	-	-	573,485
Capital assets, being depreciated:					
Equipment and vehicles	1,000,529	29,024	-	-	1,029,553
Total	1,000,529	29,024	-	-	1,029,553
Less accumulated depreciation for:					
Equipment and vehicles	(512,538)	(143,351)	-	-	(655,889)
Total	(512,538)	(143,351)	-	-	(655,889)
Total capital assets, being depreciated, net	487,991	(114,327)	-	-	373,664
Business-type activities capital assets, net	<u>\$ 1,061,476</u>	<u>\$ (114,327)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 947,149</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 6. CAPITAL ASSETS (CONTINUED)

#### A. Primary Government (Continued)

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

Governmental activities:	
General government	\$ 247,999
Judicial	210,321
Public safety	592,164
Public works	1,681,849
Health and welfare	151,698
Culture and recreation	59,251
Housing and development	39,888
Total depreciation expense - governmental activities	<u>\$ 2,983,170</u>

#### B. Discretely Presented Component Unit – Colquitt County Health Department

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, being depreciated:				
Machinery and equipment	\$ 88,673	\$ -	\$ -	\$ 88,673
Total capital assets, being depreciated	<u>88,673</u>	<u>-</u>	<u>-</u>	<u>88,673</u>
Less accumulated depreciation for:				
Machinery and equipment	(56,033)	(3,411)	-	(59,444)
Total accumulated depreciation	<u>(56,033)</u>	<u>(3,411)</u>	<u>-</u>	<u>(59,444)</u>
Total capital assets, net	<u>\$ 32,640</u>	<u>\$ (3,411)</u>	<u>\$ -</u>	<u>\$ 29,229</u>

#### C. Discretely Presented Component Unit – Moultrie – Colquitt County Library

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, being depreciated:				
Machinery and equipment	\$ 24,271	\$ 7,150	\$ -	\$ 31,421
Total capital assets, being depreciated	<u>24,271</u>	<u>7,150</u>	<u>-</u>	<u>31,421</u>
Less accumulated depreciation for:				
Machinery and equipment	(16,828)	(5,569)	-	(22,397)
Total accumulated depreciation	<u>(16,828)</u>	<u>(5,569)</u>	<u>-</u>	<u>(22,397)</u>
Total capital assets, net	<u>\$ 7,443</u>	<u>\$ 1,581</u>	<u>\$ -</u>	<u>\$ 9,024</u>



## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT

The following is a summary of long-term debt activity for the year ended June 30, 2011:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities:</b>					
Notes payable	\$ 3,583,463	\$ -	\$ (343,235)	\$ 3,240,228	\$ 358,814
Compensated absences	277,729	351,388	(443,105)	186,012	148,810
Net pension obligation	71,249	921,395	(975,541)	17,103	-
Environmental remediation liability	105,000	-	-	105,000	100,000
Governmental activities long-term liabilities	<u>\$ 4,037,441</u>	<u>\$ 1,272,783</u>	<u>\$ (1,761,881)</u>	<u>\$ 3,548,343</u>	<u>\$ 607,624</u>
<b>Business-type activities:</b>					
Compensated absences	\$ 18,371	\$ 24,767	\$ (29,642)	\$ 13,496	\$ 10,797
Business-type activities long-term liabilities	<u>\$ 18,371</u>	<u>\$ 24,767</u>	<u>\$ (29,642)</u>	<u>\$ 13,496</u>	<u>\$ 10,797</u>

**Compensated absences.** For governmental funds, compensated absences are liquidated by the General Fund. For business-type activities, compensated absences are liquidated by the Solid Waste Fund.

**Notes payable.** The County has incurred debt to a local financial institution for a building and equipment purchases. These notes are as follows at June 30, 2011:

<u>Purpose</u>	<u>Original Amount</u>	<u>Interest Rate</u>	<u>Due Date</u>	<u>Balance at June 30, 2011</u>
Building purchase	\$ 5,052,000	5.19%	2020	\$ 3,175,009
Equipment purchase	140,000	4.07%	2013	65,219
				<u>3,240,228</u>
			Less current maturities	<u>(358,814)</u>
				<u>\$ 2,881,414</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LONG-TERM DEBT (CONTINUED)

#### Notes payable (Continued)

Annual debt service requirements are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Fiscal Year Ending June 30,			
2012	\$ 358,814	\$ 159,245	\$ 518,059
2013	340,731	141,131	481,862
2014	342,643	123,668	466,311
2015	360,837	105,474	466,311
2016	379,998	86,313	466,311
2017-2020	1,457,205	136,023	1,593,228
	<u>\$ 3,240,228</u>	<u>\$ 751,854</u>	<u>\$ 3,992,082</u>

**Environmental remediation liability.** The County is involved in an environmental remediation action to clean up hazardous waste at a former manufacturing facility located in Moultrie, Georgia. The liability for remediation costs is based on a corrective action plan to comply with the Resource Conservation and Recovery Act and the Georgia Hazardous Site Response Act. At June 30, 2011 the amount of the environmental remediation liability included in long term liabilities was \$105,000.

### NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2011, is as follows:

#### Due to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	2007 SPLOST Fund	\$ 30,366
General Fund	E911 Fund	4,647
General Fund	Nonmajor Governmental Funds	3,291
General Fund	Solid Waste Fund	228,386
Nonmajor Governmental Funds	E911 Fund	153,523
Internal Service Fund	General Fund	49,219
Nonmajor Governmental Funds	General Fund	247,440
		<u>\$ 716,872</u>

#### Advances to/from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Solid Waste Fund	<u>\$ 400,000</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made. Advances to/from other funds represent amounts not expected to be repaid within one year from the date of the financial statements.

Interfund transfers:

		Transfers Out	
		General Fund	Nonmajor Governmental Funds
Transfers In			Total
General Fund	\$ -	\$ 213,724	\$ 213,724
E911 Fund	-	182,803	182,803
Nonmajor Governmental Funds	18,042	590,043	608,085
Total	\$ 18,042	\$ 986,570	\$ 1,004,612

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

### NOTE 9. RETIREMENT PLANS

#### A. Defined Contribution Plan

The County maintains a defined contribution plan, the ACCG 457 Deferred Compensation Plan for Colquitt County (the "Plan"). The Plan is administered by GebCorp. At June 30, 2011, there were 51 active participants. The County does not make any contributions to the Plan. Plan participants can contribute up to the annual ceiling established by the Internal Revenue Service. All contributions vest at the time they are made. All employees are eligible to participate in the Plan. Plan provisions and contribution requirements are established by and may be amended by the Colquitt County Board of Commissioners. For the fiscal year ended June 30, 2011, the County employees contributed \$76,007.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 9. RETIREMENT PLANS (CONTINUED)

#### B. Defined Benefit Plan

##### Plan Description

The County sponsors the Association County Commissioners of Georgia Restated Pension Plan for Colquitt County Employees (the "Benefit Plan"), which is a defined benefit pension plan. All full-time employees are eligible to participate in the County's noncontributory defined benefit pension plan after completion of three years of service.

The Benefit Plan provides retirement, disability and death benefits to plan participants and beneficiaries. The Benefit Plan, through execution of the 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. Complete financial statements for the Association County Commissioners of Georgia (ACCG) Defined Benefit Pension Plan can be obtained from GEBCorp, 1100 Circle 75 Parkway, Suite 300, Atlanta, Georgia 30339.

##### Funding Policy

The County is required to contribute an actuarially determined amount annually to the Benefit Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and intended to satisfy the minimum contribution requirements as set forth in the State of Georgia statutes. Benefit Plan participants do not contribute to the Benefit Plan.

##### Annual Pension Cost

The County's annual pension cost and net pension asset for the Benefit Plan for the current and prior years are as follows:

	2011	2010
<b><u>Derivation of Annual Pension Cost</u></b>		
Annual Required Contribution	\$ 974,558	\$ 921,781
Interest on Net Pension Obligation	1,325	5,522
Amortization of Net Pension Obligation	(1,418)	(5,908)
Annual Pension Cost	<u>\$ 974,465</u>	<u>\$ 921,395</u>

## NOTES TO FINANCIAL STATEMENTS

### NOTE 9. RETIREMENT PLANS (CONTINUED)

#### B. Defined Benefit Plan (Continued)

##### Annual Pension Cost (Continued)

###### Derivation of Net Pension Obligation

Annual Pension Cost for Fiscal Year 2010	\$ 921,395
Actual Contributions to Plan for Fiscal Year 2010	975,541
Increase (Decrease) in Net Pension Obligation	(54,146)
Net Pension Obligation as of June 30, 2010	71,249
Net Pension Obligation as of June 30, 2011	<u>\$ 17,103</u>

###### Basis of Valuation

Current Valuation Date	January 1, 2011
Annual Return on Invested Plan Assets	7.75%
Projected Annual Salary Increases	4.0% -6.5% based on age
Expected Annual Inflation	3.0%
Actuarial Value of Assets	Market Value
Actuarial Funding Method	Projected Unit Credit
Amortization Method	Level Percent of Pay (Closed)

The period for amortizing the initial unfunded actuarial accrued liability is 15 years from 1983 and current changes in the unfunded actuarial accrued liability over 15 years for actuarial gains and losses, and over 30 years for changes in actuarial assumptions and cost methods.

##### Trend Information for The Plan

Fiscal Year Beginning	Annual Pension Cost (APC)	Actual County Contribution	Percentage of APC Contributed	Net Pension Obligation (Asset)
1/1/2011	\$ 974,465	N/A	N/A	\$ 17,103
1/1/2010	921,395	\$ 975,541	106 %	71,249
1/1/2009	862,509	497,888	58	(293,372)

##### Required Supplementary Information Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Annual Covered Payroll	Accrued Liability as a Percentage of Covered Payroll
12/31/2010	\$ 7,928,143	\$ 11,902,928	\$ 3,974,785	66.6 %	\$ 6,140,886	64.7 %

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

## NOTES TO FINANCIAL STATEMENTS

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### **NOTE 9. RETIREMENT PLANS (CONTINUED)**

#### **B. Defined Benefit Plan (Continued)**

##### **Annual Pension Cost (Continued)**

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect long-term perspective. Calculations are based on the substantive plan in effect as of January 1, 2011.

### **NOTE 10. RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in the Association of County Commissioners of Georgia (ACCG) Group Self-Insurance Workers' Compensation Fund and the Interlocal Risk Management Agency Property and Liability Insurance Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments.

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.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the Workers' Compensation Law of Georgia. The funds are 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.

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

The County maintains a self-insured medical benefit plan for their employees. The plan is accounted for as an internal service fund of the County, is funded according to plan experience, and serves to reduce overall healthcare costs of the County and their employees. The County purchases specific and aggregate stop loss insurance coverage to protect itself in unusual circumstances. Claims payable at June 30, 2011 were estimated based on the loss analysis report provided by a third-party administrator and pending specific stop loss reimbursements.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 10. RISK MANAGEMENT (CONTINUED)

Changes in medical claims payable for the fiscal years ended June 30 are as follows:

	<u>June 30, 2011</u>	<u>June 30, 2010</u>
Unpaid claims, beginning of fiscal year	\$ 628,333	\$ 709,889
Incurred claims and changes in estimates	3,238,476	2,364,779
Claim payments	(3,224,423)	(2,446,335)
Unpaid claims, end of fiscal year	<u>\$ 642,386</u>	<u>\$ 628,333</u>

### NOTE 11. COMMITMENTS AND CONTINGENCIES

#### Litigation:

The County is involved in several pending lawsuits. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the County.

#### Grant Contingencies:

The County has received Federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, County management believes such disallowances, if any, will not be significant.

### NOTE 12. JOINT VENTURES

Under Georgia law, the County, in conjunction with other cities and counties in the Southwest Georgia area, is a member of the Southwest Georgia Regional Commission (RC) and is required to pay annual dues thereto. During the fiscal year ended June 30, 2011, the County paid \$26,451 in such dues. Membership in the RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of regional commissions in Georgia.

The RC 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 regional commission. Separate financial statements may be obtained from Southwest Georgia Regional Commission, 30 West Broad Street, Camilla, Georgia 31730.

### NOTE 14. DEFICIT NET ASSETS

The Self Insurance Fund reported a deficit net asset balance of \$300,859 for June 30, 2011. The Self Insurance Fund deficit is intended to be eliminated through increased charges to other funds.

## REQUIRED SUPPLEMENTARY INFORMATION

### SCHEDULE OF FUNDING PROGRESS DEFINED BENEFIT RETIREMENT PLAN

<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets</b>	<b>Actuarial Accrued Liability</b>	<b>Unfunded Actuarial Accrued Liability</b>	<b>Funded Ratio</b>	<b>Annual Covered Payroll</b>	<b>Accrued Liability as a Percentage of Covered Payroll</b>
12/31/2010	\$ 8,700,464	\$ 12,819,814	\$ 4,119,350	67.9 %	\$ 6,338,110	65.0 %
12/31/2009	7,928,143	11,902,928	3,974,785	66.6	6,140,886	64.7
12/31/2008	7,540,877	10,829,159	3,288,282	69.6	5,785,824	56.8
12/31/2007	7,417,908	9,837,777	2,419,869	75.4	5,333,676	45.4
12/31/2006	6,702,358	8,903,812	2,201,454	75.3	5,262,128	41.8
12/31/2005	5,970,310	8,352,061	2,381,751	71.5	5,136,652	46.4

The assumptions used in the preparation of the above schedule are disclosed in Note 9 to the financial statements.



## NONMAJOR GOVERNMENTAL FUNDS

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### Special Revenue Funds

**Special Service District Fund** is used to account for the receipts and expenditures of additional taxes from unincorporated areas restricted to pay for police and fire protection, economic development and recreation.

**Confiscated Assets Fund** is used to account for confiscated assets awarded to the County that are restricted on law enforcement expenditures at the discretion of the Sheriff.

**Jail Fund** is used to account for revenues collected by the imposition of a 10% add-on fine as provided for and restricted by the Georgia Jail Construction and Staffing Act.

**Drug Fund** is used to account for the collection of additional penalties for certain drug related crimes, donations related to drug education, and for expenditure of those funds solely and exclusively for drug abuse treatment and education programs relating to controlled substances and marijuana. (OCGA 15-21-100).

**Law Library Fund** is used to account for the resources received from the various courts of Colquitt County and disbursements for the support of a centralized law library.

**Juvenile Service Fund** is used to account for the County's funds collected for the support of juvenile services in the County.

### Debt Service Fund

**Debt Service Fund** is used to account for the repayment of debt payments.

### Capital Projects Funds

**Capital Projects Fund** is used to account for the County's construction projects.

**1999 SPLOST Fund** is used to account for courthouse renovations and annex construction financed by a special purpose sales and use tax.

**COLQUITT COUNTY, GEORGIA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2011**

ASSETS	Special Revenue				
	Special Service District Fund	Confiscated Assets Fund	Jail Fund	Drug Fund	Law Library
Cash and cash equivalents	\$ 2,631	\$ 27,790	\$ 179,195	\$ 15,687	\$ 47,577
Investments	-	-	-	-	-
Taxes receivable	4,453	-	-	-	-
Due from other funds	400,963	-	-	-	-
Due from other governments	-	-	1,456	-	-
Total assets	<u>\$ 408,047</u>	<u>\$ 27,790</u>	<u>\$ 180,651</u>	<u>\$ 15,687</u>	<u>\$ 47,577</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts payable	\$ 552	\$ -		\$ -	\$ -
Due to other funds	-	-	-	2,855	-
Deferred revenue	-	-	-	-	-
Total liabilities	<u>552</u>	<u>-</u>	<u>-</u>	<u>2,855</u>	<u>-</u>
<b>FUND BALANCES</b>					
Restricted for:					
Judicial	-	-	-	-	47,577
Public safety	-	27,790	180,651	12,832	-
Economic development	407,495	-	-	-	-
Capital outlay	-	-	-	-	-
Assigned for:					
Capital outlay	-	-	-	-	-
Total fund balances	<u>407,495</u>	<u>27,790</u>	<u>180,651</u>	<u>12,832</u>	<u>47,577</u>
Total liabilities and fund balances	<u>\$ 408,047</u>	<u>\$ 27,790</u>	<u>\$ 180,651</u>	<u>\$ 15,687</u>	<u>\$ 47,577</u>

	Debt Service		Capital Projects		
Juvenile Services Fund	Debt Service Fund	Capital Projects Fund	1999 SPLOST Fund	Total	
\$ 20,740	\$ -	\$ 673,327	\$ 9,501	\$ 976,448	
-	-	-	151,746	151,746	
-	-	-	-	4,453	
-	-	-	-	400,963	
-	-	28,060	-	29,516	
<u>\$ 20,740</u>	<u>\$ -</u>	<u>\$ 701,387</u>	<u>\$ 161,247</u>	<u>\$ 1,563,126</u>	

\$ 1,080	\$ -	\$ 3,720	\$ 658	\$ 6,010	
-	-	436	-	3,291	
-	-	651	-	651	
<u>1,080</u>	<u>-</u>	<u>4,807</u>	<u>658</u>	<u>9,952</u>	

-	-	-	-	47,577	
19,660	-	-	-	240,933	
-	-	-	-	407,495	
-	-	-	160,589	160,589	
-	-	696,580	-	696,580	
<u>19,660</u>	<u>-</u>	<u>696,580</u>	<u>160,589</u>	<u>1,553,174</u>	
<u>\$ 20,740</u>	<u>\$ -</u>	<u>\$ 701,387</u>	<u>\$ 161,247</u>	<u>\$ 1,563,126</u>	

# COLQUITT COUNTY, GEORGIA

## COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Special Revenue				
	Special Service District Fund	Confiscated Assets Fund	Jail Fund	Drug Fund	Law Library
<b>Revenues:</b>					
Property taxes	\$ 1,768,573	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-
Fines and forfeitures	-	5,958	128,709	28,961	17,492
Interest income	-	-	337	45	74
Other revenues	-	-	-	-	1,401
Total revenues	<u>1,768,573</u>	<u>5,958</u>	<u>129,046</u>	<u>29,006</u>	<u>18,967</u>
<b>Expenditures:</b>					
Current:					
Judicial	-	-	-	-	17,861
Public safety	479,450	70,414	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	685,219	-	-	-	-
Housing and development	258,934	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>1,423,603</u>	<u>70,414</u>	<u>-</u>	<u>-</u>	<u>17,861</u>
Excess (deficiency) of revenues over (under) expenditures	<u>344,970</u>	<u>(64,456)</u>	<u>129,046</u>	<u>29,006</u>	<u>1,106</u>
<b>Other financing sources (uses):</b>					
Transfers in	-	-	-	-	-
Transfers out	(182,803)	-	(150,000)	(29,007)	-
Total other financing sources (uses)	<u>(182,803)</u>	<u>-</u>	<u>(150,000)</u>	<u>(29,007)</u>	<u>-</u>
Net change in fund balances	162,167	(64,456)	(20,954)	(1)	1,106
<b>Fund balances, beginning of year</b>	<u>245,328</u>	<u>92,246</u>	<u>201,605</u>	<u>12,833</u>	<u>46,471</u>
<b>Fund balances, end of year</b>	<u>\$ 407,495</u>	<u>\$ 27,790</u>	<u>\$ 180,651</u>	<u>\$ 12,832</u>	<u>\$ 47,577</u>

	Debt Service	Capital Projects		
Juvenile Services Fund	Debt Service Fund	Capital Projects Fund	1999 SPLOST Fund	Total
\$ -	\$ -	\$ -	\$ -	\$ 1,768,573
-	-	148,079	-	148,079
5,205	-	-	-	186,325
-	-	6,431	387	7,274
-	-	712	-	2,113
5,205	-	155,222	387	2,112,364
-	-	-	-	17,861
-	-	-	-	549,864
8,618	-	-	-	8,618
-	-	-	-	685,219
-	-	-	-	258,934
-	-	176,667	77,408	254,075
8,618	-	176,667	77,408	1,774,571
(3,413)	-	(21,445)	(77,021)	337,793
-	-	608,085	-	608,085
-	(34,717)	(590,043)	-	(986,570)
-	(34,717)	18,042	-	(378,485)
(3,413)	(34,717)	(3,403)	(77,021)	(40,692)
23,073	34,717	699,983	237,610	1,593,866
\$ 19,660	\$ -	\$ 696,580	\$ 160,589	\$ 1,553,174

**COLQUITT COUNTY, GEORGIA**

**SCHEDULE OF EXPENDITURES OF**

**SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

Project Description	Original Costs	Estimated Costs	Expenditures		
			Prior Years	Current Year	Total
1999 REFERENDUM					
Courthouse Renovations	\$ 6,000,000	\$ 6,000,000	\$ 8,627,272	\$ 77,408	\$ 8,704,680
2002 REFERENDUM					
Moultrie - Colquitt County Library	\$ 249,600	\$ 249,600	\$ 226,924	\$ -	\$ 226,924
Sheriff's Department	271,200	271,200	733,436	159,383	892,819
County Records Repository	249,600	249,600	-	-	-
Sunset Airport	249,600	249,600	150,949	-	150,949
County Museum	100,800	100,800	24,625	-	24,625
Economic Development Authority	4,999,200	4,999,200	3,802,819	-	3,802,819
Roads, Streets and Bridges	10,701,600	10,701,600	10,701,600	-	10,701,600
City of Berlin Projects	151,200	151,200	152,188	-	152,188
City of Doerun Projects	499,200	499,200	499,199	-	499,199
City of Ellenton Projects	124,800	124,800	124,799	-	124,799
City of Funston Projects	100,800	100,800	100,800	-	100,800
City of Moultrie Projects	5,892,000	5,892,000	5,092,751	424,374	5,517,125
City of Norman Park Projects	374,400	374,400	233,570	3,380	236,950
City of Riverside Projects	36,000	36,000	36,000	-	36,000
Totals	\$ 24,000,000	\$ 24,000,000	\$ 21,879,660	\$ 587,137	\$ 22,466,797
2007 REFERENDUM					
Moultrie - Colquitt County Library	\$ 75,000	\$ 75,000	\$ 11,154	\$ 7,238	\$ 18,392
Sheriff Administration Building	1,000,000	1,000,000	1,107,825	3,492	1,111,317
CCCI Prison Project	1,000,000	1,000,000	-	372,064	372,064
Moultrie Municipal Airport	275,000	275,000	72,428	-	72,428
Economic Development Authority	2,000,000	2,000,000	749,970	-	749,970
Roads, Streets and Bridges	12,500,000	12,500,000	5,024,586	1,474,340	6,498,926
City of Berlin Projects	176,000	176,000	55,567	30,488	86,055
City of Doerun Projects	600,000	600,000	127,066	96,533	223,599
City of Ellenton Projects	130,000	130,000	86,969	-	86,969
City of Funston Projects	126,000	126,000	33,386	47,150	80,536
City of Moultrie Projects	11,725,000	11,725,000	6,813,557	2,538,574	9,352,131
City of Norman Park Projects	353,000	353,000	192,685	2,887	195,572
City of Riverside Projects	40,000	40,000	-	6,515	6,515
Totals	\$ 30,000,000	\$ 30,000,000	\$ 14,275,193	\$ 4,579,281	\$ 18,854,474

**COLQUITT COUNTY, GEORGIA**

**SCHEDULE OF STATE AWARDS EXPENDED**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

<u>State Department and Program Name</u>	<u>Grant Contract Number</u>	<u>Deferred Revenue 6/30/2010</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Deferred Revenue 6/30/2011</u>
Georgia Department of Human Resources:					
Family Connection Program	427-93-10100267-99	\$ 44,083	\$ 54,641	\$ 43,929	\$ 36,188
Total expenditures					

**Notes to the Schedule of State Awards Expended**

1. The Schedule of State Awards Expended includes the state grant activity of Colquitt County, GA and is presented on the modified accrual basis of accounting.

## AGENCY FUNDS

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**Tax Commissioner** – This fund is used to account for all real, personal and intangible taxes collected and forwarded to the County and other government units.

**Jail Inmate Fund** – This fund accounts for jail inmate funds while in custody, and for the purchase of items from the Jail Commissary and related activities on behalf of inmates and the correctional institution.

The following agency funds are used to account for fines, fees and other monies collected by the courts and Sheriff's Office and remitted to other parties in accordance with court orders and state law:

**Clerk of Superior Court**  
**Probate Court**  
**Sheriff's Office**



# COLQUITT COUNTY, GEORGIA

## COMBINING BALANCE SHEET AGENCY FUNDS JUNE 30, 2011

<b><u>ASSETS</u></b>	<b>Tax Commissioner</b>	<b>Jail Inmate</b>	<b>Clerk of Superior Court</b>	<b>Probate Court</b>
Cash	\$ 380	\$ 57,160	\$ 130,861	\$ 2,400
Investments	-	-	-	7,781
Taxes receivable	32,050	-	-	-
Total assets	<u>\$ 32,430</u>	<u>\$ 57,160</u>	<u>\$ 130,861</u>	<u>\$ 10,181</u>
 <b><u>LIABILITIES</u></b>				
Due to others	\$ 380	\$ 57,160	\$ 130,861	\$ 10,181
Uncollected taxes	32,050	-	-	-
Total liabilities	<u>\$ 32,430</u>	<u>\$ 57,160</u>	<u>\$ 130,861</u>	<u>\$ 10,181</u>

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<u>Sheriff's Office</u>	<u>Total</u>
\$ 114,137	\$ 304,938
-	7,781
-	32,050
<u>\$ 114,137</u>	<u>\$ 344,769</u>

\$ 114,137	\$ 312,719
-	32,050
<u>\$ 114,137</u>	<u>\$ 344,769</u>

**COLQUITT COUNTY, GEORGIA**  
**BALANCE SHEET**  
**MOULTRIE - COLQUITT COUNTY LIBRARY**  
**JUNE 30, 2011**

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**ASSETS**

Cash and cash equivalents	\$ 819,935
Investments	174,283
Total assets	<u>\$ 994,218</u>

**LIABILITIES AND FUND BALANCE**

Accounts payable	\$ 8,182
Accrued expenses	<u>2,013</u>
Total liabilities	10,195
 Fund balance, unreserved	 <u>984,023</u>
 Total liabilities and fund balance	 <u>\$ 994,218</u>

# COLQUITT COUNTY, GEORGIA

## STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE MOULTRIE - COLQUITT COUNTY LIBRARY FOR THE FISCAL YEAR ENDED JUNE 30, 2011

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**Revenues:**

Intergovernmental	\$	744,390
Charges for services		107,238
Interest revenue		3,967
Total revenues		<u>855,595</u>

**Expenditures**712,421

Net change in fund balances

143,174

**Fund balance, beginning of year**840,849**Fund balance, end of year**\$ 984,023

## COMPLIANCE SECTION

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**INDEPENDENT AUDITOR'S 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**

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**Board of Commissioners  
of Colquitt County, Georgia  
Moultrie, 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 Colquitt County, Georgia as of and for the year ended June 30, 2011, which collectively comprise Colquitt County, Georgia's basic financial statements, and have issued our report thereon dated April 5, 2012. Our report includes a reference to other auditors. As discussed in Note 1, Colquitt County, Georgia implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as of July 1, 2010. 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 Colquitt County Board of Health, as described in our report on Colquitt County, Georgia's financial statements. This report includes our consideration of the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors.

**Internal Control Over Financial Reporting**

Management of Colquitt County, Georgia is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Colquitt County, Georgia'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 expressing an opinion on the effectiveness of Colquitt County, Georgia's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Colquitt 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 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.

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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 that we consider to be significant deficiencies in internal control of financial reporting. We consider the deficiencies in the accompanying schedule of findings and responses as items 2011-1 and 2011-2 to be significant deficiencies. 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 Colquitt County, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We also noted certain additional matters that we reported to the management of Colquitt County, Georgia in a separate letter dated April 5, 2012.

Colquitt County, Georgia's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. We did not audit Colquitt County, Georgia's responses and accordingly, we express no opinion on them.

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

*Mauldin & Jenkins, LLC*

Albany, Georgia  
April 5, 2012

**COLQUITT COUNTY, GEORGIA**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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**SECTION I**  
**SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	_____ yes <u>  X  </u> no
Significant deficiencies identified?	<u>  X  </u> yes    _____ none reported
Noncompliance material to financial statements noted?	_____ yes <u>  X  </u> no

**Federal Awards**

There was not an audit of major federal award programs as of June 30, 2011 due to the total amount federal awards expended being less than \$500,000.

**SECTION II**  
**FINANCIAL STATEMENT FINDINGS AND RESPONSES**

**2011 - 1. Segregation of Duties**

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

Condition: For the fiscal year ending June 30, 2011, we noted a lack of proper segregation of duties within several areas of Colquitt County, Georgia's operations, including the Clerk of Court, Probate Court, Magistrate Court, Sheriff's Office and County Finance Department.

Context: Several instances of overlapping duties were noted during interviews regarding internal control procedures.

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 of accounts should be segregated between employees.

Views of Responsible Officials and Planned Corrective Action: We concur. We will work with staff to segregate duties and apply compensating controls to the extent possible.



**COLQUITT COUNTY, GEORGIA**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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**SECTION II**  
**SUMMARY OF AUDITOR'S RESULTS (CONTINUED)**

**2011 - 2. Management of Accounts Payable Accounts**

Criteria: Generally accepted accounting principles require reporting of all current liabilities whose liquidation is expected to require the use of current assets when the goods have been received or services have been performed.

Condition: The County did not properly address the above criteria as of June 30, 2011 as it relates to accounts payable of the Moultrie – Colquitt County Library.

Context: We addressed this matter with County officials and they were able to determine the amount of accounts payable that should be recorded in this fund as of June 30, 2011.

Effect: An adjustment to increase accounts payable in the amount of \$7,649 and increase expenditures in the same amount was required to be made to the accounting records of the Moultrie – Colquitt County Library.

Cause: Reconciliations of accounts payable and accrued expenditures are not being performed on a monthly basis.

Recommendation: We recommend the County implement procedures to reconcile all accounts payable and accrued expenditure subsidiary ledgers to the general ledger on a monthly basis.

Views of Responsible Officials and Planned Corrective Action: We concur. We will establish procedures to reconcile subsidiary ledgers with the general ledger on a monthly basis.

**SECTION III**  
**FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

Not Applicable

**COLQUITT COUNTY, GEORGIA**  
**SCHEDULE OF PRIOR YEAR FINDINGS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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**2010 - 1. Segregation of Duties**

Criteria: Duties should be segregated between employees so that the responsibility for authorizing transactions, approving transactions and maintaining custody of assets are assigned to different personnel.

Condition: Colquitt County, Georgia is a small local government and has a limited amount of resources and employees. Therefore, the County does not have an adequate number of employees to provide for proper segregation of duties.

Auditee Response/Status: Unresolved – See current year financial audit finding 2011-1.

**2010 - 2. Uniform Chart of Accounts**

Criteria: The Official Code of Georgia (OCGA) Section 36-81-1 requires governments to maintain separate special revenue funds for revenues received related to asset forfeitures and activity related to the County's law library.

Condition: At June 30, 2010, the City had not yet fully adopted the State of Georgia Uniform Chart of Accounts in accordance with the Official Code of Georgia Annotated (OCGA) Section 36-81-1 with respect to certain special revenue fund activities.

Auditee Response/Status: The above finding was corrected for the fiscal year ending June 30, 2011.

**2010 - 3. Management of Accounts Payable Accounts**

Criteria: Generally accepted accounting principles require reporting of all current liabilities whose liquidation is expected to require the use of current assets when the goods have been received or services have been performed.

Condition: The County did not properly address the above criteria as of June 30, 2010 as it relates to accounts payable of the Moultrie – Colquitt County Library.

Auditee Response/Status: Unresolved – See current year financial audit finding 2011-2.

**COLQUITT COUNTY, GEORGIA**  
**SCHEDULE OF PRIOR YEAR FINDINGS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2011**

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**2010-4. Management of Capital Assets**

Criteria: Generally accepted accounting principles generally require the reporting of all capital assets at their historical cost, which is written off periodically, or depreciated, in a systematic and rational manner.

Condition: The County did not properly record depreciation expense of the Moultrie – Colquitt County Library during the year ended June 30, 2010.

Auditee Response/Status: The above finding was corrected for the fiscal year ending June 30, 2011.

**2010 - 5. Special Revenue Fund Budgets**

Criteria: House Bill 1364 of the 1998 session of the Georgia General Assembly requires an annual balanced budget for the General Fund, each special revenue fund, each debt service fund and requires a project length balanced budget for each capital projects fund.

Condition: For the fiscal year ending June 30, 2010, no annual budget was adopted for the Confiscated Assets Fund and the Law Library Fund in accordance with the Official Code of Georgia (OCGA) Sections 36-81-2 through 36-81-6.

Auditee Response/Status: The above finding was corrected for the fiscal year ending June 30, 2011.



CERTIFIED PUBLIC ACCOUNTANTS, LLC

April 6, 2012

Mr. Wayne Putnal  
Colquitt County Board of Commissioner  
101 East Central Avenue  
Room 206  
Moultrie, Georgia 31768

Dear Wayne:

We are enclosing twelve (12) bound copies of the Financial Report of Colquitt County, Georgia for the year ended June 30, 2011.

Call me should you have any questions.

Sincerely,

MAULDIN & JENKINS, LLC

A handwritten signature in black ink, appearing to read 'Craig Moye'.

Craig Moye

CM:kh  
Enclosures