BACON COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2012

Bacon County, Georgia
Annual Financial Report
For the Year Ended December 31, 2012

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Robert W. Goodman

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Bacon County, Georgia

Report on the Financial Statements

I 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 Bacon County, Georgia, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the Unites States of American and the standards applicable to financial audits contained in *Government Auditing Standards*, issues by the Comptroller General of the United States; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement.

Auditor's Responsibility

My responsibility is to express opinions on these financial statements based on my audit. I did not audit the financial statements of the Bacon County Board of Health. Those financial statements were audited by other auditors whose report thereon has been furnished to me, and my opinion, insofar as it relates to the amounts included for the Bacon County Board of Health, is based solely on the report of the other auditors. I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on my judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, I consider internal control relevant to Bacon County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Bacon County's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

Opinions

In my opinion, based on my 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 Bacon County, Georgia as of December 31, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United State of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 9 and 40 and 41 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. I 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 inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquires, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bacon County, Georgia basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining, individual major and nonmajor fund financial statements and schedules listed in the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedule of projects undertaken with special sales tax proceeds on page 94, the combining, individual major and nonmajor fund financial statements and schedules listed in the table of contents are fairly states in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated November 15, 2013, on my consideration of Bacon County, Georgia's internal control over financial reporting and my 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 my 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 important for assessing the results of my audit.

Robert W. Jackson CPA

Alma, Georgia
November 15, 2013

Management's Discussion and Analysis

Within this section of Bacon County, Georgia (County) annual financial report, the County's management provides narrative discussion and analysis of the financial activities of the County for the year ended December 31, 2012. The County's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the County's primary government and, unless otherwise noted, component units reported separately from the primary government are not included.

FINANCIAL HIGHLIGHTS

The County's total assets exceeded its total liabilities by $42,149,337 (net position) for the year reported. This compares to the previous year when the total assets exceeded the total liabilities by $40,807,485.

Total net position is comprised of the following:

1. Net investment in capital assets, of $36,920,556 include property and equipment, net of accumulated depreciation, and reduced by outstanding debt related to the purchase and construction of capital assets.
2. Net position of $2,448,833 is restricted by constraints imposed upon the County by laws and regulations.
3. Unrestricted net position of $2,779,948 represent the portion available to maintain the County's continuing obligations to citizens and creditors.

The County's governmental funds reported total ending fund balance of $4,577,227 this year. This compares to the prior year ending fund balance, of $4,055,505 showing an increase of $521,722.

At the end of the current year, unrestricted fund balance for the General Fund was $2,216,137 or 34.32% of total General Fund expenditures.

Overall, Bacon County, Georgia, continues to maintain a strong financial position, in spite of a somewhat depressed economy. The downward trend shown in the past few years needs to be monitored routinely.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities on pages 10-11 provide information about the activities of the County as a whole and present a longer-term view of the County's finances. Fund financial statements start on page 12. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds. The remaining statements provide financial information about activities for which the County acts solely as trustee or agent for the benefit of those outside of the government.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the County's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The County also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The County's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the County's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide financial statements is the Statement of Net Position. This is the County-wide statement of position presenting information that includes all of the County's assets and liabilities, with the difference reported as Net Position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County as a whole is improving or deteriorating. Evaluation of the overall health of the County would extend to other nonfinancial factors such as diversification to the taxpayer base or the condition of County infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities which reports how the County's net position changed during the current year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Governmental activities include general government, judicial, public safety, public works, health and welfare, culture and recreation and community development. The County's fiduciary activities simply hold resources temporarily for others and are not included in the government-wide statements since these assets are not available to fund County programs.

The County's financial reporting includes the funds of the County (primary government) and, additionally, organizations for which the County is accountable (component units). These component units operate independently or provide services directly to the citizens, though the County remains accountable for their activities. These component units are governed by a board of directors that the County Commission has appointed. The County Health Department is reported separately from the primary government, though included in the County's overall reporting entity.

The government-wide financial statements are presented on pages 10-11 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The County uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the County's most significant funds rather than the County as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

All the funds of Bacon County can be divided into categories: (1) governmental funds, (2) proprietary funds and (3) fiduciary funds.

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different, with fund statements providing a distinctive view of the County's governmental funds. These statements report short-term fiscal accountability focusing on the use of spending resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes a long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to assist in understanding the differences between these two perspectives.

Budgetary comparison statements are included in the required supplementary information for the general fund. Budgetary comparison schedules for special revenue funds and the capital project funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the County's adopted and final revised budget.

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Ambulance and Rescue Service Fund, which is considered to be a major fund of Bacon County, in the proprietary fund financial statements.

Fiduciary funds (i.e., the agency funds) are reported in the fiduciary fund financial statements, but are excluded from government-wide reporting. Fiduciary fund financial statements report resources that are not available to fund County programs. Fiduciary fund financial statements report similarly to proprietary funds.

The basic fiduciary fund financial statement is presented on page 19 of this report.

Notes the basic financial statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements are presented on pages 20- 39 of this report.

Other information

Other supplementary information includes detail by fund and component units for receivables, payables, transfers, and payments within the reporting entity. Supplementary information can be found on pages 40-41 of this report.

Major funds and component units are reported in the basic financial statements as discussed. Combining and individual statements and schedules for non-major funds are presented in a subsequent section of this report on pages 42-93.

Financial Analysis of the County as a Whole

The County's combined net position was $42,149,337 at December 31, 2012. This is a $1,295,925 increase from last year's net position of $40,853,412. The following table provides a summary of the County's net position:

Summary of Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2012	2011	2012	2011	2012	2011
Assets:						
Current and other assets	$ 5,584,083	$ 5,213,896	$ 236,550	$ 228,510	$ 5,820,633	$ 5,442,406
Capital assets	37,535,429	36,836,870	80,328	108,979	$ 37,615,757	36,945,849
Other noncurrent asset	-	27,454	-	-	$ -	27,454
Total Assets	43,119,512	42,078,220	316,878	337,489	43,436,390	42,415,709
Liabilities:						
Current liabilities	672,223	1,058,931	26,711	25,784	698,934	1,084,715
Long-term liabilities	588,119	523,499	-	-	588,119	523,499
Total Liabilities	1,260,342	1,582,430	26,711	25,784	1,287,053	1,608,214
Net Position:						
Net investment in capital assets	36,840,228	36,096,877	80,328	108,979	36,920,556	36,205,846
Restricted	2,448,833	1,742,939	-	-	2,448,833	1,742,939
Unrestricted (deficit)	2,570,109	2,701,891	209,839	202,726	2,779,948	2,858,700
Total Net Position	$ 41,859,170	$ 40,541,707	$ 290,167	$ 311,705	$ 42,149,337	$ 40,807,485

The County continues to maintain a high current ratio. The current assets to current liabilities ratio is an indication of the ability to pay current obligations. The current ratio for governmental activities is 8.33 to 1. This is a strong ratio.

Note that approximately 89.67% of the governmental activities' net position is tied up in capital. The County uses these assets to provide services to its citizens.

The County reported positive balances in the net position for governmental activities. Net position increased by $1,341,852 for governmental activities. The County's overall financial position improved during year 2012. Close monitoring of expenditures will continue to be necessary.

	Summary of Statement of Activities					
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2012	2011	2012	2011	2012	2011
Revenues:						
Program Revenues						
Charges for services	$ 1,614,229	$ 1,481,006	$ 398,436	$ 416,379	$ 2,012,665	$ 1,897,385
Operating Grants and Contributions	90,862	161,152	-	3,050	$ 90,862	$ 164,202
Capital Grants and Contributions	1,961,822	690,713			$ 1,961,822	$ 690,713
General Revenues						
Property taxes	3,099,731	2,924,583	-	-	$ 3,099,731	$ 2,924,583
Other taxes	2,608,600	2,464,962	-	-	$ 2,608,600	$ 2,464,962
Interest	877	1,199	-	-	$ 877	$ 1,199
Other revenues	223,695	701,585	-	-	$ 223,695	$ 701,585
Total Revenues	9,599,816	8,425,200	398,436	419,429	9,998,252	8,844,629
Expenses:						
General government	1,099,215	1,099,233	-	-	1,099,215	1,099,233
Judicial	579,060	576,202	-	-	579,060	576,202
Public safety	2,840,215	2,570,354	-	-	2,840,215	2,570,354
Public works	2,671,228	3,856,609	-	-	2,671,228	3,856,609
Health and welfare	269,565	472,842	-	-	269,565	472,842
Culture and recreation	146,610	136,383	-	-	146,610	136,383
Housing and development	604,301	557,505	-	-	604,301	557,505
Interest	26,232	28,252	-	-	26,232	28,252
Ambulance and rescue	-	-	419,974	381,362	419,974	381,362
Total Expenses	8,236,426	9,297,380	419,974	381,362	8,656,400	9,678,742
Excess (Deficiency)	1,363,390	(872,180)	(21,538)	38,067	1,341,852	(834,113)
Tranfer	-	-	-	-	-	-
Extraordinary items - misappropriated funds		-	-	(8,000)	-	(8,000)
Change in net position	1,363,390	(872,180)	(21,538)	30,067	1,341,852	(842,113)
Beginning net position	40,495,780	41,367,960	311,705	281,638	40,807,485	41,649,598
Prior period adjustment	-	-	-	-	-	-
Ending net position	$ 41,859,170	$ 40,495,780	$ 290,167	$ 311,705	$ 42,149,337	$ 40,807,485

Financial Analysis of the County's Funds

Governmental funds

As discussed, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financial requirements.

The General Fund is the County's primary operating fund and the largest source of day-to-day service delivery. The general fund reported ending fund balances of $2,216,137. Of this year-end total, $1,926,985 is unassigned indicating availability for continuing County service requirements. Restricted and assigned fund balances totals $289,152.

Capital Asset and Debt Administration

Capital assets

The County's investment in capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2012, was $37,544,429. The total increase in the net investment was 1.9% for governmental activities.

	Capital Assets (Net of accumulated depreciation)					
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2012	2011	2012	2011	2012	2011
Non-depreciable assets:						
Land	$ 1,911,511	$ 1,433,832	$ -	$ -	$ 1,911,511	$ 1,433,832
Construction in progress	778,379	350,139	-	-	$ 778,379	$ 350,139
Total non-depreciable assets	2,689,890	1,783,971	-	-	2,689,890	1,783,971
Depreciable assets:						
Buildings an improvements	10,675,887	10,562,925	-	-	10,675,887	10,562,925
Machinery and equipment	4,501,001	4,139,844	467,054	467,054	4,968,055	4,606,898
Infrastructure	41,328,477	40,858,447	-	-	41,328,477	40,858,447
Total depreciable assets	56,505,365	55,561,216	467,054	467,054	56,972,419	56,028,270
Total Capital Assets	59,195,255	57,345,187	467,054	467,054	59,662,309	57,812,241
Less accumulated depreciation:						
Buildings and improvements	3,412,879	3,182,643	-	-	3,412,879	3,182,643
Machinery and equipment	2,731,757	2,649,725	386,726	358,075	3,118,483	3,007,800
Infrastructure	15,506,190	14,675,949	-	-	15,506,190	14,675,949
Total Accumulated Depreciaton	21,650,826	20,508,317	386,726	358,075	22,037,552	20,866,392
Book value - depreciable assets	$ 37,544,429	$ 36,836,870	$ 80,328	$ 108,979	$ 37,624,757	$ 36,945,849

See Note D on page 29 for additional information about the County's capital assets.

Long-term debt

At the end of the year, the County had total debt outstanding of $704,201. This total amount is supported by pledged revenues generated primarily by the County's governmental activities, and real and personal property.

The County's other long-term debt relates to capital leases.

	Outstanding Debt					
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2012	2011	2012	2011	2012	2011
Notes outstanding	$ 41,255	$ 57,880	$ -	$ -	$ 57,880	$ 41,255
Capital leases	662,946	682,113	-	-	682,113	662,946
Compensated absences	-	-	-	-	-	-
Total	$ 704,201	$ 739,993	$ -	$ -	$ 739,993	$ 704,201

See Note F on pages 32-34 for additional information about the County's long-term debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The County's elected and appointed officials considered many factors when setting the fiscal year 2012 budget and tax rates. Sales tax, which is the second largest revenue source increased for the year ended December 31, 2012, which was reflected of some improvement in retail sales during the year. Property tax, the largest revenue source, slightly increased for the year ended December 31, 2012. Slow or no growth in assessed valuations is expected to continue in the next fiscal year.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment of public accountability. If you have questions about this report or would like to request additional information, contact:

Bacon County Board of Commissioners
P.O. Box 356
Alma, Georgia 31510
Telephone: (912) 632-5214

BASIC FINANCIAL STATEMENTS

Bacon County, Georgia
Statement of Net Position
December 31, 2012

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Bacon County Board of Health
Assets				
Cash and cash equivalents	$ 4,019,111	$ 138,220	$ 4,157,331	$ 239,060
Receivables:				-
Accounts	392,106	-	392,106	-
Property taxes	679,498	-	679,498	-
Sales taxes	130,397	-	130,397	-
Interfund	9,131	(9,131)	-	
Intergovernmental	241,200	107,461	348,661	50,658
Prepaid expenses	52,447	-	52,447	-
Inventories	51,193	-	51,193	-
Capital Assets:				-
Nondepreciable	2,689,890	-	2,689,890	-
Depreciable, net	34,854,539	80,328	34,934,867	5,338
Total Assets	43,119,512	316,878	43,436,390	295,056
Liabilities				
Current Liabilities				
Accounts payable	487,167	26,711	513,878	-
Accrued expenses	32,272	-	32,272	-
Intergovernmental payable	20,182	-	20,182	-
Capital leases due within one year	98,751	-	98,751	-
Notes payable due within one year	17,331	-	17,331	-
Compensated absences payable	-	-	-	17,280
				-
Total Current Liabilities	655,703	26,711	682,414	17,280
Long-Term Liabilities				
Capital lease obligation (net of current portion)	564,195	-	564,195	-
Net pension obligation liabiltity	16,520			
Notes payable (net of current portion)	23,924	-	23,924	-
Total Long-Term Liabilities	604,639	-	588,119	-
Total Liabilities	1,260,342	26,711	1,270,533	17,280
Net Position				
Net investment in capital assets	36,840,228	80,328	36,920,556	5,338
Restricted for:				
Capital projects	1,992,807	-	1,992,807	-
Health and welfare	-	-	-	135,395
Housing and development	1,033	-	1,033	-
Judical	35,822	-	35,822	-
Public safety	416,561	-	416,561	-
Public works	2,610	-	2,610	-
Unrestricted	2,570,109	209,839	2,779,948	137,043
Total Net Position	$ 41,859,170	$ 290,167	$ 42,149,337	$ 277,776

See accompanying notes to the basic financial statements.

Bacon County, Georgia
Statement of Activities
For the Year Ended December 31, 2012

Functions/Programs	Expenses	Program Revenues: Charges for Services and Fines	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Unit: Bacon County Board of Health
Primary government:								
Governmental activities:								
General government	$ 1,099,215	$ 166,948	$ -	$ -	(932,267)	$ -	$ (932,267)	$ -
Judicial	579,060	123,084	-	-	(455,976)	-	(455,976)	-
Public safety	2,840,215	557,763	17,307	-	(2,265,145)	-	(2,265,145)	-
Public works	2,671,228	539,772	-	1,449,906	(681,550)	-	(681,550)	-
Health and welfare	269,565	1,055	-	-	(268,510)	-	(268,510)	-
Culture and recreation	146,610	-	-	-	(146,610)	-	(146,610)	-
Housing and development	604,301	242,257	73,555	511,916	223,427	-	223,427	-
Interest	26,232	-	-	-	(26,232)	-	(26,232)	-
Total governmental activities	8,236,426	1,630,879	90,862	1,961,822	(4,552,863)	-	(4,552,863)	-
Business-type activities:								
Ambulance and Rescue Service	419,974	398,436	-	-	-	(21,538)	(21,538)	-
Total business-type activities	419,974	398,436	-	-	-	(21,538)	(21,538)	-
Total primary government	$ 8,656,400	$ 2,029,315	$ 90,862	$ 1,961,822	(4,552,863)	(21,538)	(4,574,401)	-
Component units:								
Bacon County Board of Health	$ 435,850	$ 135,395	$ 252,673	$ -	-	-	-	(47,782)
Total component units	$ 435,850	$ 135,395	$ 252,673	$ -	-	-	-	(47,782)
General revenues:								
Taxes:								
Property taxes levied for general government purposes					3,099,731	-	3,099,731	-
Sales taxes					2,111,806	-	2,111,806	-
Insurance premium tax					340,940	-	340,940	-
Other taxes					155,854	-	155,854	-
Investment earnings					877	-	877	-
Miscellaneous					207,045	-	207,045	-
Total General Revenues					5,916,253	-	5,916,253	-
Change in Net Position					1,363,390	(21,538)	1,341,852	(47,782)
Net Position - Beginning of Year -restated					40,495,780	311,705	40,807,485	325,558
Net Position - End of Year					$ 41,859,170	$ 290,167	$ 42,149,337	$ 277,776

See accompanying notes to the basic financial statements.

FUND FINANCIAL STATEMENTS

Bacon County, Georgia
Balance Sheet
Governmental Funds
December 31, 2012

	General	2005 SPLOST	2012 SPLOST	Multiple Grant	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	$ 1,924,030	$ 708,226	$ 561,274	$ 615,618	$ 209,963	$ 4,019,111
Receivables:						
Accounts	366,395	-	-	-	25,711	392,106
Property taxes	679,498	-	-	-	-	679,498
Sales taxes	130,397	-	-	-	-	130,397
Interfund	120,726	67,974	-	-	141,023	329,723
Intergovernmental	-	-	210,370	20,182	10,648	241,200
Prepaids	52,447	-	-	-	-	52,447
Inventories	51,193	-	-	-	-	51,193
					-	
Total Assets	$ 3,324,686	$ 776,200	$ 771,644	$ 635,800	$ 387,345	$ 5,895,675
Liabilities and Fund Balances						
Liabilities						
Accounts payable	$ 476,519	$ -	$ -	$ -	$ 10,648	$ 487,167
Accrued expenditures	32,272	-	-	-	-	32,272
Interfund payable	141,523	-	77,860	101,209	-	320,592
Intergovernmental payable	-	-	-	20,182	-	20,182
Deferred revenue	458,235	-	-	-	-	458,235
Total Liabilities	1,108,549	-	77,860	121,391	10,648	1,318,448
Fund Balances						
Nonspendable	103,640	-	-	-	-	103,640
Restricted for:						
Capital projects	-	776,200	693,784	514,409	8,414	1,992,807
Housing and development	-	-	-	-	1,033	1,033
Judicial	-	-	-	-	35,822	35,822
Public safety	87,743	-	-	-	328,818	416,561
Public works	-	-	-	-	2,610	2,610
Unrestricted:						
Assigned:						
Culture and recreation	1,989	-	-	-	-	1,989
Health and welfare	34,945	-	-	-	-	34,945
Housing and development	60,835	-	-	-	-	60,835
Unassigned	1,926,985	-	-	-	-	1,926,985
Total Fund Balances	2,216,137	776,200	693,784	514,409	376,697	4,577,227
Total Liabilities and Fund Balances	$ 3,324,686	$ 776,200	$ 771,644	$ 635,800	$ 387,345	$ 5,895,675

See accompanying notes to the basic financial statements.

Bacon County, Georgia
Reconciliation of the Governmental Funds Balance Sheet
to the Government-wide Statement of Net Position
December 31, 2012

Total Governmental Fund Balances		$ 4,577,227
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.		
Cost of capital assets	$ 59,195,255	
Less accumulated depreciation	(21,650,826)	37,544,429
Other assets are not available to pay for current period expenditures and therefore are deferred in the funds		
Property taxes		458,235
Net pension liability used in governmental activities is not a financial resource and, therefore, is not reported in the funds		(16,520)
Non-current liabilities are not due and payable in the current period and therefore are not reported in the funds		
Notes payable	(41,255)	
Capital leases	(662,946)	(704,201)
Net Position of Governmental Activities		$ 41,859,170

See accompanying notes to the basic financial statements.

Bacon County, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2012

	General	2005 SPLOST	2012 SPLOST	Multiple Grant	Other Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	$ 3,003,367	$ -	$ -	$ -	$ -	$ 3,003,367
Other taxes	1,304,782	331,504	972,314	-	-	2,608,600
Licenses and permits	16,650	-	-	-	-	16,650
Intergovernmental	32,984	-	-	1,159,262	348,522	1,540,768
Charges for services	1,229,667	-	-	-	209,119	1,438,786
Fines and forfeitures	104,959	-	-	-	70,483	175,442
Investment earnings	877	-	-	-	-	877
Miscellaneous	207,045	-	-	-	-	207,045
Total Revenues	5,900,331	331,504	972,314	1,159,262	628,124	8,991,535
Expenditures						
Current:						
General government	996,053	-	-	-	-	$ 996,053
Judicial	571,122	-	-	-	3,478	574,600
Public safety	2,383,182	-	-	-	252,588	2,635,770
Public works	1,517,772	-	-	-	-	1,517,772
Health and welfare	232,073	-	-	40,571	-	272,644
Culture and recreation	184,530	-	-	-	-	184,530
Housing and development	434,307	-	-	-	-	434,307
Intergovernmental		273,391	72,467	-	-	345,858
Debt service:						-
Principal	136,639	94,213	-	-	-	230,852
Interest	2,095	24,137	-	-	-	26,232
Capital outlay	-	366,035	206,063	630,452	363,719	1,566,269
Total Expenditures	6,457,773	757,776	278,530	671,023	619,785	8,784,887
					-	
Excess (Deficiency) of Revenues					-	
Over (Under) Expenditures	(557,442)	(426,272)	693,784	488,239	8,339	206,648
Other Financing Sources (Uses):						
Proceeds from capital leases	195,060	-	-	-	-	195,060
Proceeds of general capital asset dispositions	120,014	-	-	-	-	120,014
Transfer In/Out	74,300	-	-	(74,214)	(86)	-
Total Other Financing Sources and Uses	389,374	-	-	(74,214)	(86)	315,074
					-	
Net Change in Fund Balances	(168,068)	(426,272)	693,784	414,025	8,253	521,722
					-	
Fund Balances - Beginning of Year	2,384,205	1,202,472	-	100,384	368,444	4,055,505
					-	
Fund Balances - End of Year	$ 2,216,137	$ 776,200	$ 693,784	$ 514,409	$ 376,697	$ 4,577,227

See accompanying notes to the basic financial statements.

Bacon County, Georgia
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Government-wide Statement of Activities
For the Year Ended December 31, 2012

Net Change in Fund Balances - Total Governmental Funds		$ 521,722
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures on the governmental fund type operating statement. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capitalized capital outlays in the current period.		
Depreciation expense	$ (1,355,142)	
Capital outlay	1,753,748	
Prior Net Position transferred from Development Authority	511,916	910,522
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins, and donations)		
Cost of assets sold/disposed	$ (428,835)	
Accumulated depreciation	225,872	(202,963)
Revenues reported in the statement of activities that do not provide current financial resources are not reported as revenues at the fund financial reporting level.		
Property taxes:		
Deferred at 12/31/11	$ (361,871)	
Deferred at 12/31/12	458,235	
Net pension obligation:		
Balance at 12/31/11 - restated	18,473	
Balance at 12/31/12	(16,520)	98,317
The issuance of long-term debt (i.e., bonds, leases, notes) provides current financial resources to governmental funds. The repayment of principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Debt issued or incurred:		
Issuance of capital leases		(195,060)
Principal repayments:		
Repayment of notes		16,625
Repayment of capital leases		214,227
Change in Net Position of Governmental Activities		$ 1,363,390

See accompanying notes to the basic financial statements.

Bacon County, Georgia
Proprietary Funds
Statement of Net Position
December 31, 2012

	Business-Type Activities - Enterprise Funds	
	Ambulance and Rescue Service	Total
Assets		
Current Assets:		
Cash and cash equivalents	$ 138,220	$ 138,220
Accounts receivable, net	107,461	107,461
Total Current Assets	245,681	245,681
Capital Assets		
Depreciable	80,328	80,328
Total Assets	326,009	326,009
Liabilities		
Current Liabilities:		
Accounts payable	26,711	26,711
Interfund Payable	9,131	14,875
Total Current Liabilities	35,842	35,842
Total Liabilities	35,842	35,842
Net Position		
Invested in capital assets	80,328	80,328
Unrestricted	209,839	209,839
Total Net Position	$ 290,167	$ 290,167

See accompanying notes to the basic financial statements.

Bacon County, Georgia
Proprietary Funds
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2012

	Business-Type Activities - Enterprise Funds	
	Ambulance and Rescue Service	**Total**
Operating Revenues		
Charges for services	$ 398,436	$ 398,436
Total Operating Revenues	398,436	398,436
Operating Expenses		
Personal services	286,938	286,938
Purchased services	56,741	56,741
Supplies	47,644	47,644
Depreciation	28,651	28,651
Total Operating Expenses	419,974	419,974
Operating Income	(21,538)	(21,538)
Change in Net Position	(21,538)	(21,538)
Net Position, Beginning of Year	311,705	311,705
Net Position, End of Year	$ 290,167	$ 290,167

See accompanying notes to the basic financial statements.

Bacon County, Georgia
Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2012

	Business-Type Activities - Enterprise Funds	
	Ambulance and Rescue Service	Total
Cash Flows from Operating Activities		
Cash received from customers	$ 382,133	$ 382,133
Cash payments to employees for services	(286,939)	(286,939)
Cash payments to suppliers for goods and services	(101,100)	(101,100)
Net Cash Provided (Used) by Operating Activities	(5,906)	(5,906)
Net Increase (Decrease) in Cash and Cash Equivalents	(5,906)	(5,906)
Cash and Cash Equivalents, Beginning of Year	144,126	144,126
Cash and Cash Equivalents, End of Year	$ 138,220	$ 138,220
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating income (loss)	$ (21,538)	$ (21,538)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	28,651	28,651
Changes in assets and liabilities:		
Increase in accounts receivable	(16,303)	(16,303)
Decrease in prepaid expenses	8,100	8,100
Increase in accounts payable	928	928
Decrease in Interfund Payable	(5,744)	(5,744)
Net Cash Provided by (Used in) Operating Activities	$ (5,906)	$ (5,906)

See accompanying notes to the basic financial statements.

Bacon County, Georgia
Statement of Fiduciary Assets and Liabilities
December 31, 2012

	Agency Funds
Assets	
Cash	$ 93,505
Total Assets	$ 93,505
Liabilities	
Due to others	$ 93,505
Total Liabilities	$ 93,505

See accompanying notes to the basic financial statements.

I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting entity

Bacon County, Georgia (the "County") is a state-chartered county, chartered under the provision of the State of Georgia. The County is governed by a full-time Chairman and a five member Council who serve on a part-time basis and are elected to staggered four-year terms. There are additional officers elected countywide. State law pertaining to county government provides for the independent election of these county officials. The officials are all part of the County's legal entity. These elected officials are the sheriff, tax commissioner, state court judge, magistrate/probate court judge and superior court judge. The offices of the independently elected officials are separate from the County and therefore are reported as part of the primary government.

The state constitution and state law pertaining to county government provide for the independent election of the superior court judges and the district attorney. The cost of operations of the superior court judges and the district attorney offices is shared with the State of Georgia. Only that portion of the cost for which the County is responsible is reported in these financial statements.

The County has implemented the Governmental Accounting Standards Board Statement 14 "The Financial Reporting Entity". The financial reporting entity consists of (a) primary government, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The nucleus of a financial reporting entity usually is a primary government; however, a governmental organization other than a primary government (such as a component unit, a jointly governed organization, or another stand alone government) serves as the nucleus for its own reporting entity when it issues separate financial statements.

The County has met the criteria for classification as a primary government. The County has a separately elected governing body, is legally separate and is fiscally independent of other state and local governments. All funds, organizations, institutions, agencies, departments and officers that are not legally separate of the primary government, for financial reporting purposes, are part of the primary government and are included in the financial statements of the County.

Discretely Presented Component Units

Bacon County Board of Health - The Bacon County Board of Health is responsible for providing general health care within the County of Bacon, Georgia. The Board of Health consists of seven members. Board membership is automatic for the County Commission Chairman, County Superintendent of Schools and the Mayor of the City of Alma who serve while holding office. The remaining four members serve six year terms with three members being appointed by the Commissioners of Bacon County, Georgia and one member being appointed by the Alma City Council. The financial operations of the Bacon County Board of Health are presented as a governmental fund type. The Board of Health maintains its financial records on a year-end which is different from the County's year-end. Therefore, the audited financial statements as of and for the year ended June 30, 2012 have been presented.

I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Alma-Bacon County Joint Development Authority – As of January 1, 2012 the Alma-Bacon County Joint Development Authority was no longer considered a component unit of the County. The County has elected to treat the Alma-Bacon County Joint Development Authority as a governmental department and it will now be reported in the governmental funds.

B. Government-wide and fund financial statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all 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 are normally 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 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 and agency funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement focus, basis of accounting, and financial statement 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 financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current year. 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, licenses, garbage charges and interest associated with the current year are all considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenue items are considered to be measurable and available only when cash is received by the government.

I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The County uses the following fund types:

Governmental funds:

The focus of governmental fund measurement (in the fund financial statements) is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income.

The County reports the following major governmental funds:

General Fund - The General Fund of the County, accounts for all financial resources except those required to be accounted for in another fund.

2005 SPLOST Fund - The 2005 SPLOST Fund is used to account for the collection and disbursement of the 2005 1% Special Local Option Sales Tax (SPLOST) funds to be used for the acquisition of equipment or construction of major capital facilities or infrastructure and other projects.

2012 SPLOST Fund - The 2012 SPLOST Fund is used to account for the collection and disbursement of the 2012 1% Special Local Option Sales Tax (SPLOST) funds to be used for the acquisition of equipment or construction of major capital facilities or infrastructure and other projects.

Multiple Grant Fund – The Multiple Grant Fund is used to account for financial resources used for the acquisition or construction of major capital facilities, mainly roads. The County's multiple grant fund is used to account for grant money received from the State of Georgia Department of Transportation and grant money from other sources.

Additionally the County reports the following fund types:

Special Revenue Funds - The special revenue funds account for the proceeds of specific revenue sources, the expenditures for which are legally restricted for purposes specified in grant agreements, or are for a specific project or purpose.

Capital Projects Funds - The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds. The County's capital project funds are used to account for grant monies received for capital purposes from the Department of Housing and Urban Development under the Community Development Block Grant program and grant monies from other sources.

Proprietary funds:
Proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The focus of proprietary funds measurement is upon determination of operating income, financial position and cash flows. All assets and liabilities are included in the Statement of Net Position. The generally accepted accounting principles applicable are similar to those in the private sector.

Enterprise Fund – Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The County has the following major enterprise fund:

Bacon County Ambulance and Rescue Service – The Bacon County Ambulance and Rescue Service Fund was established for the control of the operating revenue and expense of the County's ambulance and rescue service.

I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fiduciary funds:
Fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting, and are used to report assets held in a trustee or agency capacity for others and therefore are not available to support County programs. The reporting focus is upon net position and changes in net position and employs accounting principles similar to proprietary funds. There are five agency funds, which account for the receipts and disbursements of funds by the tax commissioner and various clerks of court.

Non-current governmental assets/liabilities:

GASB Statement 34 eliminates the presentation of account groups, but provides for these reports to be maintained and incorporates the information into the governmental column in the government-wide statement of net position.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. An exception of this general rule is payments-in-lieu of taxes. 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, 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

D. Assets, liabilities, and net position or equity

1. Deposits

   The County has defined cash and cash equivalents to include cash on hand, demand deposits, amounts with fiscal agents and investments with an original maturity of three months or less. Time deposits are classified as cash and cash equivalent without regard to maturity date.

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

   Statutes authorize the County to invest in obligations of the U.S. Treasury, other U.S. Government agencies, the State of Georgia, other counties, municipal corporations and political subdivisions of the State of Georgia and pooled investment programs sponsored by the State of Georgia for the investment of local government funds.

2. Receivables

   In the fund financial statements, material receivables in governmental funds include revenue accounts such as property taxes, grants and other similar intergovernmental revenues since they are both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis of accounting. Accounts receivable account for the majority of the proprietary fund receivables. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Inventories and prepaid items

On the government-wide financial statements, Inventories are stated at the lower of cost of market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

On the fund financial statements, inventories of governmental funds are stated at cost. Cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased (i.e., the purchases method). At year-end, fund balance is reserved for a like amount of inventory on hand.

Payments made to vendors for services that will benefit future accounting periods are recorded as prepaid items in both the government-wide and fund financial statements.

4. Restricted assets

Proceeds from certain revenues and other resources in the General Fund, Special Revenue Funds and Capital Projects Funds are classified as restricted assets on the balance sheet because their use is limited by applicable statutes or agreements. When an expense is incurred for which both restricted and unrestricted net position are available, restricted resources are applied first.

5. Capital assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of five thousand dollars. The County's infrastructure consists of roads and bridges. The County's infrastructure was reported retroactively in 2007. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacements. Depreciation is computed using the straight-line method over the following useful lives.

Asset Class	Governmental Activities Estimated Lives	Capitalization Threshold
Primary Government:		
Buildings and improvements	25 - 50	$50,000
Machinery and equipment	7 - 10	$5,000
Infrastructure	25 - 50	$50,000
Component Units:		
Machinery and equipment	5 - 20	$5,000

I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

6. Compensated absences

The liability for compensated absences has not been accrued as this amount is payable only if approved by the County Chairman and if the employee is separated in good standing. Accumulated annual leave must be taken during the year it is earned. The maximum accumulation of sick leave is 45 days. Employees will not be paid for accumulated sick leave upon separation.

7. Accrued liabilities and long-term obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of these funds. Notes are recognized as a liability in the governmental fund financial statements when due.

8. 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 position."

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. Amounts are classified as nonspendable, restricted, committed, assigned, or unassigned. Fund considered to be nonspendable are items that are not available to fund expenditures, such as fund balance associated with inventories or prepaid expenses. The County's nonspendable fund balance totaled $103,640 and is comprised of prepaid expenses of $ 52,447 and inventory of $ 51,193. The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, and external resource provider, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purpose determined by a formal action of the government's highest level of decision-making authority. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposed but do not meet the criteria to be classified as restricted or committed. Assigned fund balance may be assigned by the Board of Commissioners or a designee to whom the Board delegates authority. Assigned fund balance is established by the Board through adoption or amendment of the budget as intended for a specific purpose. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed.

Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned. The County applies restricted fund balance first when an expense is incurred for purposes for which both restricted and unrestricted fund balances are available. Additionally, the County would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are incurred.

I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In the government-wide financial statements, equity is classified as net position and displayed in three components as follows:

a. Net investment in capital assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
b. Restricted net position consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
c. Unrestricted net position consist of all other assets that do not meet the definition of "restricted" or "net investment in capital assets".

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

9. Revenues, expenditures, and expenses

a. Operating and non-operating revenues and expenses

Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods or services. Also included are all revenues and expenses not related to capital and related financing, non-capital financing, or investing activities. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

b. Expenditures/expenses

In the government-wide financial statements, expenses are classified by function for governmental activities. Administrative overhead charges are made to various functions and are included in direct expenses. In the fund financial statements, governmental fund expenditures are classified by character i.e. current (further classified by function), debt service, and capital outlay. Proprietary fund expenses are classified as operating and non-operating.

In the fund financial statements, governmental funds report expenditures of current financial resources. Proprietary funds report expenses relating to use of economic resources.

10. Interfund transactions

Interfund transactions are reflected as loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transfers are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide columnar presentation.

I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that may affect the amounts reported in the financial statements and the related notes. Accordingly, actual results could differ from those estimates.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary information

The County normally adopts an annual operating budget for all governmental funds except the capital projects funds, which have an adopted project budget. The budget resolution reflects the total of each department's appropriation in each fund. For 2012 the County did not adopt annual budgets for the Juvenile Court, Jail Commissary, Law Library, Confiscated Assets, Emergency Management Agency, Alma Bacon County Fire Department and Sheriff Fingerprint Special Revenue Funds.

Budgets are adopted on a basis consistent with GAAP with the exception of the capital projects funds, which have project length budgets, rather than annual budgets.

The following departments overspent the final 2012 annual budget:

General Fund:

Grand Jury	73
Sheriff	7,942
Jail Operations	23,361
Fire Department - Alma	116,312
Road Department	159,921
Drainage	23,963
Landfill	358
Library	3,726
Airport	7,409
Debt Service	119,534

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

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (continued)

The appropriated budget is prepared by fund, function, and department. Transfers of appropriations between departments require the approval of the commissioners. The legal level of budgetary control (i.e., the level at which expenditures may not exceed appropriations) is the department level. The commissioners did not make supplementary budget appropriations during the year.

All unexpended annual appropriations lapse at year-end.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits

Deposits – The County's cash and investment policy limits deposits to demand and money market accounts and time deposits at local banks. The County's deposits shall be secured by Federal Depositary Insurance Corporation (FDIC) coverage and/or bank pledges. State statutes require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held.

Custodial Credit Risk – Deposits - The custodial credit risk for deposits is the risk that, in the event of bank failure, the County's deposits may not be recovered.

As of December 31, 2012, all of the County's deposits were covered either by FDIC coverage or collateralized by the financial institution or a combination of the two. At year-end the bank balance of the County's demand and time deposits was $4,545,410 and the carrying amount was $4,250,836.

Also, the Bacon County Board of Health deposits were covered either by FDIC coverage or were entirely insured or collateralized with securities held by the component unit's agent in the component unit's name.

Primary government cash and cash equivalents reconciliation:

	Cash and Cash Equivalents
Primary Government - Fund Reporting Level:	
Governmental Funds - Balance Sheet	$ 4,019,111
Proprietary Fund Type Statement of Net Position	138,220
Statement of Fiduciary Assets and Liabilities	93,505
Total	$ 4,250,836

B. Receivables

Receivables at December 31, 2012 consisted of taxes, accounts (billings for user charges) and intergovernmental receivables arising from grants and utility usage by the City of Alma.

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

The allowance for uncollectibles is as follows:

- General fund - $ 7,522

III. DETAILED NOTES ON ALL FUNDS (continued)

C. Property Taxes

The major receivable of the County is property taxes receivable. Property is appraised and a lien on such property becomes enforceable 60 days after the final notification of delinquency of property taxes. Property tax millage rates are usually adopted in September and tax bill are rendered in October.

The County's property tax calendar for 2012 was as follows:
Property taxes attached as an enforceable lien on property as of January 1, 2012. The tax levy of 13.988 mills was approved on August 7, 2012. Taxes became due on December 20, 2012 and became delinquent on January 15, 2013.

The County bills and collects its own property taxes and also collects property, vehicle and mobile home taxes for the County Board of Education, the City of Alma and the State of Georgia. Collection of the County's and other governmental agencies' taxes is the responsibility of the Tax Commissioner's Office, which is accounted for in an agency fund.

D. Capital Assets

Primary Government:
Governmental Activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated				
Land	$ 1,433,832	$ 477,679	$ -	$ 1,911,511
Construction in progress	350,139	698,271	(270,031)	778,379
Total capital assets, not being depreciated	1,783,971	1,175,950	(270,031)	2,689,890
Capital assets, being depreciated				
Buildings	8,382,474	84,526	-	8,467,000
Improvements	2,180,451	28,436	-	2,208,887
Equipment, vehicles and furniture	4,139,844	789,992	(428,835)	4,501,001
Infrastructure	40,858,447	470,030	-	41,328,477
Total capital assets, being depreciated	55,561,216	1,372,984	(428,835)	56,505,365
Less accumulated depreciation for:				
Buildings	(2,607,470)	(174,371)	-	(2,781,841)
Improvements	(575,173)	(55,865)	-	(631,038)
Equipment, vehicles and furniture	(2,649,725)	(307,904)	225,872	(2,731,757)
Infrastructure	(14,675,949)	(830,241)	-	(15,506,190)
Total accumulated depreciation	(20,508,317)	(1,368,381)	225,872	(21,650,826)
Total capital assets, being depreciated, net	35,052,899	4,603	(202,963)	34,854,539
Net governmental activities capital assets	$ 36,836,870	$ 1,180,553	$ (472,994)	$ 37,544,429

III. DETAILED NOTES ON ALL FUNDS (continued)

Business-Type Activities:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated				
Equipment	$ 467,054	$ -	$ -	$ 467,054
Total capital assets, being depreciated	467,054	-	-	467,054
Less accumulated depreciation for:				
Equipment	(358,075)	(28,651)	-	(386,726)
Total accumulated depreciation	(358,075)	(28,651)	-	(386,726)
Net business-type activities capital assets	$ 108,979	$ (28,651)	$ -	$ 80,328

Discretely Presented Component Units

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

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated				
Equipment	$ 56,296	$ -	$ (11,506)	$ 44,790
Total capital assets, being depreciated	56,296	-	(11,506)	44,790
Less accumulated depreciation for:				
Equipment	(49,433)	(1,525)	11,506	(39,452)
Total accumulated depreciation	(49,433)	(1,525)	11,506	(39,452)
Net Board of Health capital assets	$ 6,863	$ (1,525)	$ -	$ 5,338

III. DETAILED NOTES ON ALL FUNDS (continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated				
Land	$ 477,679	$ -	$ (477,679)	$ -
Total capital assets, not being depreciated	477,679	-	(477,679)	-
Capital assets, being depreciated				
Buildings	25,809	-	(25,809)	-
Equipment	7,917	-	(7,917)	-
Infrastructure	13,750	-	(13,750)	-
Total capital assets, being depreciated	47,476	-	(47,476)	-
Less accumulated depreciation for:				
Buildings	(5,000)	-	5,000	-
Equipment	(5,375)	-	5,375	-
Infrastructure	(2,864)	-	2,864	-
Total accumulated depreciation	(13,239)	-	13,239	-
Total capital assets, being depreciated, net	34,237	-	(34,237)	-
Net Alma/Bacon County Joint Development Authority activities capital assets	$ 511,916	$ -	$ (511,916)	$ -

As of January 1, 2012 the Alma-Bacon County Joint Development Authority was no longer considered a component unit of the County. The County has elected to treat the Alma-Bacon County Joint Development Authority as a governmental department. The assets of the Alma-Bacon County Joint Development Authority are now reported as part of the primary government's capital assets.

Depreciation expense was charged to governmental activities as follows:

General government	$ 64,348
Judicial	2,701
Public safety	141,733
Public works	1,021,394
Health and social services	17,647
Culture and recreation	18,243
Housing and development	102,315
Total depreciation expense	$1,368,381

III. DETAILED NOTES ON ALL FUNDS (continued)

E. Interfund receivables, payables and transfers

Interfund Balances – Interfund balances at December 31, 2012 consisted of the following amounts and represent charges for services or reimbursable expenses. The County expects to repay all interfund balances within one year.

	Payable from:				
Payable to:	General Fund	Ambulance and Rescue Service	2012 SPLOST	Grant Fund	Total
E-911 Fund	141,023	-	-	-	141,023
General Fund	-	9,131	37,381	74,214	120,726
Splost 2005	500	-	40,479	26,995	67,974
Total	$ 141,523	$ 9,131	$ 77,860	$ 101,209	$ 329,723

Interfund Transfers – Interfund balances at December 31, 2012 consisted of the following amounts and represent reimbursable monies previously transferred from the General Fund.

	Transfers from:		
Transfers to:	Grant Fund	CDBG 5099 Fund	Total
General Fund	74,214	86	74,300
Total	$ 74,214	$ 86	$ 74,300

F. Liabilities

Notes Payable

Governmental Activities:

Primary government:

The County entered into a community facility installment loan agreement on February 18, 2005 with the United States Department of Agriculture totaling $45,000 for the replacement of the library building roof. The note bears interest at 4.25%. Beginning March 18, 2006, principal and interest is payable in monthly installments of $503 thru March 18, 2015. At December 31, 2012, the outstanding balance on the note payable was $12,371.

The annual debt service requirement to maturity of the note payable at December 31, 2012 is as follows:

III. DETAILED NOTES ON ALL FUNDS (continued)

Year Ending December 31,	Principal	Interest	Total
2013	5,619	417	6,036
2014	5,862	174	6,036
2015	890	5	895
	$ 12,371	$ 596	$ 12,967

The County has entered into a vehicle installment loan agreement on May 26, 2010 with the United States Department of Agriculture totaling $57,000 for the financing on four vehicles. The note bears interest at 4.125%. Beginning June 26, 2010, principal and interest is payable in monthly installments of $1,057 thru May 26, 2015. At December 31, 2012, the outstanding balance on the note payable was $28,884.

The annual debt service requirement to maturity of the note payable at December 31, 2011 is as follows:

Year Ending December 31,	Principal	Interest	Total
2013	11,712	972	12,684
2014	12,205	479	12,684
2015	4,967	49	5,016
	$ 28,884	$ 1,500	$ 30,384

Capital Leases

The County leases assets under capital leases. The economic substance of the leases is that the County is financing the acquisition of the assets through the lease over its term, and accordingly, the leases have been recorded at the present value of their future minimum lease payments as of the inception date. Gross amounts of assets recorded under capital leases at December 31, 2012 were $822,897 in equipment.

III. DETAILED NOTES ON ALL FUNDS (continued)

Future minimum lease payments are as follows:

Year	Amount
2013	119,694
2014	277,754
2015	165,795
2016	34,686
2017	113,753
Total minimum lease payments	711,681
Lease amount representing interest	(48,734)
Present value of future lease payments	$ 662,947

Changes in Long-term Liabilities:

Change in long-term liabilities:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Primary government					
Notes payable	$ 57,880	$ -	$ (16,625)	$ 41,255	$ 17,331
Capital leases	682,113	195,060	(214,227)	662,946	98,751
Total primary government	739,993	195,060	(230,852)	704,201	116,082
Total governmental activities	$ 739,993	$ 195,060	$ (230,852)	$ 704,201	$ 116,082

Short-term debt
The County did not incur any short-term debt during the year.

G. Sanitary landfill postclosure care costs

On April 8, 1994 the Alma-Bacon County Sanitary Landfill was closed. Various state and federal laws and regulations require certain maintenance and monitoring to be performed on the site. Expenditures since that date are expensed as incurred. The annual cost of maintaining and monitoring the closed sanitary landfill is estimated to be $8,500. However, the actual cost of postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. No liability has been recorded in the accounts of Bacon County, Georgia for future costs.

IV. OTHER NOTES

A. Risk management

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

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

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

The County has not compiled a record of the claims paid up to the applicable deductible for the prior or current fiscal year. The County is not aware of any claims, which the County is liable for (up to the applicable deductible) which were outstanding and unpaid at December 31, 2012. No provision has been made in the financial statements for the year ended December 31, 2012, for any estimate of potential unpaid claims.

The County carries a combined property, casualty and crime coverage with the ACCG–IRMA.

B. Contingent liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

The County has an agreement with the Bacon County Hospital Authority that in the event of nonpayment by the hospital authority of hospital revenue bonds, the County will levy a hospital bond tax millage rate sufficient to cover the current principal and interest payment of the hospital revenue bonds. The County has never been called upon to make any direct payments pursuant to such guarantee.

Bacon County is a defendant in various legal proceedings and litigations arising in the normal course of operations. Although the outcome of these proceedings is not presently determinable, in the opinion of the county attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

IV. OTHER NOTES (continued)

C. Joint ventures

Bacon County, Georgia, in conjunction with cities and counties in the eighteen county South Georgia area are members of the Southern Georgia Regional Commission (SGRC). Membership in a regional commission (RC) is automatic for each municipality and county in the state. The official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the RCs. Each county and municipality in the state is required by law to pay the minimum annual dues to the RC. The County paid annual dues in the amount of $9,279 to the SGRC for the year ended December 31, 2012. The SGRC Board membership includes the chief elected official of each county and the chief elected official of each municipality. Additional council members are appointed from the region by the Governor, Lieutenant Governor and the Speaker of the House of Representatives. Separate financial statements are available at the following address: Southern Georgia Regional Commission. 327 West Savannah Avenue, Valdosta, GA 31503, or by calling 229-333-5277.

The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) defines regional commissions as "public agencies and instrumentalities of their members". Georgia law also provides that member governments are liable for any debts or obligations of an RC beyond its resources (O.C.G.A. 50-8-39.1).

Southeast Georgia Development Authority - Bacon County, Georgia in conjunction with Appling and Jeff Davis counties have jointly created a regional development authority, which has been named the Southeast Georgia Development Authority. The purpose of the authority is to create a jointly owned regional industrial park consisting of approximately 125 acres located between the Cities of Baxley and Hazlehurst in Appling County, Georgia. Bacon County committed to one-third of the purchase price of the land which amounted to $75,000. The County Chairman serves on the board of the Southeast Georgia Development Authority. Separate financial statements are available from the following address: Bacon County Board of Commissioners, 502 West 12th Street, Alma, Georgia 31510.

D. Special purpose local option sales tax (SPLOST)

On November 8, 2005, Bacon County voters approved a referendum imposing a special one percent retail sales and use tax for a limited period of time not to exceed six years, for the collection of an estimated $6,000,000, from the imposition date of April 1, 2006. This revenue is reported in the 2005 SPLOST special revenue fund. The purpose is to fund various capital projects of the County, City of Alma, Bacon County Hospital, Bacon County Development Authority and the Alma-Bacon County Recreation Department.

On November 8, 2011, Bacon County voters approved a referendum imposing a special one percent retail sales and use tax for a limited period of time not to exceed six years, for the collection of an estimated $6,000,000, from the imposition date of April 1, 2012. This revenue is reported in the 2012 SPLOST special revenue fund. The purpose is to fund various capital projects of the County, City of Alma, Bacon County Hospital, Alma-Bacon County Recreation Department, Alma-Bacon County Fire Department, and Water and Waste Treatment Plant.

IV. OTHER NOTES (continued)

E. Pension plan

Primary Government

Plan Description

The County's defined benefit pension plan, Bacon County Defined Benefit Plan (BCDBP), provides for benefits upon retirement, death, disablement, and termination of employment, if certain eligibility conditions are met. BCDBP is affiliated with the Association County Commissioners of Georgia Defined Benefit Plan (ACCGDBP), an agent multiple-employer pension plan administered by the Association County Commissioners of Georgia, which acts as a common investment and administrative agent for participating counties in Georgia. The constitution of the State of Georgia enables the governing authority of the County, the Board of Commissioners, to establish and amend the benefit provisions of the plans that participate in ACCGDBP. The Association County Commissioners of Georgia issues a publicly available financial report that includes financial statements and required supplementary information for ACCGDBP. That report may be obtained by writing to the Association County Commissioners of Georgia, Suite 1000, 50 Hurt Plaza, Atlanta, Georgia 30303.

Any full-time employee is eligible to participate that meets the provisions as set out in the adoption agreement. Participants are one hundred percent vested after five years of service. Members are eligible for normal retirement upon attaining age 65. Early retirement is available upon a member attaining age 60, 10 years of service and 3 years of participation.

Funding Policy

The County is required to contribute at an actuarially determined rate in accordance with Section 47-20 of the Georgia Code, which sets forth the minimum funding standards for state and local government pension plans. Plan members are not required to contribute to the Plan. The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish and amend the contribution rates for the County and its plan participants.

Annual Pension Cost

The County's required employer contribution was $93,348 and actual employer contribution was $95,201 for the 2012 plan year. The required contribution was determined as part of the January 1, 2012, actuarial valuation using the "Projected Unit Credit" actuarial cost method. The actuarial value of BCDBP assets was determined based on the asset's market value. The actuarial assumptions used in the valuation include: (a) a 3% inflation rate, (b) an 7.75% investment rate of return, (c) salary increases at 4.5%-7.0% based on age, and (d) no post-retirement benefit increases. The unfunded actuarial accrued liability of the BCDBP is being amortized as a level percent of pay on a closed basis over a remaining amortization period of 10 years.

Year Ended December 31,	Annual Pension Cost (APC)	Actual County Contribution	Percentage of APC Contributed	Net Pension Obligation(Asset)
2009	61,213	65,472	107.0%	(23,338)
2010	75,792	79,908	105.4%	(27,454)
2011	77,126	31,199	40.5%	18,473
2012	93,248	95,201	102.0%	16,520

IV. OTHER NOTES (continued)

Measurement Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
12/31/10	797,017	1,054,846	257,829	75.6%	998,534	25.8%
12/31/11	803,038	1,087,340	284,302	73.9%	1,004,944	28.3%
12/31/12	860,555	1,184,734	324,179	72.6%	1,187,133	27.3%

Annual required contribution	$ 93,348
Interest on net obligation	1,432
Adjustment to annual required contribution	(1,532)
Annual cost (expense)	93,248
Contributions made	95,201
Increase in net obligation	(1,953)
Net obligation-beginning of year	18,473
Net obligation-end of year	$ 16,520

F. Defined contribution plan

Bacon County adopted the ACCG 401(a) Defined Contribution and the ACCG 457 Deferred Compensation Programs on May 27, 2008. The plan is administered by the Association County Commissioners of Georgia (ACCG). To be eligible, an employee must work a minimum of 32 hours per week and must have a minimum of 6 months continuous employment with the County. The County will match employee contributions to the plan equal to 50% of the amount the participant is contributing to a section 457(b) eligible deferred compensation plan but in no event will matching contributions made on behalf of a participant exceed 3% of the participant's includable compensation. Employer matching contributions are 100% vested after a participant has been employed as an eligible employee for 5 years. Matching contributions remain 0% vested until the participant satisfies the full vesting period. The total amount contributed by the County in 2012 to the 401(a) defined contribution plan was $ 15,503. The employees contributed $34,538 to their 457(b) deferred compensation plan. The County has the sole authority of amending and changing the plan.

G. Agreement

On April 15, 1996, financing for the Bacon County Department of Family and Children Services (DFACS) project, which consisted of purchase of land and construction of a building, was provided through an annually renewable installment purchase agreement. Bacon County is financially responsible under the installment purchase agreement for payments due during each one year term of the agreement. The County enters into an annual rental agreement with the Georgia Department of Human Resources which provides the funds to the County to pay the installment purchase agreement payments.

If the State of Georgia fails to appropriate funding with which to make payments under the lease purchase agreement, Bacon County has the option of not renewing the installment purchase agreement for the next one year term. Bacon County has no financial obligation under the installment purchase agreement following termination except for any unpaid amounts due for the one year term in effect at the time of termination.

No asset or liability has been recorded in the County's financial statements as a result of this agreement.

IV. OTHER NOTES (continued)

H. Restated Net Position

Governmental activities: As a result to a change in the ending net pension obligation at December 31, 2011 from 27,454 to (18,473), the ending net position decreased by $45,927 and has been restated in the statement of net activities.

Net Position December 31, 2011, as previous reported	$40,541,707
Adjustment to correct ending net pension obligation	(45,927)
Net Position December 31, 2011, as restated	$40,495,780

REQUIRED SUPPLEMENTARY INFORMATION

Bacon County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012

	Original Budget	Final Budget	Actual	Variance With Final Budget- Positive (Negative)
Revenues				
Taxes	$ 4,765,500	$ 4,509,970	$ 4,308,149	$ (201,821)
Licenses and permits	14,500	14,500	16,650	2,150
Intergovernmental	15,000	15,000	32,984	17,984
Charges for services	1,211,500	1,211,500	1,229,667	18,167
Fines and forfeitures	97,900	97,900	104,959	7,059
Investment earnings	-	-	877	877
Miscellaneous	197,000	197,000	207,045	10,045
Total Revenues	6,301,400	6,045,870	5,900,331	(145,539)
Expenditures				
Current				
General government	1,142,090	1,073,387	996,053	77,334
Judicial	642,436	614,076	571,122	42,954
Public safety	2,124,074	2,304,235	2,383,182	(78,947)
Public works	1,533,737	1,335,000	1,517,772	(182,772)
Health and welfare	256,882	250,345	232,073	18,272
Culture and recreation	196,800	199,800	184,530	15,270
Housing and development	399,780	484,000	434,307	49,693
Debt service				
Principal	141,959	16,000	136,639	(120,639)
Interest	6,780	3,200	2,095	1,105
Total Expenditures	6,444,538	6,280,043	6,457,773	(177,730)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(143,138)	(234,173)	(557,442)	(323,269)
Other Financing Sources (Uses)				
Interfund transfers	90,000	90,000	74,300	(15,700)
Proceeds of general capital asset dispositions	14,173	14,173	120,014	105,841
Proceeds from capital leases	-	-	195,060	195,060
Total Other Financing Sources (Uses)	104,173	104,173	389,374	285,201
Net Change in Fund Balances	$ (38,965)	(130,000)	(168,068)	$ (38,068)
Fund Balances - Beginning		2,384,205	2,384,205	
Fund Balances - Ending		$ 2,254,205	$ 2,216,137	

Note 1 - *Budgetary Information*

Budgets for the general fund are adopted on a basis that is consistent with accounting principles generally accepted in the United States as applied to governments.

The following departments overspent the final general fund 2012 annual budget:

General Fund:

Grand Jury	73
Sheriff	7,942
Jail Operations	23,361
Fire Department - Alma	116,312
Road Department	159,921
Drainage	23,963
Landfill	358
Library	3,726
Airport	7,409
Debt Service	119,534

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS

AND SCHEDULES

Bacon County, Georgia
General Fund
Comparative Balance Sheet
December 31, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 1,924,030	$ 2,031,904
Restricted cash		
Receivables:		
Accounts	366,395	277,076
Property taxes	679,498	841,790
Sales taxes	130,397	125,925
Interfund	120,726	237,592
Intergovernmental	-	-
Interest	-	729
Prepaids	52,447	40,962
Inventory	51,193	58,619
Total Assets	$ 3,324,686	$ 3,614,597
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 476,519	$ 665,497
Accrued expenditures	32,272	65,820
Interfund	141,523	137,204
Deferred revenue	458,235	361,871
Total Liabilities	1,108,549	1,230,392
Fund Balances		
Nonspendable	103,640	99,581
Restricted for:		
Public safety	87,743	96,807
Unrestricted:		
Assigned:		
Culture and recreation	1,989	1,785
Health and welfare	34,945	26,241
Housing and Development	60,835	80,582
Unassigned	1,926,985	2,079,209
Total Fund Balances	2,216,137	2,384,205
Total Liabilities and Fund Balances	$ 3,324,686	$ 3,614,597

Bacon County, Georgia
General Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2012 and 2011

	2012	2011
Revenues		
Taxes	$ 4,308,149	$ 4,245,647
Licenses and permits	16,650	16,599
Intergovernmental	32,984	33,614
Charges for services	1,229,667	1,167,955
Fines and forfeitures	104,959	114,951
Investment earnings	877	1,199
Miscellaneous	207,045	669,418
Total Revenues	5,900,331	6,249,383
Expenditures		
Current		
General government	996,053	1,076,173
Judicial	571,122	573,880
Public safety	2,383,182	2,285,033
Public works	1,517,772	2,079,521
Health and welfare	232,073	255,244
Culture and recreation	184,530	118,533
Housing and development	434,307	484,646
Debt Service		
Principal	136,639	192,950
Interest	2,095	15,291
Total Expenditures	6,457,773	7,081,271
Excess (Deficiency) of Revenues Over (Under) Expenditures	(557,442)	(831,888)
Other Financing Sources (Uses)		
Interfund Transfers	74,300	-
Proceeds of general capital asset dispositions	120,014	15,569
Proceeds from capital leases	195,060	627,837
Total Other Financing Sources (Uses)	389,374	643,406
Net Change in Fund Balances	(168,068)	(188,482)
Fund Balances - Beginning	2,384,205	2,572,687
Fund Balances - Ending	$ 2,216,137	$ 2,384,205

Bacon County, Georgia
General Fund
Schedule of Revenues and Other Financing Sources - Budget and Actual
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance With Final Budget- Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes				
Real property				
Current	$ 2,500,000	$ 2,244,470	$ 2,231,500	$ (12,970)
Timber	45,000	45,000	70,284	25,284
Real property-prior year	650,000	650,000	270,003	(379,997)
Personal property-current year				
Motor vehicle tax	325,000	325,000	369,200	44,200
Mobile home tax	40,000	40,000	33,728	(6,272)
Intangibles	20,000	20,000	20,560	560
Railroad equipment	2,500	2,500	2,888	388
Property not on digest	14,000	14,000	5,204	(8,796)
Real estate transfer	4,000	4,000	8,558	4,558
Local option sales and use taxes	725,000	725,000	807,988	82,988
Alcoholic beverage excise taxes	38,000	38,000	46,623	8,623
Insurance premium taxes	330,000	330,000	340,940	10,940
Financial institution taxes	20,000	20,000	18,377	(1,623)
Penalties and interest on taxes	52,000	52,000	82,296	30,296
Total Taxes	4,765,500	4,509,970	4,308,149	(201,821)
Licenses and Permits				
Business licenses - alcoholic beverages	6,000	6,000	7,125	1,125
Insurance lapse penalty	1,000	1,000	-	(1,000)
Late tag penalty	7,500	7,500	9,525	2,025
Total Licenses and Permits	14,500	14,500	16,650	2,150
Intergovernmental Revenues				
State government grants	15,000	15,000	32,984	17,984
Total Intergovernmental	15,000	15,000	32,984	17,984

(continued)

Bacon County, Georgia
General Fund
Schedule of Revenues and Other Financing Sources - Budget and Actual (continued)
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance With Final Budget- Positive
	Original	Final	Amounts	(Negative)
Revenues				
Charges for Services				
General government				
Court costs, fees and charges	105,000	105,000	115,327	10,327
Motor vehicle tag collection fees	14,000	14,000	14,484	484
Other:				
Election qualifying fees	11,000	11,000	12,977	1,977
Solid waste administration fees	3,000	3,000	(10)	(3,010)
Sale of maps	1,500	1,500	1,095	(405)
Commissions on tax collections	57,000	57,000	121,752	64,752
Computer Tech	17,500	17,500	-	(17,500)
Public safety	196,000	196,000	180,959	(15,041)
Streets and public improvements	1,000	1,000	935	(65)
Utilities/enterprise - sanitation	446,000	446,000	424,854	(21,146)
Other/enterprise - Airport charges	180,000	180,000	242,257	62,257
Culture and recreation	-			-
Other charges for services	16,500	16,500	21,643	5,143
Reimbursements	163,000	163,000	93,394	(69,606)
Total Charges for Services	1,211,500	1,211,500	1,229,667	18,167
Fines and Forfeitures				
Court	87,000	87,000	84,182	(2,818)
Other	10,900	10,900	20,777	9,877
Total Fines and Forfeitures	97,900	97,900	104,959	7,059
Investment Earnings	-	-	877	877
Miscellaneous Revenue				
Rents	160,000	160,000	118,267	(41,733)
Other	37,000	37,000	88,778	51,778
Total Miscellaneous Revenue	197,000	197,000	207,045	10,045
Other Financing Scources				
Interfund transfers	90,000	90,000	74,300	(15,700)
Proceeds from general capital asset dispositions	14,173	14,173	120,014	105,841
Proceeds from capital leases	-	-	195,060	195,060
Total Other Financing Sources	104,173	104,173	389,374	285,201
Total Revenues and Other Financing Sources	$ 6,405,573	$ 6,150,043	$ 6,289,705	$ 139,662

Bacon County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance With Final Budget- Positive
	Original	Final	Amounts	(Negative)
General Government:				
Executive				
Personal services and employee benefits	173,161	170,161	164,057	6,104
Total Executive	173,161	170,161	164,057	6,104
Elections				
Personal services	39,383	39,383	42,936	(3,553)
Purchased/contracted services	61,220	59,317	54,637	4,680
Supplies	11,300	11,300	8,335	2,965
Total Elections	111,903	110,000	105,908	4,092
General Administration				
Personal services	73,633	46,633	37,269	9,364
Purchased/contracted services	82,200	82,200	83,025	(825)
Supplies	7,100	7,100	8,390	(1,290)
Total General Administration	162,933	135,933	128,684	7,249
Computer Technician				
Personal services and employee benefits	46,802	46,802	43,306	3,496
Supplies	200	200	29	171
Total Computer Technician	47,002	47,002	43,335	3,667
Tax Commissioner				
Personal services	153,751	153,751	153,488	263
Purchased/contracted services	16,450	16,450	16,413	37
Supplies	9,250	9,250	4,134	5,116
Total Tax Commissioner	179,451	179,451	174,035	5,416
Tax Assessor				
Personal services	126,918	126,918	102,088	24,830
Purchased/contracted services	48,400	48,400	29,218	19,182
Capital Outlay	5,500	5,500	3,743	1,757
Total Tax Assessor	180,818	180,818	135,049	45,769
General Government- Buildings and Plant				
Personal services	28,492	28,492	26,230	2,262
Purchased/contracted services	112,380	75,580	67,025	8,555
Supplies	145,950	145,950	151,730	(5,780)
Total Buildings and Plant	286,822	250,022	244,985	5,037
Total General Government	1,142,090	1,073,387	996,053	77,334

(continued)

Bacon County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance With Final Budget- Positive
	Original	Final	Amounts	(Negative)
Judicial				
Superior Court				
Personal services	13,715	13,715	12,920	795
Purchased/contracted services	136,975	116,975	102,356	14,619
Supplies	800	800	231	569
Total Superior Court	151,490	131,490	115,507	15,983
Clerk of Superior Court				
Personal services	118,410	116,200	110,781	5,419
Purchased/contracted services	35,100	30,100	28,805	1,295
Supplies	8,700	3,700	4,408	(708)
Total Clerk of Superior Court	162,210	150,000	143,994	6,006
State Court				
Personal services	74,886	74,886	74,582	304
Purchased/contracted services	24,400	24,400	14,672	9,728
Supplies	3,100	3,100	1,038	2,062
Total State Court	102,386	102,386	90,292	12,094
Probate/Magistrate Court				
Personal services	179,550	183,400	181,173	2,227
Purchased/contracted services	16,800	16,800	15,025	1,775
Supplies	7,800	7,800	4,465	3,335
Total Probate/Magistrate Court	204,150	208,000	200,663	7,337
Juvenile Court				
Personal services	3,500	3,500	-	3,500
Purchased/contracted services	12,500	12,500	14,332	(1,832)
Supplies	500	500	561	(61)
Total Juvenile Court	16,500	16,500	14,893	1,607
Grand Jury				
Purchased/contracted services	5,700	5,700	5,773	(73)
Total Grand Jury	5,700	5,700	5,773	(73)
Total Judicial	642,436	614,076	571,122	42,954

(continued)

Bacon County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance With Final Budget- Positive
	Original	Final	Amounts	(Negative)
Public Safety				
Sheriff				
Personal services	584,730	609,830	607,396	2,434
Purchased/contracted services	74,810	64,810	54,286	10,524
Supplies	48,500	48,500	69,400	(20,900)
Total Sheriff	708,040	723,140	731,082	(7,942)
Jail Operations				
Personal services	345,799	366,867	381,006	(14,139)
Purchased/contracted services	29,993	50,943	44,191	6,752
Supplies	127,700	142,750	158,724	(15,974)
Total Jail Operations	503,492	560,560	583,921	(23,361)
Medical Services				
Purchased/contracted services	104,400	124,400	117,490	6,910
Supplies	3,900	3,900	2,620	1,280
Total Medical Services	108,300	128,300	120,110	8,190
School Resources Officer				
Personal services	47,735	47,735	47,395	340
Total School Resources Officer	47,735	47,735	47,395	340
Fire Department - Alma				
Purchased/contracted services	479,693	482,000	596,820	(114,820)
Supplies	8,000	8,000	9,492	(1,492)
Total Fire Department - Alma	487,693	490,000	606,312	(116,312)
Rural Fire Departments and Forestry				
Personal services	6,420	6,420	6,074	346
Purchased/contracted services	42,060	36,280	32,734	3,546
Supplies	27,800	22,300	18,986	3,314
Total Rural Fire Departments and Forestry	76,280	65,000	57,794	7,206
EMS-Ambulance Operations				
Personal Services	-	50,000	642	49,358
Total EMS-Ambulance	-	50,000	642	49,358
Dispatchers				
Personal services	164,121	205,537	209,876	(4,339)
Purchased/contracted services	4,900	4,900	2,055	2,845
Supplies	4,563	4,563	539	4,024
Total Dispatcher	173,584	215,000	212,470	2,530
Coroner				
Purchased/contracted services	11,500	12,000	11,762	238
Total Coroner	11,500	12,000	11,762	238

(continued)

Bacon County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance With Final Budget- Positive
	Original	Final	Amounts	(Negative)
Public Safety(Continued)				
GCIC/NCIC				
Purchased/contracted services	2,500	2,500	1,735	765
Total GCIC/NCIC	2,500	2,500	1,735	765
Civil Defense				
Purchased/contracted services	5,000	7,750	7,746	4
Other Costs	-	2,250	2,213	37
Total Civil Defense	5,000	10,000	9,959	41
Total Public Safety	2,124,124	2,304,235	2,383,182	(78,947)
Public Works				
Road Department				
Personal services	563,770	534,995	542,513	(7,518)
Purchased/contracted services	156,150	124,150	106,420	17,730
Supplies	212,000	204,000	203,073	927
Capital outlays	50,000	24,000	195,060	(171,060)
Total Road Department	981,920	887,145	1,047,066	(159,921)
Drainage				
Capital outlays	30,000	-	23,963	(23,963)
Total Drainage	30,000	-	23,963	(23,963)
Solid Waste Administration				
Personal services	34,442	28,750	28,023	727
Purchased/contracted services	349,100	325,350	325,387	(37)
Supplies	950	700	629	71
Other costs	-	-	496	(496)
Total Solid Waste Administration	384,492	354,800	354,535	265
Solid Waste Disposal				
Purchased/contracted services	1,000	-	-	-
Total Solid Disposal	1,000	-	-	-
Landfill				
Purchased/contracted services	5,200	5,200	5,558	(358)
Total Landfill	5,200	5,200	5,558	(358)

(continued)

Bacon County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance With Final Budget- Positive
	Original	Final	Amounts	(Negative)
Public Works(Continued)				
Fuel System				
Purchased/contracted services	-	-	159	(159)
Supplies	-	-	(858)	858
Total Fuel System	-	-	(699)	699
Maintenance and Shop				
Personal Services	88,725	52,155	49,818	2,337
Purchased/contracted services	8,400	7,200	4,034	3,166
Supplies	34,000	28,500	33,497	(4,997)
Total Maintenance and Shop	131,125	87,855	87,349	506
Total Public Works	1,533,737	1,335,000	1,517,772	(182,772)
Health and Welfare				
Health				
Purchased/contracted services	14,300	14,300	4,734	9,566
Other Costs	54,000	54,000	54,000	-
Total Health	68,300	68,300	58,734	9,566
Welfare				
Purchased/contracted services	18,137	20,100	17,841	2,259
Supplies	17,400	20,900	18,946	1,954
Other Costs	47,500	29,000	26,649	2,351
Total Welfare	83,037	70,000	63,436	6,564
Community Services				
Personal services	71,440	71,440	65,786	5,654
Purchased/contracted services	14,615	14,615	16,871	(2,256)
Supplies	12,990	14,990	17,234	(2,244)
Total Community Services	99,045	101,045	99,891	1,154
Public Education				
Purchased/contracted services	6,500	11,000	10,012	988
Total Public Education	6,500	11,000	10,012	988
Total Health and Welfare	256,882	250,345	232,073	18,272

(continued)

Bacon County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance With Final Budget- Positive
	Original	Final	Amounts	(Negative)
Culture/Recreation				
Recreation				
Personal services	93,620	93,620	86,101	7,519
Purchased/contracted services	35,380	35,380	25,850	9,530
Supplies	27,000	30,000	24,937	5,063
Other Costs	-	-	3,787	(3,787)
Total Recreation	156,000	159,000	140,675	18,325
Parks				
Supplies	3,500	3,500	3,255	245
Total Parks	3,500	3,500	3,255	245
Historical Society				
Purchased/contracted services	-	-	299	(299)
Other Costs	3,500	3,500	2,775	725
Total Historical Society	3,500	3,500	3,074	426
Libraries				
Purchased/contracted services	7,500	7,500	7,321	179
Supplies	11,500	11,500	11,443	57
Other Costs	14,800	14,800	18,762	(3,962)
Total Libraries	33,800	33,800	37,526	(3,726)
Total Culture/Recreation	196,800	199,800	184,530	15,270
Housing and Development				
Conservation				
Agricultural Resources				
County Extension Services				
Personal services	73,105	82,675	64,743	17,932
Purchased/contracted services	31,625	14,825	24,095	(9,270)
Supplies	7,500	7,500	6,988	512
Total Agricultural Resources	112,230	105,000	95,826	9,174
Total Conservation	112,230	105,000	95,826	9,174

(continued)

Bacon County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended December 31, 2012

	Budgeted Amounts		Actual	Variance With Final Budget- Positive
	Original	Final	Amounts	(Negative)
Housing and Development (Continued)				
Economic Development and Assistance				
Economic Development and Assistance Administration				
Southern Georgia Regional Commission				
Purchased/contracted services	13,000	13,850	9,279	4,571
Total Economic Development and Assistance Administration	13,000	13,850	9,279	4,571
Economic Development				
Personal Services	31,450	32,750	31,144	1,606
Purchased/contracted services	31,900	24,400	30,547	(6,147)
Supplies	14,000	14,000	4,182	9,818
Total Economic Development	77,350	71,150	65,873	5,277
Enterprise Operations				
Airport				
Purchased/contracted services	26,700	29,400	17,538	11,862
Supplies	160,600	222,600	241,871	(19,271)
Total Airport	187,300	252,000	259,409	(7,409)
Blueberry Operations				
Purchased/contracted services	3,150	1,150	1,197	(47)
Supplies	6,750	2,850	2,723	127
Capital Outlay	-	38,000	-	38,000
Total Blueberry Operations	9,900	42,000	3,920	38,080
Total Enterprise Operations	197,200	294,000	263,329	30,671
Total Economic Development and Assistance Administration	287,550	379,000	338,481	40,519
Total Housing and Development	399,780	484,000	434,307	49,693
Debt Service				
Principal	141,959	16,000	136,639	(120,639)
Interest	6,780	3,200	2,095	1,105
Total Debt Service	148,739	19,200	138,734	(119,534)
Total Expenditures	6,444,588	6,280,043	6,457,773	(177,730)
Total Expenditures and Other Financing Uses	$ 6,444,588	$ 6,280,043	$ 6,457,773	$ (177,730)

Bacon County, Georgia
2005 SPLOST Fund
Comparative Balance Sheet
December 31, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 708,226	$ 1,218,290
Interfund Receivable	67,974	206,899
Total Assets	$ 776,200	$ 1,425,189
Liabilities		
Interfund Payable	$ -	$ 222,717
Total Liabilities	-	222,717
Fund Balances		
Restricted for capital projects	776,200	1,202,472
Total Fund Balances	776,200	1,202,472
Total Liabilities and Fund Balances	$ 776,200	$ 1,425,189

Bacon County, Georgia
2005 SPLOST Fund
Project Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended December 31, 2012

	Project Length Budget	Current Year	Prior Years	Actual Amounts	Variance with Budget- Over (Under)
Revenues:					
Intergovernmental	$ 6,000,000	$ 331,504	$ 7,266,960	$ 7,598,464	$ 1,598,464
Investment income	-	-	29,006	29,006	29,006
Total Revenues	6,000,000	331,504	7,295,966	7,627,470	1,627,470
Expenditures:					
Capital outlays					
Rural fire dept. trucks and facilities	450,000	97,631	327,474	425,105	(24,895)
E911 upgrades	87,000	-	69,946	69,946	(17,054)
County 4-H van	40,000	-	42,725	42,725	2,725
Reroof jail, courthouse HVAC and sheriff vehicles	350,000	-	318,145	318,145	(31,855)
Roads, streets, bridges and equipment	828,000	268,404	675,139	943,543	115,543
Intergovernmental transfers					
Hospital	1,000,000	-	1,000,000	1,000,000	-
Recreation	200,000	68,756	135,319	204,075	4,075
City of Alma	1,995,000	204,635	2,484,842	2,689,477	694,477
Development Authority	200,000	-	100,000	100,000	(100,000)
Debt service					-
Principal - Satilla REMC	850,000	-	858,301	858,301	8,301
Roads, streets, bridges and equipment:					
Capital Lease Principal	-	94,213	63,737	157,950	157,950
Capital Lease Interest	-	24,137	17,866	42,003	42,003
Total Expenditures	6,000,000	757,776	6,093,494	6,851,270	851,270
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	(426,272)	1,202,472	$ 776,200	$ 776,200
Fund Balances - Beginning		1,202,472	-		
Fund Balances - Ending		$ 776,200	$ 1,202,472		

Bacon County, Georgia
2012 SPLOST Fund
Comparative Balance Sheet
December 31, 2012

	2012
Assets	
Cash and cash equivalents	$ 561,274
Due from other governments	210,370
Total Assets	$ 771,644
Liabilities	
Interfund Payable	$ 77,860
Total Liabilities	77,860
Fund Balances	
Restricted for capital projects	693,784
Total Fund Balances	693,784
Total Liabilities and Fund Balances	$ 771,644

Bacon County, Georgia
2012 SPLOST Fund
Project Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended December 31, 2012

	Project Length Budget	Current Year	Actual Amounts	Variance with Budget- Over (Under)
Revenues:				
Intergovernmental	$ 6,000,000	$ 972,314	$ 972,314	$ (5,027,686)
Total Revenues	6,000,000	972,314	972,314	(5,027,686)
Expenditures:				
Capital outlays				
Jail Camera System & sheriff vehicles	300,000	78,094	78,094	(221,906)
Tax Commissioner's office- computer system, server, & equipment	50,000	7,430	7,430 -	(42,570) -
E911 computer system	25,000	-	-	(25,000)
Tax Assessor's office-new aerial mapping, computer, printers, & equip	75,000	7,183	7,183	(67,817)
Bacon Co Clerk of Court-shelves & equip	50,000	29,474	29,474	(20,526)
Bacon Co Courthouse-courtroom equipment	50,000		-	(50,000)
Bacon Co Public offices-computer equip	50,000	11,414	11,414	(38,586)
Roads, streets, bridges and equipment	1,340,000		-	(1,340,000)
Alma/Bacon Co Nursing Home	500,000		-	(500,000)
Alma/Bacon Co Senior Center	50,000	23,842	23,842	(26,158)
Water and Waste Treatment Plant	500,000		-	(500,000)
Alma/Bacon Co Recreation Center	87,500	9,264	9,264	(78,236)
Public Buildings Upkeep	250,000	28,880	28,880	(221,120)
Computers and Equipment for Dispatch	50,000		-	(50,000)
Alma/Bacon Co Fire Department	90,000		-	(90,000)
Alma/Bacon Co Library	10,000	6,710	6,710	(3,290)
Voting Machines	12,500	3,772	3,772	(8,728)
Intergovernmental transfers				
City of Alma	960,000	-	-	(960,000)
Alma/Bacon Co Nursing Home	500,000	-	-	(500,000)
Alma/Bacon Co Senior Center	50,000	23,842	23,842	(26,158)
Water & Waste Treatment Plant	500,000	-	-	(500,000)
Alma/Bacon Co Recreation Center	87,500	9,263	9,263	(78,237)
Public Buildings Upkeep	250,000	28,880	28,880	(221,120)
Computers & Equipment for Dispatch	50,000	-	-	(50,000)
Alma/Bacon Co Fire Department	90,000	-	-	(90,000)
Alma/Bacon Co Library	10,000	6,710	6,710	(3,290)
Voting Machines	12,500	3,772	3,772	(8,728)
Total Expenditures	6,000,000	278,530	278,530	(5,721,470)
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	693,784	$ 693,784	$ 693,784
Fund Balances - Beginning		-		
Fund Balances - Ending		$ 693,784		

Bacon County, Georgia
Multiple Grant Fund
Comparative Balance Sheet
December 31, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 615,618	$ 100,384
Intergovernmental receivable	20,182	13,370
Total Assets	$ 635,800	$ 113,754
Liabilities and Fund Balances		
Liabilities		
Interfund Payable	$ 101,209	$ -
Intergovernmental payables	20,182	13,370
Total Liabilities	121,391	13,370
Fund Balances		
Restricted for Capital projects	514,409	75,216
Unrestricted:		
Assigned to Capital projects	-	25,168
Total Fund Balances	514,409	100,384
Total Liabilities and Fund Balances	$ 635,800	$ 113,754

Bacon County, Georgia
Multiple Grant Fund
Project Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended December 31, 2012

	Project Length Budget	Actual			Variance With Budget Over (Under)
		Current Year	Prior Years	Total	
Revenues:					
Intergovernmental	$ 2,060,652	$ 1,159,262	$ 897,038	$ 2,056,300	$ (4,352)
Investment income	-	-	25,168	25,168	25,168
Total Revenues	2,060,652	1,159,262	922,206	2,081,468	20,816
Expenditures					
Current:					
Public safety	4,500	-	4,500	4,500	-
Health and welfare	124,422	40,571	83,851	124,422	-
Capital Outlay	1,882,684	630,452	733,471	1,363,923	518,761
Total Expenditures	2,011,606	671,023	$ 821,822	$ 1,363,923	$ 518,761
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ 49,046	488,239			
Other Financing Sources (uses):					
Transfer Out		$ (74,214)			
Net Change in Fund Balances		414,025			
Fund Balances, Beginning of Year		100,384			
Fund Balances, End of Year		$ 514,409			

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS:

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

Juvenile Court Fund - To account for funds received from fines to be used for juvenile court supplies.

Disaster Fund - The Disaster Fund is used to account for the proceeds and expenditures related to a disaster grant received to repair flood damaged roads to pre-disaster condition.

Jail Commissary Fund - To account for the jail vending sales and cost of sales. Vending profits are to be used for jail supplies and equipment.

Law Library Fund - To account for funds received from fines to be used for law library expenses.

Confiscated Assets Fund - To account for funds received from forfeitures to be used for law enforcement purposes.

Community Development Block Grant Fund 03m-y-003-1-2877 - To account for CDBG funds received to provide assistance for purchase or rehabilitation of housing for qualified applicants.

Emergency Management Agency - To account for Emergency Management Agency funds received and expended.

E-911 - To account for E-911 funds received and expended.

Alma Bacon County Fire Department - To account for funds received directly by the Fire Department to be used for firefighting expenditures.

Sheriff Fingerprint - To account for funds received from charges for services to be used for GBI fingerprint processing costs and supplies.

CAPITAL PROJECT FUNDS:

The Capital Projects Funds are use to account for the acquisition and/or construction of major capital assets other than those acquired by proprietary or trust funds.

Bacon County, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds - By Fund Type
December 31, 2012

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total
Assets			
Cash and cash equivalents	$ 201,549	$ 8,414	$ 209,963
Accounts receivable	25,711	-	25,711
Due from other governments	-	10,648	10,648
Interfund Receivable	141,023	-	141,023
Total Assets	$ 368,283	$ 19,062	$ 387,345
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	$ -	$ 10,648	$ 10,648
Accrued Expenditures	-	-	-
Total Liabilities	-	10,648	10,648
Fund Balances:			
Restricted for:			
Capital projects	-	8,414	8,414
Housing and Development	1,033	-	1,033
Judical	35,822	-	35,822
Public safety	328,818	-	328,818
Public works	2,610	-	2,610
Total Fund Balances	368,283	8,414	376,697
Total Liabilities and Fund Balances	$ 368,283	$ 19,062	$ 387,345

Bacon County, Georgia
Combining Statement of Revenues, Expenditures and Changes In Fund Balances
Nonmajor Governmental Funds - By Fund Type
For the Year Ended December 31, 2012

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total
Revenues			
Fines and Forfeitures	$ 70,483	$ -	$ 70,483
Charges for services	209,119	-	209,119
Intergovernmental	17,307	331,215	348,522
Total Revenues	296,909	331,215	628,124
Expenditures			
Current:			
Judicial	3,478	-	3,478
Public safety	252,588	-	252,588
Capital outlay	30,550	333,169	363,719
Total Expenditures	286,616	333,169	619,785
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,293	(1,954)	8,339
Other Financing Sources (Uses):			
Transfer Out	-	(86)	(86)
Net Change in Fund Balances	10,293	(2,040)	8,253
Fund Balances - Beginning	357,990	10,454	368,444
Fund Balances - Ending	$ 368,283	$ 8,414	$ 376,697

Bacon County, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2012

	Juvenile Court	Disaster	Jail Commissary	Law Library	Confiscated Assets	Community Development Block Grant 03m-y-003 -1-2877	Emergency Management Agency	E-911	Alma Bacon County Fire Dept	Sheriff Fingerprint	Total
Assets											
Cash and cash equivalents	$ 1,161	$ 2,610	$ 7,974	$ 34,376	$ 94,836	$ 1,033	$ 8,465	$ 37,680	$ 10,025	$ 3,389	$ 201,549
Accounts receivable	-	-	-	285	-	-	-	25,426	-	-	25,711
Interfund Receivable	-	-	-	-	-	-	-	141,023	-	-	141,023
Total Assets	$ 1,161	$ 2,610	$ 7,974	$ 34,661	$ 94,836	$ 1,033	$ 8,465	$ 204,129	$ 10,025	$ 3,389	$ 368,283
Liabilities and Fund Balances											
Liabilities											
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accrued Expenditures	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	-	-	-	-	-	-	-	-	-	-	-
Fund Balances:											
Restricted for:											
Housing & development		-	-	-	-	1,033	-	-	-	-	1,033
Judicial	1,161	-	-	34,661	-	-	-	-	-	-	35,822
Public safety	-	-	7,974	-	94,836	-	8,465	204,129	10,025	3,389	328,818
Public works	-	2,610	-	-	-	-	-	-	-	-	2,610
Total Fund Balances	1,161	2,610	7,974	34,661	94,836	1,033	8,465	204,129	10,025	3,389	368,283
Total Liabilities and Fund Balances	$ 1,161	$ 2,610	$ 7,974	$ 34,661	$ 94,836	$ 1,033	$ 8,465	$ 204,129	$ 10,025	$ 3,389	$ 368,283

Bacon County, Georgia
Combining Statement of Revenues, Expenditures and Changes In Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2012

	Juvenile Court	Disaster	Jail Commissary	Law Library	Confiscated Assets	Community Development Block Grant 03m-y-003 -1-2877	Emergency Management Agency	E-911	Alma Bacon County Fire Dept	Sheriff Fingerprint	Total
Revenues											
Fines and Forfeitures	$ 1,170	$ -	$ -	$ 6,587	$ 62,726	$ -	$ -	$ -	$ -	$ -	$ 70,483
Charges for services	-	-	34,618	-	-	-	-	156,882	12,870	4,749	209,119
Intergovernmental	-	-	-	-	-	-	17,307	-	-	-	17,307
Total Revenues	1,170	-	34,618	6,587	62,726	-	17,307	156,882	12,870	4,749	296,909
Expenditures											
Current:											
Judicial	1,170	-	-	2,308	-	-	-	-	-	-	3,478
Public safety	-	-	34,705	-	34,857	-	19,941	158,880	2,845	1,360	252,588
Public works	-	-	-	-	-	-	-	-	-	-	-
Housing and development	-	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	30,550	-	-	-	-	-	30,550
Total Expenditures	1,170	-	34,705	2,308	65,407	-	19,941	158,880	2,845	1,360	286,616
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(87)	4,279	(2,681)	-	(2,634)	(1,998)	10,025	3,389	10,293
Net Change in Fund Balances	-	-	(87)	4,279	(2,681)	-	(2,634)	(1,998)	10,025	3,389	10,293
Fund Balances - Beginning	1,161	2,610	8,061	30,382	97,517	1,033	11,099	206,127	-	-	357,990
Fund Balances - Ending	$ 1,161	$ 2,610	$ 7,974	$ 34,661	$ 94,836	$ 1,033	$ 8,465	$204,129	$ 10,025	$ 3,389	$368,283

Bacon County, Georgia
Juvenile Court Fund
Comparative Balance Sheet
December 31, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 1,161	$ 1,185
Total Assets	$ 1,161	$ 1,185
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	$ -	$ 24
Total Liabilities	-	24
Fund Balances		
Restricted for Judicial	1,161	1,161
Total Fund Balances	1,161	1,161
Total Liabilities and Fund Balances	$ 1,161	$ 1,185

Bacon County, Georgia
Juvenile Court Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended December 31, 2012
(With Comparative Actual Amounts for the Year Ended December 31, 2011)

	2012 Actual	2011 Actual
Revenues:		
Fines and forfeitures	$ 1,170	$ 708
Total Revenues	1,170	708
Expenditures:		
Current:		
Judiciary	1,170	708
Total Expenditures	1,170	708
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-
Fund Balance, Beginning	1,161	1,161
Fund Balance, Ending	$ 1,161	$ 1,161

Bacon County, Georgia
Disaster Fund
Comparative Balance Sheet
December 31, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 2,610	$ -
Intergovernmental Receivable	-	2,610
Total Assets	$ -	$ 2,610
Fund Balances		
Restricted for Public works	2,610	2,610
Total Fund Balances	2,610	2,610

BACON COUNTY, GEORGIA
Disaster Fund
Project Schedule of Revenues, Expenditures and
Changes in Fund Balances
From Inception and for the Year Ended December 31, 2012

	2012 Actual	2011 Actual
Revenues:		
Intergovernmental	$ -	$ 41,229
Investment income	-	-
Total Revenues	-	41,229
Expenditures		
Current:		
Public works	-	76,302
Total Expenditures	-	76,302
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(35,073)
Net Change in Fund Balance	-	(35,073)
Fund Balance, Beginning	2,610	37,683
Fund Balance, Ending	2,610	2,610

Bacon County, Georgia
Jail Commissary Fund
Comparative Balance Sheet
December 31, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 7,974	$ 8,061
Total Assets	$ 7,974	$ 8,061
Fund Balances		
Restricted for Public safety	$ 7,974	$ 8,061
Total Fund Balances	$ 7,974	$ 8,061

Bacon County, Georgia
Jail Commissary Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended December 31, 2012
(With Comparative Actual Amounts for the Year Ended December 31, 2011)

	2012 Actual	2011 Actual
Revenues:		
Charges for services	$ 34,618	$ 35,154
Total Revenues	34,618	35,154
Expenditures:		
Current:		
Public safety	34,705	30,881
Total Expenditures	34,705	30,881
Excess (Deficiency) of Revenues Over (Under) Expenditures	(87)	4,273
Fund Balance, Beginning	8,061	3,788
Fund Balance, Ending	$ 7,974	$ 8,061

Bacon County, Georgia
Law Library Fund
Comparative Balance Sheet
December 31, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 34,376	$ 30,057
Accounts Receivable	285	325
Total Assets	$ 34,661	$ 30,382
Fund Balances		
Restricted for Judical	$ 34,661	$ 30,382
Total Fund Balances	$ 34,661	$ 30,382

Bacon County, Georgia
Law Library Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012
(With Comparative Actual Amounts for the Year Ended December 31, 2011)

	2012 Actual	2011 Actual
Revenues:		
Fines and forfeitures	$ 6,587	$ 6,618
Total Revenues	6,587	6,618
Expenditures:		
Current:		
Judiciary	2,308	1,614
Total Expenditures	2,308	1,614
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,279	5,004
Fund Balances - Beginning of Year	30,382	25,378
Fund Balances - End of Year	$ 34,661	$ 30,382

Bacon County, Georgia
Confiscated Assets Fund
Comparative Balance Sheet
December 31, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 94,836	$ 97,517
Total Assets	$ 94,836	$ 97,517
Fund Balances		
Restricted for Public safety	$ 94,836	$ 97,517
Total Fund Balances	$ 94,836	$ 97,517

Bacon County, Georgia
Confiscated Assets Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended December 31, 2012
(With Comparative Actual Amounts for the Year Ended December 31, 2011)

	2012 Actual	2011 Actual
Revenues:		
Fines and forfeitures	$ 62,726	$ 40,318
Total Revenues	62,726	40,318
Expenditures:		
Current:		
Capital Outlay	30,550	-
Public safety	34,857	14,475
Total Expenditures	65,407	14,475
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,681)	25,843
Fund Balance, Beginning	97,517	71,674
Fund Balance, Ending	$ 94,836	$ 97,517

Bacon County, Georgia
Community Development Block Grant 03m-y-003-1-2877 Fund
Comparative Balance Sheet
December 31, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 1,033	$ 1,033
Total Assets	$ 1,033	$ 1,033
Fund Balances		
Restricted for Housing and development	$ 1,033	$ 1,033
Total Fund Balances	$ 1,033	$ 1,033

Bacon County, Georgia
Community Development Block Grant 03m-y003-1-2877 Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012
(With Comparative Actual Amounts for the Year Ended December 31, 2011)

	2012				2011
	Budgeted Amounts			Variance With Final Budget- Positive	
	Original	Final	Actual	(Negative)	Actual
Revenues:					
Intergovernmental	$ 5,290	$ 5,290	$ -	$ (5,290)	$ -
Total Revenues	5,290	5,290	-	(5,290)	-
Expenditures:					
Current:					
Housing and development:					
Reconstruction of private properties	6,323	6,323	-	6,323	-
Total Expenditures	6,323	6,323	-	6,323	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,033)	(1,033)	-	(11,613)	-
Fund Balances - Beginning of Year	1,033	1,033	1,033	-	1,033
Fund Balances - End of Year	$ -	$ -	$ 1,033	$ (11,613)	$ 1,033

Bacon County, Georgia
Emergency Management Agency Fund
Balance Sheet
December 31, 2012

	2012
Assets	
Cash and cash equivalents	$ 8,465
Total Assets	$ 8,465
Fund Balances	
Restricted for Public safety	$ 8,465
Total Fund Balances	$ 8,465

Bacon County, Georgia
Emergency Management Agency Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended December 31, 2012

	Actual
Revenues:	
Intergovernmental	$ 17,307
Total Revenues	17,307
Expenditures:	
Current:	
Public safety	19,941
Total Expenditures	19,941
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,634)
Fund Balances - Beginning of Year	11,099
Fund Balances - End of Year	$ 8,465

Bacon County, Georgia
E-911 Fund
Comparative Balance Sheet
December 31, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 37,680	$ 49,020
Receivables:		
Accounts	25,426	50,964
Interfund	141,023	137,204
Total Assets	$ 204,129	$ 237,188
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	$ -	$ 30,936
Accrued Expenditures	-	125
Total Liabilities	-	31,061
Fund Balances		
Restricted for Public safety	204,129	206,127
Total Fund Balances	204,129	206,127
Total Liabilities and Fund Balances	$ 204,129	$ 237,188

Bacon County, Georgia
E-911 Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012
(With Comparative Actual Amounts for the Year Ended December 31, 2011)

	2012				2011
	Budgeted Amounts			Variance With Final Budget- Positive	
	Original	Final	Actual	(Negative)	Actual
Revenues:					
Charges for services	$ 145,000	$ 160,000	$ 156,882	$ (3,118)	$ 161,219
Investment income	-	-	-	-	-
Total Revenues	145,000	160,000	156,882	(3,118)	161,219
Expenditures:					
Current:					
Public safety	146,035	160,000	158,880	1,120	135,127
Capital Outlay	-	-	-	-	14,199
Total Expenditures	146,035	160,000	158,880	1,120	149,326
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,035)	-	(1,998)	(1,998)	11,893
Fund Balances - Beginning of Year			206,127		194,234
Fund Balances - End of Year			$ 204,129		$ 206,127

Bacon County, Georgia
Alma Bacon County Fire Department Fund
Balance Sheet
December 31, 2012

	2012
Assets	
Cash and cash equivalents	$ 10,025
Total Assets	$ 10,025
Fund Balances	
Restricted for Public safety	$ 10,025
Total Fund Balances	$ 10,025

Bacon County, Georgia
Alma Bacon County Fire Department Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012

	2012 Actual
Revenues:	
Charges for services	$ 12,870
Total Revenues	12,870
Expenditures:	
Current:	
Public safety	2,845
Total Expenditures	2,845
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,025
Fund Balances - Beginning of Year	-
Fund Balances - End of Year	$ 10,025

Bacon County, Georgia
Sheriff Fingerprint Fund
Balance Sheet
December 31, 2012

	2012
Assets	
Cash and cash equivalents	$ 3,389
Total Assets	$ 3,389
Fund Balances	
Restricted for Public safety	$ 3,389
Total Fund Balances	$ 3,389

Bacon County, Georgia
Sheriff Fingerprint Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2012

	2012 Actual
Revenues:	
Charges for services	$ 4,749
Total Revenues	4,749
Expenditures:	
Current:	
Public safety	1,360
Capital Outlay	-
Total Expenditures	1,360
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,389
Fund Balances - Beginning of Year	-
Fund Balances - End of Year	$ 3,389

Bacon County, Georgia
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2012

	Stimulus	Community Development Block Grant 10p-y-003 -1-5258	Community Development Block Grant Stimulus 09-cr-5099	Total
Assets				
Cash and cash equivalents	$ 7,784	$ 630	$ -	$ 8,414
Due from other governments	-	10,648	-	10,648
Total Assets	$ 7,784	$ 11,278	$ -	$ 19,062
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	-	$ 10,648	-	$ 10,648
Total Liabilities	-	10,648	-	10,648
Fund Balances				
Restricted for Capital projects	7,784	630	-	8,414
Total Fund Balances	7,784	630	-	8,414
Total Liabilities and Fund Balances	$ 7,784	$ 11,278	$ -	$ 19,062

Bacon County, Georgia
Combining Statement of Revenues, Expenditures and Changes In Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2012

	Stimulus	Community Development Block Grant 10p-y-003 -1-5258	Community Development Block Grant Stimulus 09-cr-5099	Total
Revenues				
Intergovernmental	-	$ 331,215	-	$ 331,215
Total Revenues	-	331,215	-	331,215
Expenditures				
Capital outlay	-	333,169	-	333,169
Total Expenditures	-	333,169	-	333,169
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(1,954)	-	(1,954)
Other Financing Sources (Uses):				
Transfer Out	-	-	(86)	-
Fund Balances - Beginning	7,784	2,584	86	10,454
Fund Balances - Ending	$ 7,784	$ 630	$ -	$ 8,414

Bacon County, Georgia
Stimulus Fund
Balance Sheet
Comparative Balance Sheet
December 31, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ 7,784	$ 7,784
Total Assets	$ 7,784	$ 7,784
Fund Balances		
Restricted for Capital projects	$ 7,784	$ 7,784
Total Fund Balances	$ 7,784	$ 7,784

Bacon County, Georgia
Stimulus Fund
Project Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended December 31, 2012

	Project Length Budget	Actual			Variance With Budget-Over (Under)
		Current Year	Prior Years	Total	
Revenues:					
Intergovernmental	$ 1,203,247	$ -	$ 1,062,727	$ 1,062,727	$ (140,520)
Total Revenues	1,203,247	-	1,062,727	1,062,727	(140,520)
Expenditures:					
Capital outlays					
Airport taxiway	1,203,247	-	1,054,943	1,054,943	(148,304)
Total Expenditures	1,203,247	-	1,054,943	1,054,943	(148,304)
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	-	7,784	$ 7,784	$ 7,784
Fund Balances - Beginning of Year		7,784	-		
Fund Balances - End of Year		$ 7,784	$ 7,784		

Bacon County, Georgia
Community Development Block Grant 10p-y-003-1-5258 Fund
Balance Sheet
December 31, 2012

	2012
Assets	
Cash and cash equivalents	$ 630
Due from other governments	10,648
Total Assets	$ 11,278
Liabilities and Fund Balances	
Liabilities:	
Accounts payable	$ 10,648
Total Liabilities	10,648
Fund Balances	
Restricted for Capital projects	630
Total Fund Balances	630
Total Liabilities and Fund Balances	$ 11,278

BACON COUNTY, GEORGIA
COMMUNITY DEVELOPMENT BLOCK GRANT 10p-y-003-1-5258 FUND
Project Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended December 31, 2012

	Project Length Budget	Actual			Variance with Final Budget-Over (Under)
		Current Year	Prior Years	Total	
Revenues:					
Intergovernmental	$ 483,300	$ 331,215	$ 64,718	$ 395,933	$ (87,367)
Total Revenues	483,300	331,215	64,214	395,933	(87,367)
Expenditures:					
Current:					
Capital outlays:					
Engineering	32,632	-	32,632	32,632	-
Street improvements	342,324	288,546	504	289,050	(53,274)
Flood and drainage facilities	44,294	44,623	-	44,623	329
Contingency	35,052	-	-	-	(35,052)
Administration	28,998	-	28,998	28,998	-
Total Expenditures	483,300	333,169	62,134	395,303	87,997
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	(1,954)	2,584	630	$ 630
Fund Balance, Beginning		2,584	-	-	
Fund Balance, Ending		$ 630	$ 2,584	$ 630	

Bacon County, Georgia
Community Development Block Grant-R 09-cr-5099 Fund
Comparative Balance Sheet
December 31, 2012 and 2011

	2012	2011
Assets		
Cash and cash equivalents	$ -	$ 86
Total Assets	$ -	$ 86
Fund Balances		
Restricted for Capital projects	$ -	$ 86
Total Fund Balances	$ -	$ 86

Bacon County, Georgia
Community Development Block Grant-R 09-cr-5099 Fund
Project Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
From Inception and for the Year Ended December 31, 2012

	Project Length Budget	Actual			Variance with Final Budget-Over (Under)
		Current Year	Prior Years	Total	
Revenues:					
Intergovernmental	$ 422,705	$ -	$ 422,705	$ 422,705	$ -
Total Revenues	422,705	-	422,705	422,705	-
Expenditures					
Current:					
Capital outlays:					
Administration	22,162	-	22,176	22,176	14
Street Improvements	337,420	-	337,420	337,420	-
Flood and drainage facilities	63,123	-	63,123	63,123	-
Total Expenditures	422,705	-	422,719	422,719	14
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(14)	(14)	(14)
Other Financing Sources (Uses):					
Transfer out	-	(86)	100	14	14
Total Other Financing Sources (Uses)	-	(86)	100	14	14
Net Change in Fund Balance	$ -	(86)	86	-	$ -
Fund Balance, Beginning		86	-	-	
Fund Balance, Ending		$ -	$ 86	$ -	

Bacon County, Georgia
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended December 31, 2012

Tax Commissioner	Balance January 1, 2012	Additions	Deductions	Eliminations	Balance December 31, 2012
Assets					
Cash	$ 25,310	$ 7,824,534	$ 7,834,298	$ -	$ 15,546
Total Assets	$ 25,310	$ 7,824,534	$ 7,834,298	$ -	$ 15,546
Liabilities					
Interfund payable	$ -	$ -	$ -	$ -	$ -
Due to others	25,310	4,240,723	4,250,487	-	15,546
Total Liabilities	$ 25,310	$ 4,240,723	$ 4,250,487	$ -	$ 15,546

Clerk of Superior Court	Balance January 1, 2012	Additions	Deductions	Eliminations	Balance December 31, 2012
Assets					
Cash	$ 72,773	$ 555,001	$ 557,968	$ 15,513	$ 54,293
Total Assets	$ 72,773	$ 555,001	$ 557,968	$ 15,513	$ 54,293
Liabilities					
Interfund payable	$ -	$ 173,347	$ 157,834	$ 15,513	$ -
Due to others	72,773	381,654	400,134	-	54,293
Total Liabilities	$ 72,773	$ 555,001	$ 557,968	$ 15,513	$ 54,293

Sheriff	Balance January 1, 2012	Additions	Deductions	Eliminations	Balance December 31, 2012
Assets					
Cash	$ 51	$ 17,169	$ 16,299	$ 870	$ 51
Total Assets	$ 51	$ 17,169	$ 16,299	$ 870	$ 51
Liabilities					
Interfund payable	$ -	$ 17,169	$ 16,299	$ 870	$ -
Due to others	51	-	-	-	51
Total Liabilities	$ 51	$ 17,169	$ 16,299	$ 870	$ 51

Magistrate Court	Balance January 1, 2012	Additions	Deductions	Eliminations	Balance December 31, 2012
Assets					
Cash	$ 13,711	$ 262,438	$ 251,087	$ 3,714	$ 21,348
Total Assets	$ 13,711	$ 262,438	$ 251,087	$ 3,714	$ 21,348
Liabilities					
Interfund payable	$ -	$ 48,620	$ 44,906	$ 3,714	$ -
Due to others	13,711	213,818	206,181	-	21,348
Total Liabilities	$ 13,711	$ 262,438	$ 251,087	$ 3,714	$ 21,348

(continued)

Bacon County, Georgia
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Year Ended December 31, 2012

(continued)

Probate Court	Balance January 1, 2012	Additions	Deductions	Eliminations	Balance December 31, 2012
Assets					
Cash	$ 315	$ 50,796	$ 46,353	$ 2,491	$ 2,267
Total Assets	$ 315	$ 50,796	$ 46,353	$ 2,491	$ 2,267
Liabilities					
Interfund payable	$ -	$ 39,208	$ 36,717	$ 2,491	$ -
Due to others	315	11,588	9,636	-	$ 2,267
Total Liabilities	$ 315	$ 50,796	$ 46,353	$ 2,491	$ 2,267

Combining Totals	Balance January 1, 2012	Additions	Deductions	Eliminations	Balance December 31, 2012
Assets					
Cash	$ 112,160	$ 8,709,938	$ 8,706,005	$ 22,588	$ 93,505
Total Assets	$ 112,160	$ 8,709,938	$ 8,706,005	$ 22,588	$ 93,505
Liabilities					
Interfund payable	$ -	$ 278,344	$ 255,756	$ 22,588	$ -
Due to others	112,160	4,847,783	4,866,438	-	93,505
Total Liabilities	$ 112,160	$ 5,126,127	$ 5,122,194	$ 22,588	$ 93,505

COMPLIANCE SECTION

Bacon County, Georgia
Schedule of Projects Undertaken
With Special Sales Tax Proceeds
Year Ended December 31, 2012

Project	Original Estimated Cost	Current Estimated Cost	Expenditures Prior Years	Expenditures Current Year	Expenditures Total To Date
2005 SPLOST:					
County Projects:					
Recreation Facilities and Equipment	$ 200,000	$ 200,000	$ 135,319	$ 68,756	$ 204,075
Hospital Authority of Bacon County	1,000,000	1,000,000	1,000,000	-	1,000,000
Bacon County Rural Fire Department	450,000	450,000	327,474	97,631	425,105
Acquire Satilla REMC Property	850,000	850,000	858,301	-	858,301
E911 Upgrades	87,000	87,000	69,946	-	69,946
Alma-Bacon Co. Development Authority	200,000	200,000	100,000	-	100,000
County 4-H Van	40,000	40,000	42,725	-	42,725
Reroof Jail, HVAC Renovation and Sheriff Department Vehicles	350,000	253,208	221,353	-	221,353
Reroof Jail	-	63,318	63,318	-	63,318
Sheriff Department Vehicles	-	33,474	33,474	-	33,474
Roads, Streets, Bridges and Equipment	828,000	828,000	756,742	386,754	1,143,496
Total County projects	4,005,000	4,005,000	3,608,652	553,141	4,161,793
City of Alma Projects	1,995,000	1,995,000	2,484,842	204,635	2,689,477
Total	$ 6,000,000	$ 6,000,000	$ 6,093,494	$ 757,776	$ 6,851,270
2012 SPLOST:					
County Projects:					
Jail Camera System & Sheriff Vehicles	$ 300,000	$ 300,000		$ 78,094	$ 78,094
Tax Commissioner's office - Computer system, Server, & Equipment	50,000	50,000	-	7,430	7,430
E-911 Computer System	25,000	25,000	-	-	-
Tax Assessor's Office - New Aerial Mapping, Computer, Printers, & Equip	75,000	75,000		7,183	7,183
Bacon Co Clerk of Court-Shelves & Equip	50,000	50,000		29,474	29,474
Bacon Co Courthouse-Courtroom Equip	50,000	50,000	-	-	-
Bacon Co Public Offices-Computer Equip	50,000	50,000		11,414	11,414
Alma/Bacon Co Nursing Home	500,000	500,000	-	-	-
Alma/Bacon Co Senior Center	50,000	50,000	-	23,842	23,842
Water & Waste Treatment Plant	500,000	500,000	-	-	-
Alma/Bacon Co Recreation Center	87,500	87,500		9,264	9,264
Public Buildings Upkeep	250,000	250,000	-	28,880	28,880
Computer and Equipment for Dispatch	50,000	50,000		-	-
Alma/Bacon Co Fire Department	90,000	90,000	-	-	-
Alma/Bacon Co Library	10,000	10,000		6,710	6,710
Voting Machines	12,500	12,500	-	3,772	3,772
Roads, Streets, Bridges and Equipment	1,340,000	1,340,000	-	-	-
Total County projects	3,490,000	3,490,000	-	206,063	206,063
City of Alma Projects	2,510,000	2,510,000	-	72,467	72,467
Total	$ 6,000,000	$ 6,000,000	$ -	$ 278,530	$ 278,530

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

Board of Commissioners
Bacon County, Georgia

I have audited, in accordance with the auditing standards general accepted in the United State of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, 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 Bacon County, Georgia as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise Bacon County, Georgia's basic financial statements and have issued my report thereon dated November 15, 2013.

Internal Control over Financial Reporting

In planning and performing my audit, I considered Bacon County, Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bacon County, Georgia's internal control. Accordingly, I do not express an opinion on the effectiveness of Bacon County, Georgia's internal control.

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

My consideration of internal control 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 material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weakness may exist that have not been identified. I did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that I consider to be significant deficiencies. (2012-3, 2008-1, 2008-2, 2008-3, and 2008-4).

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bacon County, Georgia's financial statements are free of material misstatement, I 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 my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of finding and questioned costs as items 2012-1 and 2010-2.

Bacon County, Georgia's Response to Findings

Bacon County, Georgia's response to the findings identified in my audit is described in the accompanying schedule of findings and questioned costs. Bacon County, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bacon County, Georgia's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Bacon County, Georgia's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Alma, Georgia
November 15, 2013

Bacon County, Georgia
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2012

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unqualified	
Internal control over financial reporting:		
• Material weakness(es) identified?	____ yes	_X_ no
• Significant deficiency(ies) identified?	_X_ yes	____ none reported
Noncompliance material to financial statements noted?	_X_ yes	____ no

Bacon County, Georgia
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2012

Section II - Findings - Financial Statement Audit

2012-1

Condition: There appears to be commingling of funds between the General Fund, SPLOST 2005 and SPLOST 2012 funds.

Criteria: It is appropriate for the County to borrow money from the General Fund to pay for SPLOST expenditures as disclosed in the ACCG Handbook for SPLOST. However, the ACCG specifies that SPLOST funds may only be used for capital outlay projects approved by the voters in a SPLOST referendum. SPLOST cannot in any manner be commingled with any other funds including other SPLOST accounts.

Effect: A control deficiency exists when the County does not have controls in place to ensure appropriate SPLOST expenditures are paid out of the correct account and are in compliance with the SPLOST referendum.

Cause: A lack of knowledge by the parties involved in handling the county's SPLOST expenditures.

Recommendation: I recommend that the County consult the SPLOST referendum and ACCG handbook before paying any expenditures out of SPLOST funds. If any expenditures are questionable the County should consult their attorney to ensure SPLOST funds are spent appropriately.

Views of officials: Management concurs with the above finding, and is in the process of completing a corrective action plan.

2012-2

Condition: During my audit, I prepared a December bank reconciliation for the general fund and discovered that $ 14,766.35 in checks written was not recorded on the County's bank reconciliation or within the general ledger.

Criteria: Management is responsible for the timely preparation and reconciliation of bank statements to the general ledger. The issue to be considered when determining if a significant deficiency or material weakness exists is whether the client is capable of preparing the bank reconciliations and has the skills and competencies necessary to prevent, detect, and correct a material misstatement.

Effect: A control deficiency exists when the County does not have controls over the preparation of the bank reconciliation that could prevent or detect a misstatement in the financial statements.

Cause: The size of the County's accounting staff prevents them from having time to prepare the bank reconciliations on a timely basis. A switch to a new accounting system in January 2013 resulted in the checks not being shown as outstanding from the old system.

Recommendation: I recommend that the County prepare the bank reconciliation within a month of the bank statement being issued. If any discrepencies occur between the bank balance in the computer and the reconciliation measures should be taken to investigate the difference and correct the problem.

Views of officials: Management concurs with the above finding, and is in the process of completing a corrective action plan.

Section II - Findings Related to the Audit of the Financial Statements (Continued)

2012-3

Condition: During a review of the bank accounts listed under the County's federal identification number it was revealed that several accounts had been opened by departments under the County without the approval of the County. The County had no knowledge of several of these accts.

Criteria: Internal controls should be in place, which provide reasonable assurance that an individual cannot open a bank account without prior approval by the Board. A lack of knowledge by the County concerning opening of bank accounts could result in missapropriation of funds by County employees.

Effect: The failure to require approval before a bank account was open resulted in four bank accounts not being included in Special Revenue Funds in previous years. No missapropriation of funds were detected.

Cause: Lack of policy procedures related to opening of bank accounts.

Recommendation: I recommend that the County require all departments under the County's management to ask for approval before any bank accounts are opened. Also, the bank should be made aware of who is authorized to open bank accounts in the County's federal ID number.

Views of officials: Management concurs with the above finding, and is in the process of completing a corrective action plan.

2010-2

Condition: An annual budget was not adopted for the Juvenile Court, Jail Commissary, Law Library, Emergency Management Agency, Confiscated Assets Funds, Alma-Bacon Co. Fire Dept. and Sheriff Fingerprint Account as required by the Official Code of Georgia Annotated section 36-81-3.

Recommendation: The County should adopt an annual balanced budget for the above funds.

Views of officials: Management concurs with the above finding, and is in the process of completing a corrective action plan.

2008-1

Condition: At present, management is not preparing the financial statements, They are being assisted by auditors. The intent of SAS 112 is not to prevent auditors from preparing the client's financial statements. Instead the issue to be considered when determining if a significant deficiency or material weakness exists is whether the client is capable of preparing the financial statements and has the skills and competencies necessary to prevent, detect and correct a material misstatement.

Criteria: Management is responsible for the financial statements, including the preparation of such statements. A system of internal controls over financial reporting does not stop at the general ledger. It includes controls over financial statement preparation, including footnote disclosure.

Effect: A control deficiency exists when the County does not have controls over the preparation of the financial statements that could prevent or detect a misstatement in the financial

statements.

Bacon County, Georgia
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2012

Section II - Findings Related to the Audit of the Financial Statements (Continued)

Cause: The size of the County's accounting staff prevents them from having the time to prepare the financial statements. As a matter of convenience and efficiency, the auditor is preparing the statements.

Recommendation: I recommend the County provide additional training to provide the skills to set up proper controls to review, prevent and detect material misstatements.

Views of officials: Management concurs with the above finding, and is in the process of completing a corrective action plan.

2008-2

Condition: In the General, E911, 2005 SPLOST, 2012 SPLOST, Grant, Disaster and Ambulance and Rescue Service Funds there were adjusting entries required to correct assets, liabilities, revenues and expenditures balances at year end.

Criteria: Management is responsible for the inclusion of all items that could have a material effect on the financial statements of the County.

Effect: A control deficiency exists when the County does not have controls over the preparation of the financial statements that could prevent or detect a misstatement in the financial statements.

Cause: Controls were not in place to capture all necessary year end adjustments.

Recommendation: I recommend the County provide additional training to provide the skills to set up proper controls to review, prevent and detect material misstatements.

Views of officials: Management concurs with the above finding, and is in the process of completing a corrective action plan.

2008-3

Condition: In the General Fund actual expenditures exceeded budget appropriations at the legal level of control for some departments.

Criteria: Controls are not in place to prevent excess appropriation of funds and maintaining operations under a balanced budget.

Effect: Failure to periodically review and amend appropriations throughout the year places an adverse effect on management's ability to meet cash flow requirements during the course of the year.

Recommendation: The County should amend the budget to prevent budgetary deficiencies at the department level.

Views of officials: Management concurs with the above finding, and is in the process of completing a corrective action plan.

Section II - Findings Related to the Audit of the Financial Statements (Continued)

2008-4

Condition: There is not an appropriate segregation of duties between recording, distribution, reconciliation of cash accounts and other operational functions within various County departments.

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

Effect: The failure to segregate out the accounting duties among multiple persons presents the opportunity for misappropriation of assets, mainly cash.

Recommendation: The duties of recording, distribution, reconciliation of cash accounts and other operational functions should be segregated between employees.

Views of officials: Management concurs with the above finding, and is in the process of completing a corrective action plan.