BLECKLEY COUNTY, GEORGIA
FINANCIAL STATEMENTS
AND
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2011
AND
INDEPENDENT AUDITORS' REPORT

BLECKLEY COUNTY, GEORGIA
Financial Statements
For the Fiscal Year Ended December 31, 2011

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Financial Section

INDEPENDENT AUDITORS' REPORT

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INDEPENDENT AUDITORS' REPORT

To the County Commissioner
Bleckley County, Georgia

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit - Bleckley County Public Health Center, each major fund, and the aggregate remaining fund information of Bleckley County, Georgia (the County), as of and for the year ended December 31, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Bleckley County, Georgia's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Bleckley County Public Health Center, which represent 100.00 percent, respectively, of the total assets, net assets, and revenues of the discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Bleckley County Public Health Center, is based on the report of the other auditors.

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

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Bleckley County, Georgia, as of December 31, 2011, and the respective changes in financial position, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated September 6, 2012, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards, and should be considered in assessing the results of our audit.

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

The County has not presented the Management's Discussion and Analysis that governmental accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Bleckley County, Georgia's financial statements as a whole. The combining and individual nonmajor fund financial statements and schedules, the schedule of special purpose local option sales tax expenditures, the annual report of 9-1-1 expenditures and other supplementary information are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements and schedules, the schedule of special purpose local option sales tax expenditures, the annual report of 9-1-1 expenditures and other supplementary information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied by us and the other auditors in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the report of other auditors, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

H. M. Vickers & Associates, P.C.

September 6, 2012

BLECKLEY COUNTY, GEORGIA
Statement of Net Assets
December 31, 2011

	Primary Government Total	Component Unit
	Governmental Activities	Bleckley County Public Health Center
ASSETS:		
Cash	$ 2,580,595	$ 353,435
Receivables, net of allowance for uncollectibles:		
Taxes	529,820	-
Intergovernmental	480,725	3,763
Accounts	123,436	-
Employee cash	5,018	-
Prepaid expenses	41,080	-
Inventory, at cost	40,815	-
Debt issuance cost, net of amortization	104,963	-
Capital assets:		
Capital assets not being depreciated	323,527	-
Capital assets being depreciated, net of accumulated depreciation	10,329,207	278
Total Assets	14,559,186	357,476
LIABILITIES:		
Accounts payable	356,919	-
Salaries and benefits payable	45,216	-
Due to other governments	102,724	-
Accrued interest payable	87,116	-
Net pension obligation	17,260	-
Landfill post-closure care costs due in one year	52,900	-
Landfill post-closure care cost due after one year	1,031,365	-
Compensated absences due within one year	49,012	4,183
Compensated absences due after one year	184,783	16,730
Capital leases due within one year	137,962	-
Capital leases due after one year	6,133,545	-
Total Liabilities	8,198,802	20,913
NET ASSETS:		
Invested in capital assets, net of related debt	4,381,227	278
Restricted for capital improvements	997,814	-
Restricted for prior year program income	-	74,683
Unrestricted	981,343	261,602
Total Net Assets	$ 6,360,384	$ 336,563

The accompanying notes to the financial statements are an integral part of this statement.

BLECKLEY COUNTY, GEORGIA
Statement of Activities
For the Fiscal Year Ended December 31, 2011

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Fees, Fines and Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenue and Changes in Net Assets: Primary Government: Governmental Activities	Net (Expenses) Revenue and Changes in Net Assets: Primary Government: Total	Net (Expenses) Revenue and Changes in Net Assets: Component Unit: Bleckley County Public Health Center
PRIMARY GOVERNMENT							
GOVERNMENTAL ACTIVITIES:							
General government	$ 1,346,075	$ 76,759	$ -	$ 1,366	$(1,267,950)	$(1,267,950)	$ -
Public safety	2,882,662	379,208	70,586	75,329	(2,357,539)	(2,357,539)	-
Court system	615,869	370,769	5,936	-	(239,164)	(239,164)	-
Highways and streets	1,223,863	-	308,578	-	(915,285)	(915,285)	-
Public health and welfare	797,317	93,074	70,016	-	(634,227)	(634,227)	-
Culture and recreation	126,597	-	-	-	(126,597)	(126,597)	-
County agent	64,030	-	-	-	(64,030)	(64,030)	-
Natural resources	20,647	-	-	-	(20,647)	(20,647)	-
Interest	281,957	-	-	-	(281,957)	(281,957)	-
Total Governmental Activities	7,359,017	919,810	455,116	76,695	(5,907,396)	(5,907,396)	-
TOTAL PRIMARY GOVERNMENT	$ 7,359,017	$ 919,810	$ 455,116	$ 76,695	(5,907,396)	(5,907,396)	-
COMPONENT UNIT:							
Bleckley County Public Health Center	299,180	136,402	174,392	-	-	-	11,614
Total Component Unit	$ 299,180	$ 136,402	$ 174,392	$ -	-	-	11,614
General revenues:							
Property taxes					3,605,947	3,605,947	-
Alcoholic beverage taxes					56,087	56,087	-
Vehicle taxes					441,215	441,215	-
Sales taxes					1,632,166	1,632,166	-
Other taxes					372,335	372,335	-
Unrestricted interest earnings					67,254	67,254	-
Miscellaneous					14,430	14,430	15,052
Total general revenues					6,189,434	6,189,434	15,052
Change in net assets					282,038	282,038	26,666
Net assets, beginning of year					6,078,346	6,078,346	309,897
Net assets, end of year					$ 6,360,384	$ 6,360,384	$ 336,563

The accompanying notes to the financial statements are an integral part of this statement.

BLECKLEY COUNTY, GEORGIA
Balance Sheet
Governmental Funds
December 31, 2011

	General Fund	Capital Projects SPLOST-2007	Other Governmental Funds	Total Governmental Funds
ASSETS:				
Cash	$ 1,634,185	$ 825,648	$ 120,762	$ 2,580,595
Receivables, net of allowance for uncollectibles:				
Taxes	529,820	-	-	529,820
Intergovernmental	283,259	197,466	-	480,725
Accounts	99,091	-	24,345	123,436
Due from other funds	-	77,424	-	77,424
Employee cash	5,018	-	-	5,018
Debt issuance cost, net of amortization	104,963	-	-	104,963
Prepaid expenses	41,080	-	-	41,080
Inventory, at cost	40,815	-	-	40,815
Total Assets	$ 2,738,231	$ 1,100,538	$ 145,107	$ 3,983,876
LIABILITIES:				
Accounts payable	$ 331,535	$ -	$ 25,384	$ 356,919
Salaries and benefits payable	45,216	-	-	45,216
Due to other governments	-	102,724	-	102,724
Due to other funds	77,424	-	-	77,424
Accrued interest payable	87,116	-	-	87,116
Deferred revenue	210,402	-	-	210,402
Total Liabilities	751,693	102,724	25,384	879,801
FUND BALANCES:				
Nonspendable:				
Prepaid items	41,080	-	-	41,080
Inventory	40,815	-	-	40,815
Restricted for:				
Public Safety	-	-	23,354	23,354
Law library	-	-	96,369	96,369
Capital projects	-	997,814	-	997,814
Unassigned:				
General Fund	1,904,643	-	-	1,904,643
Total Fund Balances	1,986,538	997,814	119,723	3,104,075
Total Liabilities and Fund Balances	$ 2,738,231	$ 1,100,538	$ 145,107	$ 3,983,876

The accompanying notes to the financial statements are an integral part of this statement.

BLECKLEY COUNTY, GEORGIA
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Assets
December 31, 2011

Difference in amounts reported for governmental activities in the statement of net assets:

Fund balances, total governmental funds	$ 3,104,075
Net pension asset (obligation) is not available (due) during the current period and is not reported in the governmental funds balance sheet	(17,260)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds	10,652,734
Some governmental revenues will not be collected for several months after the year end and are deferred in the governmental funds	210,402
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds	(7,589,567)
Net assets of governmental activities	$ 6,360,384

The accompanying notes to the financial statements are an integral part of this statement.

BLECKLEY COUNTY, GEORGIA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended December 31, 2011

	General Fund	Capital Projects SPLOST-2007	Other Governmental Funds	Total Governmental Funds
REVENUES:				
Taxes	$ 5,192,964	$ 1,088,051	$ -	$ 6,281,015
Licenses and permits	16,410	-	-	16,410
Fines and forfeitures	301,978	-	16,005	317,983
Charges for services	220,258	-	184,597	404,855
Intergovernmental	588,729	-	-	588,729
Interest earnings	66,434	-	820	67,254
Miscellaneous	94,739	-	-	94,739
Total Revenues	6,481,512	1,088,051	201,422	7,770,985
EXPENDITURES:				
Current:				
General government	1,345,889	-	-	1,345,889
Public safety	2,333,319	-	218,154	2,551,473
Court system	608,811	-	2,132	610,943
Highways and streets	989,435	-	-	989,435
Public health and welfare	639,393	-	-	639,393
Culture and recreation	78,220	-	-	78,220
County agent	66,138	-	-	66,138
Natural resources	20,647	-	-	20,647
Intergovernmental	-	399,913	-	399,913
Capital outlay	-	27,626	-	27,626
Debt service:				
Principal	39,896	95,000	-	134,896
Interest	21,790	260,167	-	281,957
Total Expenditures	6,143,538	782,706	220,286	7,146,530
Excess of Revenues Over (Under) Expenditures	337,974	305,345	(18,864)	624,455
OTHER FINANCING SOURCES-				
Issuance of capital lease	41,170	-	-	41,170
Total Other Financing Sources	41,170	-	-	41,170
NET CHANGE IN FUND BALANCES	379,144	305,345	(18,864)	665,625
FUND BALANCE, BEGINNING OF YEAR	1,607,394	692,469	138,587	2,438,450
FUND BALANCE, END OF YEAR	$ 1,986,538	$ 997,814	$ 119,723	$ 3,104,075

The accompanying notes to the financial statements are an integral part of this statement.

BLECKLEY COUNTY, GEORGIA

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended December 31, 2011

Difference in amounts reported for governmental activities in the statement of activities:

Net change in fund balances - total governmental funds	$	665,625
Changes in the net pension asset (obligation) increase or decrease net assets of governmental activities but do not affect governmental funds as they are not current financial resources.		94
Capital outlay, reported as expenditures in governmental funds, are reported as capital assets in the statement of net assets		205,237
Gain (loss) on disposal of assets is not recognized in governmental funds	(	28,461)
Depreciation expense on governmental capital assets is included in the governmental statement of activities. The cost of the assets is allocated to expense over the estimated useful lives of the assets.	(	549,673)
Proceeds from the issuance of long-term debt, recorded as other financing sources in governmental funds, are included as an increase in long-term liabilities in the statement of net assets	(	41,170)
The decrease in liability for landfill post-closure care cost is reported as an expenditure in governmental funds, but as a reduction of long-term liabilities in the statement of net assets		30,220
Expenses for compensated absences are reported for governmental activities but do not require the use of current financial resources and therefore are not reported as expenditures for governmental funds	(	33,261)
Repayments of long-term debt principal is reported as an expenditure in governmental funds, but as a reduction of long-term liabilities in the statement of net assets.		134,896
Some governmental revenues will not be collected for several months after the year end and are deferred in the governmental funds:		
Deferred revenue balance at current fiscal year end		210,402
Deferred revenue balance at prior fiscal year end	(	311,871)
Changes in net assets of governmental activities in the statement of activities	$	282,038

The accompanying notes to the financial statements are an integral part of this statement.

BLECKLEY COUNTY, GEORGIA
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2011

	Agency Funds
ASSETS -	
Cash	$ 1,976,703
Total assets	$ 1,976,703
LIABILITIES -	
Accounts payable	$ 1,976,703
Total liabilities	$ 1,976,703

The accompanying notes to the financial statements are an integral part of this statement.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Statement

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

A. Reporting Entity

Primary Government

Bleckley County, Georgia, the 145th county formed in Georgia, was created in 1912. The County operates under a sole commissioner form of government. The County provides various services, levies taxes, and issues licenses as provided by the Charter. These services include public safety, highways and streets, health and social services, emergency medical services, cultural and recreational programs and administrative services.

These financial statements present the County and its component units, entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the County's operations and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize they are legally separate from the County.

Currently, the County has no blended component units. However, the Bleckley County Board of Health DBA Bleckley County Public Health Center is presented herein as a discretely presented component unit.

The County is responsible for appointing some of the members of the boards of other organizations, but the County's accountability for these organizations do not extend beyond making the appointments. These related organizations include the following:

Bleckley County Board of Family and Children Services
Bleckley-Cochran Industrial Development Authority
Cochran-Bleckley Recreation Authority
Bleckley County Hospital Authority

Disbursements to these organizations based on contractual agreements have been budgeted and expended as part of the regular operations of the County.

Discretely Presented Component Unit

Bleckley County Public Health Center - The Bleckley County Public Health Center (the Center) provides various health services for citizens in Bleckley County under a contract with the Georgia Department of Human Resources (DHR). Under this contractual agreement DHR provides certain administrative and other services to the Center in addition to the grant-in-aid funding. These services are funded through other governmental entities or directly by DHR. Based on the contract with DHR, fixed assets cannot be disposed of without approval of DHR. In the event the Center were to dissolve, all fixed assets would return to DHR or to the donating agency. Substantially all of the Center's capital assets are titled to DHR.

It is the goal of the Bleckley County Public Health Center (Center) to provide health services for the citizens of Bleckley County within the guidelines established by the Bleckley County Board of Public Health, the South Central Health District and the Georgia Department of Human Resources. The Center is responsible for health programs designed for prevention, early detection, treatment and referral.

The amounts included in these financial statements in the component unit columns are as of and for the fiscal year ended June 30, 2011.

The complete audited financial statements of the Bleckley County Public Health Center may be obtained from the office of the Bleckley County Commissioner.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the County (the primary government) and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The County does not currently have business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The County has elected not to allocate indirect costs among the programs, functions and segments. 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 as general revenues.

Separate financial statements are provided for governmental activities and, when applicable, for business-type activities.

Fund Financial Statements

The accounts of the County's reporting entity are organized on the basis of separate funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Governmental Funds
Governmental funds are those through which most governmental functions of the County are financed. The acquisition, use, and balances of the County's expendable financial resources and the related liabilities are accounted for through governmental funds. Governmental Funds are accounted for on a flow of current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. The measurement focus is upon determination of changes in financial position, rather than upon

net income determination. The County's governmental funds include the general fund, capital projects funds, and special revenue funds.

Fiduciary Funds
Agency Funds - Agency Funds are used to account for assets held by the County in a trustee capacity for the County or as an agent for other governmental units or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Fiduciary funds are accounted for on the accrual basis.

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

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 period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures and certain compensated absences and claims and judgments are recorded when due.

Revenues considered susceptible to accrual are property taxes, interest, and charges for services. Other receipts and taxes become measurable and available when cash is received by the County and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The County reports the following major governmental funds:

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

The **Special Purpose Local Option Sales Tax (SPLOST-2007) Capital Projects Fund** accounts for capital outlay and other transactions related to the additional one-percent local option sales tax currently in effect.

The government-wide financial statements are prepared using the accrual basis of accounting and the economic resources measurement focus. Government-wide financial statements do not provide information by fund or account group, but distinguish between the County's governmental activities and business type activities. Significantly, the statement of net assets will include noncurrent assets which were previously reported in the General Fixed Asset Account Group and long-term liabilities previously reported in the General Long-Term Debt Account Group. In addition, the government-wide statement of activities reflects depreciation expenses on the County's capital assets.

Major individual governmental funds and major individual proprietary funds, when applicable, are reported as separate columns in the fund financial statements.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

- Committed
- Assigned
- Unassigned

D. Use of Estimates

Preparation of the County's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent items at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

E. Advertising Costs

Advertising costs are recorded as expenditures or expenses, as appropriate, in the period incurred. No advertising costs are capitalized.

F. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are reported in order to reserve that portion of applicable appropriations, is not employed by the County because it is considered impractical and not necessary to insure effective budgetary and cash planning and control.

G. Deposits and Investments

The County's cash is considered to be cash on hand, demand and interest-bearing deposits held in banks. Any bank deposit in excess of FDIC insured amounts must be secured by an equivalent amount of State of Georgia or U.S. Obligations. General fund cash balances in excess of amounts required for the County's daily operating activities were invested in the State of Georgia Local Government Investment Pool during the year. The County classifies amounts invested in the investment pool as investments. These investments are reported at market value. There were no investments held at year-end.

H. Inventory

Inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. The consumption method is used to account for inventories. Under the consumption method, inventory items are recognized as expenditures when used.

I. Prepaid Items

Prepaid items are recorded as expenditures in the governmental funds during the period benefitted.

J. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or, when applicable, business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Prior to July 1, 2003, governmental funds' infrastructure assets were not capitalized. No infrastructure assets were acquired or capitalized during the period between July 1, 2003 and December 31, 2003. Infrastructure assets acquired prior to July 1, 2003, are not reported in the basic financial statements. No infrastructure assets were added in the current year. General infrastructure assets will include all roads and bridges and other infrastructure assets acquired subsequent to July 1, 2003.

The cost of normal repairs and maintenance that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. Property, plant, and equipment of the primary government is depreciated using the straight line method over the assets' estimated useful lives as follows:

Primary Government:

Asset Class	Estimated Useful Lives In Years	Capitalization Threshold
Buildings	50	$ 15,000
Building Improvements	20-30	$ 5,000
Machinery and equipment	5-10	$ 1,000
Vehicles	5-10	$ 5,000
Office equipment	5-10	$ 1,000
Computer equipment	3-10	$ 1,000
Infrastructure	30-40	$ 10,000

Component Unit:

Capital assets include equipment and various furniture and fixtures purchased during the performance of the Center's programs. Depreciation of capital assets is computed using the straight-line method. Equipment, furniture and fixtures with cost in excess of $1,000 are depreciated over a five-year life.

K. Accumulated Unpaid Vacation, Sick Pay, and Other Employee Benefits

Accumulated unpaid vacation, sick pay, and other employee benefits are not accrued by the county government when incurred in the funds because the amounts are considered immaterial.

L. Long-Term Obligations

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

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

M. Fund Equity

1. Government-wide Statements

Equity is classified as net assets and displayed in three components:

a. Invested in capital assets, net of related debt - 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 assets - Consists 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 assets - All other net assets that do not meet the definition of "invested in capital assets, net of related debt" or "Restricted".

2. Fund Statements

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

- **Nonspendable-**Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- **Restricted-**Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations

of other governments.

- **Committed-**Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the County Commissioner through the approval of a motion. Only the County Commissioner may modify or rescind the commitment.
- **Assigned-**Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the County Commissioner can authorize a designee to assign fund balances.
- **Unassigned-**Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criteria. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

N. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly chargeable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions are reported as transfers.

O. Allowance for Uncollectible Accounts

Allowances for uncollectible accounts are maintained for all types of receivables which historically experience uncollectible accounts.

P. Post-employment health care benefits

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the County provides healthcare benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured for the actual month covered. This program is offered for a duration of 18 months after the termination date. There is no associated cost to the County under this program.

Q. Concentrations of Credit Risk

The County's solid waste transfer station serves customers within Bleckley County. The balance of receivables is composed mostly of residential and smaller commercial accounts. The County does not expect to incur significant losses as a result of these receivables. Management believes that the allowance for uncollectable is adequate to cover all anticipated future losses on these receivables.

2. DEPOSITS AND INVESTMENTS

Primary Government

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The County does not have a deposit policy for custodial credit risk. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of December 31, 2011 the County had deposits

of $4,694,099 and the carrying amount of these deposits was $4,562,316. The County's deposits were insured or collateralized with securities held by the County, an agent in the name of the County, or securities pledged by the financial institution in the name of the County. However, at year-end the County had balances exposed to custodial credit risk as uninsured and uncollateralized in the amount of $1,582,040 or 34% of total deposits.

Component Unit

State statutes requires all deposits and investments (other than federal or state governmental instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

At June 30, 2011, the carrying amount of the Center's bank deposits was $353,385 and the bank balance was $143,965. The Center also had an imprest petty cash fund of $50. As of June 30, 2011, the Center did not have any balances exposed to custodial credit risk as uninsured and uncollateralized by GASB pronouncements.

Reporting Entity

Georgia law authorizes local governments to invest in the following types of obligations:

- Obligations of the State of Georgia or any other state;
- Obligations issued by the United States;
- Obligations fully insured or guaranteed by the United States Government or governmental agency;
- Obligations of any corporation of the United States Government;
- Prime bankers' acceptances;
- The State of Georgia Local Government Investment Pool;
- Repurchase agreements; and
- Obligations of other political subdivisions of the State of Georgia.

The County maintains only checking and interest-bearing savings accounts in Georgia financial institutions as permitted by O.C.G.A. 36-83-4.

The carrying amount of the County's deposits is reconciled to the financial statements as follows:

Governmental Activities:	
Cash in banks	$ 2,580,218
Cash on hand	377
Subtotal	2,580,595
Employee cash	5,018
Fiduciary Funds -	
Agency Funds	1,976,703
Total Primary Government	4,562,316
Component Unit –Health Department	
Cash in banks	353,385
Cash on hand	50
Total Component Unit	353,435
Total Reporting Entity	$ 4,915,751

3. PROPERTY TAXES

The County levies property taxes on September 1st of each year. The due date for these taxes is December 20th and the lien date is the following April 1st. Taxes are collected throughout the year. Property taxes for the year ended December 31, 2011, were assessed at the rate of 14.968 mills on the dollar on a total assessed valuation of $265,021,725. This was an increase of 0.916 mills over 2010.

In the governmental fund financial statements, property taxes are recorded as receivables and deferred at the time the tax levy is billed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible within sixty days following the close of the year are therefore susceptible to accrual in accordance with GAAP and have been recognized as revenue.

In the government-wide financial statements, property taxes receivable and related revenue include all amounts due the County regardless of when cash is received. Over time, substantially all property taxes are collected.

4. RECEIVABLES

Primary Government

Receivables at December 31, 2011 for the County's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	General Fund	Capital Projects SPLOST	Other Governmental Funds	Totals
Taxes	$ 695,345	$ -	$ -	$ 695,345
Intergovernmental	283,259	197,466	-	480,725
Accounts	150,687	-	24,345	175,032
Gross receivables	1,129,291	197,466	24,345	1,351,102
Less allowance for uncollectibles	(217,121)	-	-	(217,121)
Net receivables	$ 912,170	$ 197,466	$ 24,345	$ 1,133,981

Intergovernmental receivables are as follows:

State of Georgia	$ 277,444	$ 197,466	$ -	$ 474,910
City of Cochran	5,815	-	-	5,815
Total	$ 283,259	$ 197,466	$ -	$ 480,725

Component Unit

	Total
Intergovernmental – Department of Community Health	$ 3,763
Net receivables	$ 3,763

5. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2011, was as follows:

Description	Balance Beginning	Additions	Retirements	Balance Ending
Primary Government				
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 323,527	$ -	$ -	$ 323,527
Construction in progress	-	-	-	-
Total capital assets not being depreciated	323,527	-	-	323,527
Capital assets being depreciated:				
Infrastructure	1,450,525	-	-	1,450,525
Buildings and improvements	9,435,824	-	-	9,435,824
Machinery and equipment	4,958,726	205,237	335,472	4,828,491
Total capital assets being depreciated	15,845,075	205,237	335,472	15,714,840
Less accumulated depreciation for:				
Infrastructure	180,112	48,351	-	228,463
Buildings and improvements	1,431,770	205,031	-	1,636,801
Machinery and equipment	3,531,089	296,291	307,011	3,520,369
Total accumulated depreciation	5,142,971	549,673	307,011	5,385,633
Governmental activities capital assets, net of accumulated depreciation:				
Capital assets not being depreciated:				
Land	323,527	-	-	323,527
Construction in progress	-	-	-	-
Total capital assets not being depreciated	323,527	-	-	323,527
Capital assets being depreciated, net of accumulated depreciation:				
Infrastructure	1,270,413	(48,351)	-	1,222,062
Buildings and improvements	8,004,054	(205,031)	-	7,799,023
Machinery and equipment	1,427,637	(91,054)	28,461	1,308,122
Total capital assets being depreciated, net of accumulated depreciation	10,702,104	(344,436)	28,461	10,329,207
Total governmental activities capital assets, net of accumulated depreciation	$ 11,025,631	$ (344,436)	$ 28,461	$ 10,652,734

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

Governmental activities:	
General government	$ 73,448
Public safety	363,173
Court system	1,670
Highways and streets	98,348
Public health and welfare	9,325
Culture and recreation	3,085
County agent	624
Total depreciation expense - governmental activities	$ 549,673

Description	Balance Beginning	Additions	Retirements	Balance Ending
Component Unit				
Bleckley County Public Health Center:				
Capital assets not being depreciated -				
Land	$ -	$ -	$ -	$ -
Capital assets being depreciated -				
Machinery and equipment	38,960	-	7,112	31,848
Total capital assets being depreciated	38,960	-	7,112	31,848
Less accumulated depreciation for -				
Machinery and equipment	38,542	140	7,112	31,570
Total accumulated depreciation	38,542	140	7,112	31,570
Public Health Center capital assets, net of accumulated depreciation:				
Capital assets not being depreciated -				
Land	-	-	-	-
Capital assets being depreciated, net of accumulated depreciation -				
Machinery and equipment	418	(140)	-	278
Total capital assets being depreciated, net of accumulated depreciation	418	(140)	-	278
Total Public Health Center capital assets, net of accumulated depreciation	$ 418	$(140)	$ -	$ 278

6. JOINT VENTURES

Primary Government

Heart of Georgia Altamaha Regional Commission

The Heart of Georgia Altamaha Regional Commission "HOGARC" is one the 12 regional commissions in Georgia established under H.B. 1216 (O.C.G.A. 50-8) in July, 2009. The HOGARC serves a 17 county region in south central and southeast Georgia, the same as its predecessor agency the Heart of Georgia Altamaha Regional Development Center (Est. 1996). The region is a large, rural region of Georgia encompassing 17 counties, 63 cities, and approximately 6,904 square miles. The members of the commission are required to pay annual dues to the commission. During the year ended December 31, 2011, Bleckley County paid $7,779 in such dues. The Official Code of Georgia Section 50-8-34 provides for the organizational structure of the RCs. The HOGARC Board membership includes the chief elected official of each county and the chief elected official of each municipality. The County board members and municipal board members from the same county elect one Member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as a nonpublic member and a minority member who must be an elected official to serve as board members from a County.

O.C.G.A. 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements for the HOGARC are available from: Heart of Georgia Altamaha Regional Commission, 5405 Oak Street, Eastman, GA 31023.

7. COMPLIANCE WITH LEGAL PROVISIONS

The County is in compliance with all significant finance-related legal and contractual provisions with the exception of the following:

Deficit Fund Balance:

The County had no individual funds with deficit fund balances at December 31, 2011.

SPLOST 2007 Fund:

SPLOST 2007 Funds were maintained in a separate bank account as required by O.C.G.A. 48-8-121(a)(1) for the entire year. However, at year end, the general fund owed SPLOST 2007 $77,424, which was paid after year-end.

Excess of expenditures over appropriations in individual departments:

No funds/departments had an excess of expenditures over appropriations for the current year.

Violation of Georgia Law:

The County executed a multi-year note for the purchase of Sheriff's department vehicles. This note does not provide for automatic termination in the event that appropriated and unobligated funds are no longer available to satisfy the obligations of the county. State law prohibits any government from binding or committing a subsequent government. The Commissioner intends to reconfigure the note during 2012.

8. LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the County for the current year:

	Balance Beginning	Additions	Retirements	Balance Ending	Amounts Due Within One Year	Interest Paid
Governmental Activities:						
Capital Leases	$6,365,233	$ 41,170	$ 134,896	$ 6,271,507	$ 137,962	$ 269,749
Landfill post-closure	1,114,485	-	30,220	1,084,265	52,900	-
Compensated absences	200,534	33,261	-	233,795	49,012	-
Total Long-Term Debt	$7,680,252	$ 74,431	$ 165,116	$ 7,589,567	$ 239,874	$ 269,749

Total interest paid on long-term debt during the current year is summarized as follows:

Governmental Activities		
Total Interest	Less Direct Interest	Net Interest
$ 269,749	$ -	$ 269,749

The County leases machinery, equipment and vehicles under outstanding capital leases as of the end of the current year with a total original cost and accumulated depreciation of $6,789,715 and $404,239 respectively. These assets collateralize the leases payable as of the end of the current year. There are no special restrictions on assets collateralizing capital leases.

Of the total debt service principal and interest liquidated during the current year, the general fund paid a total of $49,478 and the special purpose local option sales tax fund (SPLOST Funds 2007) paid a total of $355,167. The general fund liquidated a total of $30,220 in landfill post-closure costs in the current year.

For governmental activities, compensated absences are liquidated by the general fund.

The County had no earnings on unexpended debt proceeds and, accordingly, federal arbitrage regulations do not currently apply.

The following represents amortizable issuance costs applicable to long-term debt for the construction of the new jail and is amortized on the straight-line method over 240 months at $557 per month:

Debt issuance cost	$ 133,640
Less - accumulated amortization	(28,677)
Debt issuance cost, net of amortization	$ 104,963

The annual requirements to service principal and interest on all County long-term debt to maturity is as follows:

Year Ending	Capital Leases Payable			Governmental Activities Total		
December 31,	Principal	Interest	Total	Principal	Interest	Total
2012	$ 137,962	$ 266,958	$ 404,920	$ 137,962	$ 266,958	$ 404,920
2013	130,013	260,698	390,711	130,013	260,698	390,711
2014	194,344	253,196	447,540	194,344	253,196	447,540
2015	319,188	241,568	560,756	319,188	241,568	560,756
2016	200,000	230,153	430,153	200,000	230,153	430,153
2017-2021	1,675,000	957,014	2,632,014	1,675,000	957,014	2,632,014
2022-2026	2,865,000	490,516	3,355,516	2,865,000	490,516	3,355,516
2027-2031	750,000	16,013	766,013	750,000	16,013	766,013
Totals	$ 6,271,507	$ 2,716,116	$ 8,987,623	$ 6,271,507	$ 2,716,116	$ 8,987,623

The County has several annually renewable operating leases on buildings and office equipment with no contingent payments included thereon. Rentals under operating leases for the current year totaled $16,091.

Details of long-term debt are as follows:

	Balance Beginning	Additions	Retirements	Balance Ending	Amounts Due Within One Year	Interest Paid
Primary Government						
Capital Leases:						
6.50% Capital lease payable, original amount of $27,415, with annual payments of $9,719, including interest, made on May 19, 2011, with the final payment due May 19, 2013, incurred to purchase Sheriff's department vehicle	$ -	$ 27,415	$ 9,720	$ 17,695	$ 8,569	$ -
3.75% Capital lease payable, original amount of $13,755, with annual payments of $7,273, including interest, made on June 3, 2011, with the final payment due on June 3, 2013, incurred to purchase Sheriff's department vehicle	-	13,755	-	13,755	6,757	-
6.60% Capital lease payable, original amount of $25,975, with annual payments of $9,217, including interest, made on March 4, 2009, with the final payment due on March 4, 2011, incurred to purchase Sheriff's department vehicle	8,646	-	8,646	-	-	570
3.654% Capital lease payable, original amount of $18,036, with monthly payments of $530, including interest, made on December 8, 2009, with the final payment due on December 7, 2012, incurred to purchase road department equipment	12,237	-	6,014	6,223	6,223	347
4.92% Capital lease payable, original amount of $23,900, with annual payments of $8,473 including interest, made on November 1, 2010, with the final payment due on November 1, 2012 incurred to purchase Sheriff's department vehicles	15,427	-	7,471	7,956	7,956	1,003
5.00% Capital lease payable, original amount of $168,345, with monthly payments of $1,338 including interest, made on May 12, 2010, with the final payment due on June 12, 2015, incurred to purchase fire truck	163,923	-	8,045	155,878	8,457	8,009

	Balance Beginning	Additions	Retirements	Balance Ending	Amounts Due Within One Year	Interest Paid
4.27% Capital lease payable, original amount of $6,340,000, with annual payments of increasing amounts from $257,934 to $1,187,167 including interest, made on September 18, 2007, with the final payment due on March 1, 2027, incurred to construct a new county jail	6,165,000	-	95,000	6,070,000	100,000	259,820
Total Capital Leases	6,365,233	41,170	134,896	6,271,507	137,962	269,749
Landfill post-closure care costs	1,114,485	-	30,220	1,084,265	52,900	-
Compensated absences	200,534	33,261	-	233,795	52,749	-
Total	$7,680,252	$ 74,431	$ 165,116	$ 7,589,567	$ 243,611	$ 269,749

A summary of short-term debt activity of the County for the current year is as follows:

	Balance Beginning	Additions	Retirements	Balance Ending	Interest Paid
Tax anticipation notes used for general government activity	$ -	$ 1,000,000	$ 1,000,000	$ -	$ 12,208

Interest paid on short-term debt in the amount of $12,208, is charged directly to debt service expense in the statement of activities. The general fund liquidated all short-term debt during the current year.

Total interest paid on all County debt during the year was $281,957.

	Balance Beginning	Additions	Retirements	Balance Ending	Amounts Due Within One Year	Interest Paid
Component Unit						
Accrued Leave	$ 17,025	$ 3,888	$ -	$ 20,913	$ 4,183	$ -
Total	$ 17,025	$ 3,888	$ -	$ 20,913	$ 4,183	$ -

9. RESTRICTED ASSETS - CASH

As of December 31, 2011, the County did not have restricted cash balances.

10. GRANTS

In the normal course of operations, the County receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

11. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The County maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the County. Settled claims have not exceeded this commercial coverage in any of the past five fiscal years. The County paid $639 in premiums for various commercial coverage during 2011. There have been no reductions in insurance coverage from the prior year.

The County is a member of the Association County Commissioners Self Insurance Workers Compensation Fund pursuant to Title 34, Chapter 9, Article 5 of the Official Code of Georgia Annotated. The Fund represents a self-insurance pool, whereby members agree to pay the workers compensation claims of other members of the fund. The County paid $74,824 to the fund during the year ended December 31, 2011. There were no assessments made against the County for additional losses incurred by the fund.

The liability of the fund to the employees of any employer is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and/or employer's liability. The fund is to defend, in the name of and on behalf of the members, any suits or other proceedings which may at any time be instituted against them on account of injuries or death within the purview of the Worker's Compensation Law of Georgia, or on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding of compensation therefore, although such suits, other proceedings, allegations or demands be wholly groundless, false or fraudulent. The Fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

The County has also become a member of the Association County Commissioners of Georgia - Interlocal Risk Management Agency for liability, motor vehicle and property damage risk self insurance. The County paid $81,130 to the fund during 2011. There were no assessments made against the County for additional losses incurred by the fund.

Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorizes Georgia municipalities to form interlocal risk management agencies. The Georgia Interlocal Risk Management Agency (GIRMA) is a municipal interlocal risk management agency operating as an unincorporated nonprofit instrumentality of its member municipalities - GIRMA establishes and administers one or more group self insurance funds and a risk management service to prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of municipal government. GIRMA is to defend and protect in accordance with the member government contract and related coverage descriptions any member of GIRMA against liability or loss. The County, among other requirements, must: pay all contributions, assessments or other sums due to GIRMA as such times and in such amounts as shall be established by GIRMA; select a person to serve as a member representative; allow GIRMA and its

agents reasonable access to all facilities and all records of the County which relate to the purposes of GIRMA; allow attorneys appointed by the agency to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the Fund; assist and cooperate in the defense and settlement of claims against the County; furnish full cooperation to GIRMA's attorneys, claims adjusters, Service Company, and any agent, employee, officer or independent contractor of GIRMA relating to the purposes of GIRMA; follow loss reduction and prevention procedures established by the agency; furnish to GIRMA such budget, operating and underwriting information as may be requested; and report promptly as possible, and in accordance with any Coverage Descriptions issued, all incidents which could result in claims against the fund.

12. CONTINGENCIES AND COMMITMENTS

Litigation

The County was not involved in any lawsuits as of the year-end.

13. PENSION PLAN

Primary Government

The County sponsors the Association County Commissioners of Georgia Restated Pension Plan for Bleckley County Employees (The Plan), which is a defined benefit pension plan.

The specific benefit provisions of the County's plan were established by an adoption agreement executed by the County Commissioner. The Plan provides retirement, disability and death benefits to plan participants and beneficiaries. The Plan, through execution of an adoption agreement, is affiliated with the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (The ACCG Plan), an agent multiple-employer pension plan administered by GEBCorp. The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions of the ACCG Plan, as provided in Section 19.03 of The ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan, as provided in Section 19.02 of the ACCG Plan document. An outline of plan provisions follows:

All full-time County employees are eligible to participate in the Plan after completing three years of service. Benefits vest after five years of service. Participants become eligible to retire at age 65 with 3 years of participation in the Plan. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of .5% of average annual compensation up to $6,600 plus 1.00% of average annual compensation in excess of $6,600 plus $36.00 multiplied by years of service. Compensation is averaged over a five-year period prior to retirement or other termination.

County employees are not required or permitted to contribute to the Plan. The annual County contribution to the Plan is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and must satisfy the minimum contribution requirement contained in the State of Georgia Statute 47-20. The required contribution for the 2011 plan year was $159,397. This amount represents 10.5% of covered payroll.

Participant counts as of January 1, 2011 (the most recent actuarial valuation date) and covered compensation (based on covered earnings for the preceding year) are shown below:

Retirees, beneficiaries and disabled receiving benefits	19
Terminated plan participants entitled to but not yet receiving benefit	26
Active employees participating in the Plan	44
Total number of Plan Participants	89
Covered compensation for active participants	$ 1,520,631

Annual Pension Cost: The current year annual pension costs for the Plan are shown in the trend information presented below:

SUMMARY OF VALUATION RESULTS AND BASIS OF VALUATION:

- Actuarial Valuation Date: January 1, 2011
- Expected Employee Contributions: $ -0-
- Funding Method: Projected Unit Credit
- Actuarial Value of Plan Assets: Smoothed Actuarial Value
- 7.75% per annum return on investments (net of administrative expenses)
- 4.5% - 7.0% per annum projected salary increases (based on age)
- 3.0% per annum inflation
- 0% post-retirement benefit increase
- The unfunded actuarial accrued liability is being amortized as a level percent of pay amount on a closed basis. The estimated amortization period for all unfunded liabilities combined into one amortization base was 10 years.

TREND INFORMATION FOR THE PLAN

Fiscal Year Beginning	Annual Pension Cost	Actual County Contribution	Percentage of APC Contributed	Net Pension Obligation
01/01/11	$ 159,304	$ 160,698	101 %	17,260
01/01/10	156,915	157,009	100 %	17,354
01/01/09	162,002	100,947	62 %	(43,701)

PLAN FINANCIAL STATEMENTS

A copy of the plan financial statements may be obtained from GEBCorp, 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339.

The financial statements are prepared on an accrual basis, modified to include unrealized gains or losses on marketable securities owned by the Plan and incremental changes in the cash value of pre-retirement life insurance policies owned by the trust.

Plan member contributions are recognized in the period in which contributions are due. County contributions are recognized when due and the County has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable.

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

CONTRIBUTIONS

The County is required to contribute at an actuarially determined rate. Section 47-20 of the Georgia Code sets forth the minimum funding standards for state and local governmental pension plans. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement.

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

ANALYSIS OF FUNDING PROGRESS

Actuarial Valuation Date (01/01)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL (UAAL) (2)-(1)	(5) Annual Covered Payroll (prior year)	(6) UAAL as a Percentage of Covered Payroll (4)/(5)
2009	1,568,842	2,095,411	74.9 %	526,569	1,573,718	33.5 %
2010	1,692,924	2,268,291	74.6 %	575,367	1,489,943	38.6 %
2011	1,804,151	2,399,278	75.2%	595,127	1,520,631	39.1%

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

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

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

OTHER RETIREMENT BENEFITS

The County makes contributions to the following pension and retirement plans which are not under the direct control of the County.

A. Probate Judges' Retirement Fund of Georgia

The Probate Judge is covered under a pension plan which requires that certain sums from marriage licenses and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

B. Clerk of Superior Court Retirement Fund

The Clerk of Superior Court is covered under a pension plan which requires that certain sums from fees and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

C. Sheriff's Retirement Fund/Peace Officers' Annuity and Benefit Fund

The Sheriff and sheriff deputies are covered under separate pension plans which require that certain sums from fines or bond forfeitures be remitted by the Probate Judge or Clerk of Superior Court to the pension plans before the payment of any costs or other claims.

Contributions to the plans are not based on payroll, but rather on certain receipts.

Component Unit

The employees of the Center participate in the Georgia State Employees Retirement System. The Plan is administered by the State of Georgia, and accumulated benefits and Plan assets are not determined or allocated to the individual participating governmental entities. The retirement contribution for the year ended June 30, 2011, was $15,368. Contributions are fully vested to employees after ten (10) years of continuous service.

14. LANDFILL POST-CLOSURE CARE COSTS

State and federal laws and regulations require that a final cover be placed on the landfill when it stops accepting waste, and to perform certain maintenance and monitoring functions at the site after closure. The County's landfill stopped accepting waste on April 8, 1994. The closure certificate (Permit No. 012-004D(SL)) contains conditions requiring the County to conduct post-closure care for a period of five years from December 5, 1996, the date of the closure certificate. The certificate provided that the five-year period may be extended by the Director of the Environmental Protection Division if deemed necessary to adequately protect human health and the environment.

On July 27, 2008, the County was notified by Georgia Department of Natural Resources - Environmental Protection Division that they had reviewed the Assessment of Corrective Measures (ACM), Site Characterization and Evaluation of Corrective Measures report for Bleckley County, Georgia. In July 2006, the EPD approved the County's corrective action plan. Estimates indicate that the post-closure period would be extended an additional twenty-two years from 2005.

The estimated remaining cost of $1,084,265 to monitor the landfill during the remaining post-closure period is reflected as a liability in the statement of net assets at December 31, 2011. The estimates are based on the latest opinion of probable post-closure care costs prepared by professional engineers for the County. The estimates are based on average or typical costs with provisions for potential changes due to inflation or deflation, technology, or applicable laws or regulations. However, actual costs may be higher.

15. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of December 31, 2011, is as follows:

Fund	Due from Other Funds	Due To Other Funds
General fund:		
Due to:		
Capital projects-SPLOST-2007	$ -	$ 77,424
Capital projects-SPLOST-2007:		
Due from:		
General fund	77,424	-
Total	$ 77,424	$ 77,424

The outstanding balances between funds resulted from a delay in the repayment of funds to the SPLOST-2007 account from the general fund account. The funds were repaid after the year-end.

Transfers in (out) are used to move revenue from the fund with collection authorization to the fund that advances funds for budgeted expenditures in prior year. There were no Transfers in (out) during the current year.

16. GRANTS AND COMMITMENTS

Bleckley County has been approved for a Federal-Aid/Georgia Department of Transportation grant of $325,000 to carry out an Off-System Safety Project. On August 20, 2010, the Department of Transportation, an Agency of the State of Georgia, entered into an agreement with the County for this project. There were $308,578 expenditures in this project during the current year as reflected in the Schedule of Expenditures of Federal Awards.

On October 28, 2010, the County received an Emergency Management Agency grant under the Homeland Security Grant Program in the amount of $35,150. The grant was awarded through the Georgia Emergency Management Agency and the award is to be used for upgrades to the county mobile communications vehicle. This grant was completed during the current year.

In the normal course of operations, the County receives other grant funds from various Federal and State agencies. These grants are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

Bleckley County entered into an agreement on May 26, 2010, with the Hospital Authority of Bleckley County to levy an ad valorem tax up to the legally permissible millage rate to pay for certain indigent care obligations and to pay principal and interest on debt of the Authority borrowed to finance improvements and repairs to the hospital facility roof in the principal amount of $226,000, in order to permit future operations of the Authority. The County signed a consent agreement with the lender, that if the borrower (Authority) is in default under the financing agreement, then upon receipt by County of written notice from lender that borrower was in default and the lender elects to exercise its rights under the contract in accordance with the terms of the agreement, that all payments and revenues owing or assigned to borrower under the contract shall thereafter be paid to lender unconditionally and without defense or offset by the County. The County paid a total of $21,611 on this loan for the year ended December 31, 2011. While the Hospital Authority is not in default on the note, it is expected that the County will continue to make payments on the loan until it is paid in full. The unpaid principal balance of the loan as of the end of the current year is $210,933.

BLECKLEY COUNTY, GEORGIA
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget (GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance With Final Budget
REVENUES:				
Taxes:				
Property taxes	$ 3,441,374	$ 3,928,196	$ 4,261,788	$ 333,592
Alcoholic beverage tax	56,322	56,000	56,087	87
Insurance premium tax	353,406	330,406	330,974	568
Local option sales tax	532,642	541,642	544,115	2,473
Total Taxes	4,383,744	4,856,244	5,192,964	336,720
Licenses and Permits:				
Beer and wine licenses	5,250	4,250	4,900	650
Other licenses, permits and fees	19,352	11,352	11,510	158
Total Licenses and Permits	24,602	15,602	16,410	808
Fines and Forfeitures:				
Probate Court	197,240	163,740	164,103	363
Superior Court	121,492	92,992	93,216	224
Drug surcharges, etc.	54,832	44,532	44,659	127
Total Fines and Forfeitures	373,564	301,264	301,978	714
Charges for Services:				
Magistrate	14,954	16,054	16,222	168
Superior Court	45,614	44,114	44,213	99
Sheriff	693,009	57,009	57,233	224
Solid Waste fees	69,426	92,926	93,074	148
Tax Assessors	-	-	34	34
Transit fares	6,000	9,000	9,482	482
Total Charges for Services	829,003	219,103	220,258	1,155
Intergovernmental:				
Federal grants	-	375,000	383,907	8,907
State grants	69,952	50,952	51,024	72
Other intergovernmental	63,218	153,218	153,798	580
Total Intergovernmental	133,170	579,170	588,729	9,559
Interest Earnings	43,304	63,304	66,434	3,130
Miscellaneous:				
Nutrition program	29,090	25,090	25,141	51
Other	43,610	68,610	69,598	988
Total Miscellaneous	72,700	93,700	94,739	1,039
Total Revenues	5,860,087	6,128,387	6,481,512	353,125

The accompanying notes to required supplementary information are an integral part of this schedule.

BLECKLEY COUNTY, GEORGIA
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget (GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance With Final Budget
EXPENDITURES:				
Current:				
General Government:				
Administration	$ 205,442	$ 203,442	$ 202,216	$ 1,226
Courthouse	531,852	331,852	325,124	6,728
Tax commissioner	204,500	205,000	204,722	278
Voter registrars	48,690	49,690	49,170	520
Tax assessor	275,500	235,500	231,549	3,951
Building inspector	27,899	22,899	22,071	828
Non-departmental	41,500	311,500	311,037	463
Total General Government	1,335,383	1,359,883	1,345,889	13,994
Public Safety:				
Sheriff	789,289	798,289	797,834	455
Jail	758,774	714,774	714,151	623
Communications center and E-911	282,370	248,370	247,592	778
Fire department	54,535	48,535	47,540	995
Emergency management	67,419	77,419	77,274	145
Ambulance	382,000	382,000	381,798	202
Coroner	27,650	27,650	26,876	774
Animal control	51,000	41,000	40,254	746
Total Public Safety	2,413,037	2,338,037	2,333,319	4,718
Court System:				
Clerk of Superior Court	198,460	198,460	197,488	972
Superior Court	95,590	115,590	115,118	472
Probate Court	156,912	159,712	159,503	209
Magistrate Court	147,900	132,900	132,343	557
Juvenile Court	-	4,500	4,359	141
Total Court System	598,862	611,162	608,811	2,351
Highways and Streets	763,276	989,776	989,435	341
Public Health and Welfare:				
Public health and welfare appropriations	106,558	125,558	122,891	2,667
Sanitation	215,696	229,196	229,050	146
Senior center	77,028	69,028	68,615	413
Transit system	88,160	219,660	218,837	823
Total Public Health and Welfare	487,442	643,442	639,393	4,049
Culture and Recreation	93,733	78,733	78,220	513
County Agent	79,333	66,333	66,138	195

The accompanying notes to required supplementary information are an integral part of this schedule.

BLECKLEY COUNTY, GEORGIA
Schedule of Revenues, Expenditures, and Changes in
Fund Balances - Budget (GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance With Final Budget
EXPENDITURES-continued:				
Natural Resources	20,647	20,647	20,647	-
Debt Service:				
Principal	65,172	40,172	39,896	276
Interest	3,202	22,202	21,790	412
Total Debt Service	68,374	62,374	61,686	688
Total Expenditures	5,860,087	6,170,387	6,143,538	26,849
Excess of Revenues Over (Under) Expenditures	-	(42,000)	337,974	379,974
OTHER FINANCING SOURCES:				
Proceeds from capital lease	-	42,000	41,170	(830)
Transfers In (Out)	-	-	-	-
Total Other Financing Sources	-	42,000	41,170	(830)
Net Change in Fund Balances	-	-	379,144	379,144
FUND BALANCE, BEGINNING OF YEAR	1,607,394	1,607,394	1,607,394	-
FUND BALANCE, END OF YEAR	$ 1,607,394	$ 1,607,394	$ 1,986,538	$ 379,144

The accompanying notes to required supplementary information are an integral part of this schedule.

BLECKLEY COUNTY, GEORGIA
Required Supplementary Information
Schedule of Funding Progress - Defined Benefit Plan
For The Fiscal Year Ended December 31, 2011

Defined Benefit Pension Plan - Schedule of Funding Progress

Actuarial Valuation Date (01/01)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL (UAAL) (2)-(1)	(5) Annual Covered Payroll (prior year)	(6) UAAL as a Percentage of Covered Payroll (4)/(5)
2009	1,568,842	2,095,411	74.9 %	526,569	1,573,718	33.5 %
2010	1,692,924	2,268,291	74.6 %	575,367	1,489,943	38.6 %
2011	1,804,151	2,399,278	75.2%	595,127	1,520,631	39.1%

The assumptions used in the preparation of the above schedule are disclosed in Note 13 in the Notes to the Financial Statements.

The actuarial value of assets for the years 2009 through 2011 reflects the change to asset smoothing adopted by the ACCG Pension Plan and Trust Board of Trustees.

Budgets and Budgetary Control

Each fund's appropriated budget is prepared on a departmental basis. Revenues are budgeted by source. Expenditures are budgeted by department and class. This constitutes the legal level of control. Expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to final review by the County Commissioner.

The County follows these procedures in establishing the budgetary data reflected in required supplementary information:

1. The Sole Commissioner, with input from other elected officials, prepares an operating budget for the calendar year commencing on January 1. The operating budget includes proposed expenditures and the means by which those expenditures are to be financed.

2. The Sole Commissioner holds a public hearing on the budget, giving notice thereof at least ten days in advance by publication in the official organ of Bleckley County.

3. The budget so adopted may be revised during the year only by formal action of the Commissioner in a regular meeting and no increase shall be made therein without provision also being made for financing same.

4. Formal budgetary integration is not employed as a management control during the year for the general fund. The budget for the general fund is adopted on a basis consistent with generally accepted accounting principles (GAAP).

5. Budgeted amounts are as originally adopted, and as amended by the Commissioner.

6. Legally adopted budgets are required and adopted for the general fund and special revenue funds. Project-length budgets are adopted for the capital projects funds.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are reported in order to reserve that portion of applicable appropriations, is not employed by the County because it is considered impractical and not necessary to insure effective budgetary and cash planning and control.

Excess of Expenditures over Appropriations in Individual Departments

No funds/departments had an excess of expenditures over appropriations for the current year.

BLECKLEY COUNTY, GEORGIA
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2011

	Law Library Fund	E-911 Fund	Confiscated Assets Fund	Commissary Fund	Total Nonmajor Governmental Funds
ASSETS:					
Cash	$ 96,369	$ -	$ 4,655	$ 19,738	$ 120,762
Accounts receivable	-	24,078	-	267	24,345
Total Assets	$ 96,369	$ 24,078	$ 4,655	$ 20,005	$ 145,107
LIABILITIES -					
Accounts payable	$ -	$ 24,078	$ -	$ 1,306	$ 25,384
Total Liabilities	-	24,078	-	1,306	25,384
FUND BALANCES-					
Restricted for:					
Public safety	-	-	4,655	18,699	23,354
Law library	96,369	-	-	-	96,369
Total Fund Balances	96,369	-	4,655	18,699	119,723
Total Liabilities and Fund Balances	$ 96,369	$ 24,078	$ 4,655	$ 20,005	$ 145,107

BLECKLEY COUNTY, GEORGIA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2011

	Law Library Fund	E-911 Fund	Confiscated Assets Fund	Commissary Fund	Total Nonmajor Governmental Funds
REVENUES:					
Fines and forfeitures	$ 8,356	$ -	$ 7,649	$ -	$ 16,005
Charges for services	-	133,277	-	51,320	184,597
Interest earnings	820	-	-	-	820
Total Revenues	9,176	133,277	7,649	51,320	201,422
EXPENDITURES:					
Current:					
Public safety	-	133,277	19,228	65,649	218,154
Court system	2,132	-	-	-	2,132
Total Expenditures	2,132	133,277	19,228	65,649	220,286
Excess of Revenue Over (Under) Expenditures	7,044	-	(11,579)	(14,329)	(18,864)
OTHER FINANCING SOURCES -					
Transfers In (Out)	-	-		-	-
Total Other Financing Sources	-	-	-	-	-
NET CHANGE IN FUND BALANCES	7,044	-	(11,579)	(14,329)	(18,864)
FUND BALANCE, BEGINNING OF YEAR	89,325	-	16,234	33,028	138,587
FUND BALANCE, END OF YEAR	$ 96,369	$ -	$ 4,655	$ 18,699	$ 119,723

BLECKLEY COUNTY, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget (GAAP Basis) and Actual
Nonmajor Special Revenue - Law Library Fund
For the Fiscal Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance With Final Budget
REVENUES:				
Fines and Forfeitures	$ 12,600	$ 8,200	$ 8,356	$ 156
Interest Earnings	300	800	820	20
Total Revenues	12,900	9,000	9,176	176
EXPENDITURES-				
Current-				
Court system	12,900	9,000	2,132	6,868
Total Expenditures	12,900	9,000	2,132	6,868
NET CHANGE IN FUND BALANCES	-	-	7,044	7,044
FUND BALANCE, BEGINNING OF YEAR	89,325	89,325	89,325	-
FUND BALANCE, END OF YEAR	$ 89,325	$ 89,325	$ 96,369	$ 7,044

BLECKLEY COUNTY, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget (GAAP Basis) and Actual
Nonmajor Special Revenue - E-911 Fund
For the Fiscal Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance With Final Budget
REVENUES-				
Charges for Services	$ 155,000	$ 133,500	$ 133,277	$(223)
Total Revenues	155,000	133,500	133,277	(223)
EXPENDITURES-				
Current-				
Public Safety	155,000	133,500	133,277	223
Total Expenditures	155,000	133,500	133,277	223
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
FUND BALANCE, END OF YEAR	$ -	$ -	$ -	$ -

BLECKLEY COUNTY, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget (GAAP Basis) and Actual
Nonmajor Special Revenue - Confiscated Assets Fund
For the Fiscal Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance With Final Budget
REVENUES-				
Fines and Forfeitures	$ 20,000	$ 19,250	$ 7,649	$(11,601)
Total Revenues	20,000	19,250	7,649	(11,601)
EXPENDITURES-				
Current-				
Public safety	20,000	19,250	19,228	22
Total Expenditures	20,000	19,250	19,228	22
NET CHANGE IN FUND BALANCES	-	-	(11,579)	(11,579)
FUND BALANCE, BEGINNING OF YEAR	16,234	16,234	16,234	-
FUND BALANCE, END OF YEAR	$ 16,234	$ 16,234	$ 4,655	$(11,579)

BLECKLEY COUNTY, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances -
Budget (GAAP Basis) and Actual
Nonmajor Special Revenue - Commissary Fund
For the Fiscal Year Ended December 31, 2011

	Original Budget	Final Budget	Actual	Variance With Final Budget
REVENUES-				
Charges for Services	$ 147,800	$ 65,700	$ 51,320	$(14,380)
Total Revenues	147,800	65,700	51,320	(14,380)
EXPENDITURES-				
Current-				
Public safety	147,800	65,700	65,649	51
Total Expenditures	147,800	65,700	65,649	51
NET CHANGE IN FUND BALANCES	-	-	(14,329)	(14,329)
FUND BALANCE, BEGINNING OF YEAR	33,028	33,028	33,028	-
FUND BALANCE, END OF YEAR	$ 33,028	$ 33,028	$ 18,699	$(14,329)

BLECKLEY COUNTY, GEORGIA
Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2011

	Superior Court	Probate Court	Tax Commissioner	Magistrate	Sheriff	Tax Assessor	Building Department	Totals
ASSETS -								
Cash	$ 97,773	$ 16,489	$ 1,859,407	$ 2,467	$ 567	$ -	$ -	$ 1,976,703
Total assets	$ 97,773	$ 16,489	$ 1,859,407	$ 2,467	$ 567	$ -	$ -	$ 1,976,703
LIABILITIES -								
Accounts payable	$ 97,773	$ 16,489	$ 1,859,407	$ 2,467	$ 567	$ -	$ -	$ 1,976,703
Total liabilities	$ 97,773	$ 16,489	$ 1,859,407	$ 2,467	$ 567	$ -	$ -	$ 1,976,703

BLECKLEY COUNTY, GEORGIA
Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
For the Fiscal Year Ended December 31, 2011

	Balance Beginning	Increase	Decrease	Balance Ending
ALL AGENCY FUNDS:				
Assets:				
Cash	$ 1,879,485	$ 9,048,798	$ 8,951,580	$ 1,976,703
Total Assets	$ 1,879,485	$ 9,048,798	$ 8,951,580	$ 1,976,703
Liabilities:				
Accounts payable	$ 1,879,485	$ 9,048,798	$ 8,951,580	$ 1,976,703
Total Liabilities	$ 1,879,485	$ 9,048,798	$ 8,951,580	$ 1,976,703
SUPERIOR COURT:				
Assets:				
Cash	$ 58,552	$ 425,799	$ 386,578	$ 97,773
Total Assets	$ 58,552	$ 425,799	$ 386,578	$ 97,773
Liabilities:				
Accounts payable	$ 58,552	$ 425,799	$ 386,578	$ 97,773
Total Liabilities	$ 58,552	$ 425,799	$ 386,578	$ 97,773
PROBATE COURT:				
Assets:				
Cash	$ 17,257	$ 257,613	$ 258,381	$ 16,489
Total Assets	$ 17,257	$ 257,613	$ 258,381	$ 16,489
Liabilities:				
Accounts payable	$ 17,257	$ 257,613	$ 258,381	$ 16,489
Total Liabilities	$ 17,257	$ 257,613	$ 258,381	$ 16,489
TAX COMMISSIONER:				
Assets:				
Cash	$ 1,799,501	$ 7,993,470	$ 7,933,564	$ 1,859,407
Total Assets	$ 1,799,501	$ 7,993,470	$ 7,933,564	$ 1,859,407
Liabilities:				
Accounts payable	$ 1,799,501	$ 7,993,470	$ 7,933,564	$ 1,859,407
Total Liabilities	$ 1,799,501	$ 7,993,470	$ 7,933,564	$ 1,859,407

BLECKLEY COUNTY, GEORGIA
Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
For the Fiscal Year Ended December 31, 2011

	Balance Beginning	Increase	Decrease	Balance Ending
MAGISTRATE COURT:				
Assets:				
Cash	$ 3,608	$ 140,635	$ 141,776	$ 2,467
Total Assets	$ 3,608	$ 140,635	$ 141,776	$ 2,467
Liabilities:				
Accounts payable	$ 3,608	$ 140,635	$ 141,776	$ 2,467
Total Liabilities	$ 3,608	$ 140,635	$ 141,776	$ 2,467
SHERIFF:				
Assets:				
Cash	$ 567	$ 218,991	$ 218,991	$ 567
Total Assets	$ 567	$ 218,991	$ 218,991	$ 567
Liabilities:				
Accounts payable	$ 567	$ 218,991	$ 218,991	$ 567
Total Liabilities	$ 567	$ 218,991	$ 218,991	$ 567
TAX ASSESSOR:				
Assets:				
Cash	$ -	$ 780	$ 780	$ -
Total Assets	$ -	$ 780	$ 780	$ -
Liabilities:				
Accounts payable	$ -	$ 780	$ 780	$ -
Total Liabilities	$ -	$ 780	$ 780	$ -
BUILDING DEPARTMENT:				
Assets:				
Cash	$ -	$ 11,510	$ 11,510	$ -
Total Assets	$ -	$ 11,510	$ 11,510	$ -
Liabilities:				
Accounts payable	$ -	$ 11,510	$ 11,510	$ -
Total Liabilities	$ -	$ 11,510	$ 11,510	$ -

BLECKLEY COUNTY, GEORGIA
Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
For the Fiscal Year Ended December 31, 2011

Project	Original Estimated Cost	Current Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
Beginning 2007:						
County:						
Jail, capital projects	$ 2,345,000	$ 2,345,000	$ 1,063,426	$ 354,820	$ 1,418,246	60.48 %
Recreation department, capital projects	180,000	180,000	85,534	9,926	95,460	53.03 %
Public library, capital projects	15,000	15,000	8,740	-	8,740	58.27 %
Emergency management agency, capital projects	25,000	25,000	25,000	-	25,000	100.00 %
Fire department, capital projects	150,000	150,000	150,000	-	150,000	100.00 %
Courthouse, capital projects	200,000	200,000	198,018	-	198,018	99.01 %
Roads and bridges, capital projects	880,000	880,000	568,283	18,047	586,330	66.63 %
Total County	3,795,000	3,795,000	2,099,001	382,793	2,481,794	
City of Cochran:						
Recreation department; emergency management agency; streets, library, fire department, police department, sewage department and water department, capital outlay projects	2,205,000	2,205,000	1,615,434	399,913	2,015,347	91.40 %
Total	$ 6,000,000	$ 6,000,000	$ 3,714,435	$ 782,706	$ 4,497,141	

Compliance Section

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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

To the County Commissioner
Bleckley County, Georgia

We have audited the financial statements of the governmental activities, the discretely presented component unit - Bleckley County Public Health Center, each major fund, and the aggregate remaining fund information of Bleckley County, Georgia, as of and for the year ended December 31, 2011, which collectively comprise the County's basic financial statements and have issued our report thereon dated September 6, 2012. Our report was modified to include a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Bleckley County Public Health Center, as described in our report on Bleckley County, Georgia's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings and responses on page 48 as item number 2007-1 that we consider to be a significant deficiency in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bleckley County, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under Government Auditing Standards and which is described in the accompanying schedule of findings and responses on page 48 as item number 2011-1.

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

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

H. M. Vickers & Associates, P.C.

September 6, 2012

FINDINGS - FINANCIAL STATEMENT AUDIT

2007-1 Cash: General Government Operations

Condition: Due to the limited number of personnel, overlapping of duties exists in the County's operations, primarily in the areas of cash receipts and disbursements. This overlapping of duties presents a situation where unauthorized use of assets could occur and not be detected within a timely period.

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

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

Recommendation: That management continually exercise alert supervision of employees in order to protect the assets of the County. We further recommend that the County implement an internal audit review to be performed on a quarterly basis. This internal audit would serve to further mitigate the lack of segregation of duties.

Response: The Commissioner concurs with the recommendation. The Commissioner realizes that with limited personnel adequate segregation of duties is not possible. Therefore, to mitigate this, the Commissioner will exercise alert supervision over all employees. The Commissioner will consider the feasibility of performing quarterly internal audits in the future.

2011-1 Violation of Georgia Law - Debt

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

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

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

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

Response: The Commissioner concurs with the recommendation. The County will monitor any new debt to ensure that this condition does not reoccur.

BLECKLEY COUNTY, GEORGIA (enter name of government)

Certification of 9-1-1 Expenditures

For the Year Ended DECEMBER 31, 2011

Line No.		O.C.G.A. Reference	
1	Indicate UCOA Fund Type Used to Account for 9-1-1 Activity (choose one):		
	X Special Revenue Fund ____ Enterprise Fund		
	Expenditures (UCOA Activity 3800)		
2	Wireless service supplier cost recovery charges (identify each supplier individually on lines below - attach list, if necessary)	46-5-134(e)	
	_____		$ _____
	_____		$ _____
	_____		$ _____
3	Emergency telephone equipment, including necessary computer hardware, software, and data base provisioning, addressing, and nonrecurring costs of establishing a 9-1-1 system:		
3a	Lease costs	46-5-134(f)(1)(A)	$ _____
3b	Purchase costs	46-5-134(f)(1)(A)	$ _____
3c	Maintenance costs	46-5-134(f)(1)(A)	$ _____
4	Rates associated with the service suppliers 9-1-1 service and other service suppliers recurring charges	46-5-134(f)(1)(B)	$ _____
5	Employees hired by the local government solely for the operation and maintenance of the emergency 9-1-1 system and employees who work as directors as defined in O.C.G.A. §46-5-138.2		
5a	Salaries and wages	46-5-134(f)(1)(C)	$ 133,277
5b	Employee benefits	46-5-134(f)(1)(C)	$ _____
6	Cost of training of employees who work as dispatchers or directors	46-5-134(f)(1)(D)	$ _____
7	Office supplies of the public safety answering points used directly in providing emergency 9-1-1 system services	46-5-134(f)(1)(E)	$ _____
8	Building used as a public safety answering point:		
8a	Lease costs	46-5-134(f)(1)(F)	$ _____
8b	Purchase costs	46-5-134(f)(1)(F)	$ _____
9	Computer hardware and software used at a public safety answering point, including computer assisted dispatch systems and automatic vehicle location systems:		
9a	Lease costs	46-5-134(f)(1)(G)	$ _____
9b	Purchase costs	46-5-134(f)(1)(G)	$ _____
9c	Maintenance costs	46-5-134(f)(1)(G)	$ _____

_____BLECKLEY COUNTY, GEORGIA_____ (enter name of government)

Certification of 9-1-1 Expenditures

For the Year Ended _DECEMBER 31, 2011_____

Line No.		O.C.G.A. Reference	
10	Supplies directly related to providing emergency 9-1-1 system services, including the cost of printing emergency 9-1-1 public education materials	46-5-134(f)(1)(H)	$ _____
11	Logging recorders used at a public safety answering point to record telephone and radio traffic:		
11a	Lease costs	46-5-134(f)(1)(I)	$ _____
11b	Purchase costs	46-5-134(f)(1)(I)	$ _____
11c	Maintenance costs	46-5-134(f)(1)(I)	$ _____
12	Insurance purchased to insure against risks and liability in the operation and maintenance of the 9-1-1 system on behalf of the local government or on behalf of employees hired by the local government solely for the operation and maintenance of the 9-1-1 system and employees who work as directors	46-5-134(f)(2)(B)(i)	$ _____
13	Mobile communications vehicle and equipment, if the primary purpose and designation of such vehicle is to function as a backup 9-1-1 system center		
13a	Lease costs	46-5-134(f)(2(B)(ii)	$ _____
13b	Purchase costs	46-5-134(f)(2(B)(ii)	$ _____
13c	Maintenance costs	46-5-134(f)(2(B)(ii)	$ _____
14	Allocation of indirect costs associated with supporting the 9-1-1 system center and operations as identified and outlined in an indirect cost allocation plan approved by the local governing authority that is consistent with the costs allocated within the local government to both governmental and business-type activities	46-5-134(f)(2)(B)(iii)	$ _____
15	Mobile public safety voice and data equipment, geo-targeted test messaging alert systems, or towers necessary to carry out the function of 9-1-1 system operations		
15a	Lease costs	46-5-134(f)(2(B)(iv)	$ _____
15b	Purchase costs	46-5-134(f)(2(B)(iv)	$ _____
15c	Maintenance costs	46-5-134(f)(2(B)(iv)	$ _____
16	Public safety voice and data communications systems located in the 9-1-1 system facility that further the legislative intent of providing the highest level of emergency response service on a local, regional, and state-wide basis, including equipment and associated hardware and software that supports the use of public safety wireless voice and data communication systems		
16a	Lease costs	46-5-134(f)(2(B)(v)	$ _____
16b	Purchase costs	46-5-134(f)(2(B)(v)	$ _____
16c	Maintenance costs	46-5-134(f)(2(B)(v)	$ _____

BLECKLEY COUNTY, GEORGIA (enter name of government)

Certification of 9-1-1 Expenditures

For the Year Ended DECEMBER 31, 2011

Line No.		OCGA Reference	
17	Other expenditures not included in Lines 2 through 16 above. Identify by object and purpose.		
	_____		$ _____
	_____		$ _____
	_____		$ _____
	_____		$ _____
	_____		$ _____
	_____		$ _____
	_____		$ _____
	_____		$ _____
18	Total Expenditures (total of all amounts reported on Lines 2 through 17 above)		$ 133,277

Certification of Local Government Officials

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

Signature of Chief Elected Official _____ Date 6-29-12

Print Name of Chief Elected Official ROBERT BROCKMAN

Title of Chief Elected Official SOLE COMMISSIONER

Signature of Chief Financial Officer _____ Date 6/29/12

Print Name of Chief Financial Officer CYNTHIA M. NEWMAN