Brooks County, Georgia

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Financial Statements

For the Year Ended June 30, 2012

Brooks County, Georgia

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Brooks County, Georgia

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Brooks County, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Brooks County, Georgia, as of and for the year ended June 30, 2012, which collectively comprise Brooks County, Georgia's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of Brooks County, Georgia. Our responsibility is to express our opinions on these financial statements based on our audit. We did not audit the financial statements of the Brooks County Board of Health, which statements report total assets of $168,031 as of June 30, 2012, and revenues of $379,308 for the year ended June 30, 2012. Those financial statements were audited by other auditors whose reports have been provided to us, and our opinion on the basic financial statements, insofar as it relates to the amounts included for the Brooks County Board of Health in the component unit column, is based on the report of 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 business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Brooks County, Georgia, as of June 30, 2012 and the respective change in financial position and cash flows, where applicable, thereof, and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Brooks County, Georgia has not presented the management discussion and analysis that accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the basic financial statements.

In accordance with *Government Auditing Standards*, we have also issued a separate report dated February 27, 2013 on our consideration of Brooks County, Georgia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

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Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Brooks County, Georgia's basic financial statements. The schedules of expenditures of special purpose local option sales tax proceeds and state financial assistance are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis and is not a required part of the financial statements of Brooks County, Georgia. The combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of revenues and expenditures for the Nutrition, Family Connection, and Juvenile Justice and Delinquency Prevention Grants are presented for purposes of additional analysis as required by the grantors and are not a required part of the basic financial statements. The schedules of expenditures of special purpose local option sales tax proceeds, state financial assistance, the schedule of expenditures of federal awards, the combining and individual fund statements and schedules, and the schedules of revenues and expenditures for the Nutrition, Family Connection, and Juvenile Justice and Delinquency Prevention grants have been subjected to the auditing procedures applied in the audit of the basic financial statements, and, in our opinion are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



February 27, 2013

Brooks County, Georgia
Statement of Net Assets
June 30, 2012

Assets	Primary Government			Component Units
	Governmental Activities	Business Type Activities	Total	
Assets				
Cash and Cash Equivalents	$ 1,985,743	$ 358,251	$ 2,343,994	$ 230,123
Investments	2,291,093		2,291,093	168,200
Receivables, net	1,099,373	713,908	1,813,281	1,193,383
Interfund	53,315	(53,315)	-	
Inventories	45,184		45,184	
Prepaid Expenses	125,559		125,559	-
Restricted Assets				
Cash and Cash Equivalents	50,214		50,214	178,643
Other Investments				5,350,794
Assets Held for Resale	1,363,307		1,363,307	
Capital Assets				
Land and Other Nondepreciable Assets	634,179		634,179	
Other Capital Assets, Net of Depreciation	12,758,762	14,998	12,773,760	9,113
Total Capital Assets	13,392,941	14,998	13,407,939	9,113
Total Assets	$ 20,406,729	$ 1,033,842	$ 21,440,571	$ 7,130,256
Liabilities and Net Assets				
Liabilities				
Accounts Payable	$ 197,978	$ -	$ 197,978	$ 48,659
Accrued Liabilities	198,713	635	199,348	
Intergovernmental	69,020	-	69,020	
Compensated Absences	79,185		79,185	-
Net Pension Obligation	59,572		59,572	
Long-term Liabilities				
Current Portion of Long-Term Debt	21,809	85,825	107,634	163,538
Non-Current Portion of Long-Term Debt	109,024	858,249	967,273	1,351,358
Total Liabilities	735,301	944,709	1,680,010	1,563,555
Net Assets				
Invested in Capital Assets, net of related debt	13,262,108	14,998	13,277,106	9,113
Restricted for:				
Capital Projects	1,114,622		1,114,622	
Economic Development				4,541,316
Public Health				88,766
Unrestricted	5,294,698	74,135	5,368,833	927,506
Total Net Assets	19,671,428	89,133	19,760,561	5,566,701
Total Liabilities and Net Assets	$ 20,406,729	$ 1,033,842	$ 21,440,571	$ 7,130,256

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

Brooks County, Georgia
Statement of Activities
For the Year Ended June 30, 2011

Functions and Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units
Primary Government:								
Governmental Activities								
General Government	$ 1,520,946	$ 334,790	$ 123,797	$ -	$ (1,062,359)		$ (1,062,359)	$ -
Judicial	991,949	195,839	25,425		(770,685)		(770,685)	
Public Safety	3,753,171	425,358	73,437	-	(3,254,376)		(3,254,376)	
Public Works	1,999,267	13,136	5,793	2,320	(1,978,018)		(1,978,018)	
Health and Welfare	284,350		70,023		(214,327)		(214,327)	
Culture and Recreation	199,326	11,437	65,000		(122,889)		(122,889)	
Housing and Development	312,055				(312,055)		(312,055)	
Intergovernmental Payment of Sales Tax	436,120				(436,120)		(436,120)	
Interest on Long-Term Debt	4,980				(4,980)		(4,980)	
Total Governmental Activities	9,502,164	980,560	363,475	2,320	(8,155,809)	-	(8,155,809)	-
Business Type Activities:								
Solid Waste	875,370	829,358	114,621			68,609	68,609	
Total Business Type Activities	875,370	829,358	114,621	-		68,609	68,609	-
Total Primary Government	$ 10,377,534	$ 1,809,918	$ 478,096	$ 2,320	$ (8,155,809)	$ 68,609	$ (8,087,200)	$ -
Component Units:								
Development Authority	$ 259,670	$ 44,582	$ 516,137	$ 21,250				$ 322,299
Public Health	402,674	88,766	290,542	-				(23,366)
Total Component Units	$ 662,344	$ 133,348	$ 806,679	$ 21,250				298,933
General Revenues								
Taxes								
Property Taxes					4,690,604		4,690,604	187,529
Sales Tax					2,000,867		2,000,867	
Insurance Premium Tax					478,246		478,246	
Franchise					72,262		72,262	
Alcoholic Beverage					28,159		28,159	
Other Taxes					290,929		290,929	
Investment					32,703	18,583	51,286	3,952
Contributions and Donations					25,000		25,000	
Miscellaneous					101,436	-	101,436	138
Sale of Surplus Assets					10,199			-
Transfers					-	-	-	-
Total General Revenues and Transfers					7,730,405	18,583	7,738,789	191,619
Changes in Net Assets					(425,404)	87,192	(348,411)	490,552
Net Assets, Beginning of Period					20,096,832	1,941	20,098,773	5,076,149
Net Assets, End of Period					$ 19,671,428	$ 89,133	$ 19,750,362	$ 5,566,701

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

Brooks County, Georgia
Balance Sheet
Governmental Funds
June 30, 2012

	General	Major Capital Project Funds: Special Purpose Local Option Sales Tax 2004 Issue	Major Capital Project Funds: Special Purpose Local Option Sales Tax 2008 Issue	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and Cash Equivalents	$ 1,203,416	$ 51,510	$ 574,358	$ 156,459	$ 1,985,743
Investments	1,743,209	547,884		-	2,291,093
Receivables					
Taxes	701,015	-	-	-	701,015
Intergovernmental	252,770	-	93,109	26,095	371,974
Interfund	177,381	-	6,082	10,339	193,802
Other	7,223	-	-	19,161	26,384
Inventories	45,184	-	-	-	45,184
Prepaid Expenses	125,559	-	-		125,559
Resticted Assets					
Cash and Investments	50,214	-	-	-	50,214
Other	1,363,307	-	-	-	1,363,307
Total Assets	$ 5,669,278	$ 599,394	$ 673,549	$ 212,054	$ 7,154,275
Liabilities and Fund Balance					
Liabilities					
Accounts Payable	$ 197,978	$ -	$ -	$ -	$ 197,978
Accrued Expenses	157,982	-	-	40,731	198,713
Intergovernemntal	-	-	69,020	-	69,020
Interfund Payables		89,301	-	51,186	140,487
Deferred Revenue	175,864	-	-	-	175,864
Total Liabilities	531,824	89,301	69,020	91,917	782,062
Fund Balance					
Nonspendable	170,743		-		170,743
Restricted	21,010	510,093	604,529	161,182	1,296,814
Committed	1,363,307				1,363,307
Assigned	9,000				9,000
Unassigned	3,573,394			(41,045)	3,532,349
Total Fund Balance	5,137,454	510,093	604,529	120,137	6,372,213
Total Liabilities and Fund Balance	$ 5,669,278	$ 599,394	$ 673,549	$ 212,054	$ 7,154,275

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

Brooks County, Georgia
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Assets
June 30, 2012

Total Fund Balance - Governmental Funds (Page 5)		$ 6,372,213
Amounts Reported for Governmental Activities in the Statement of Net Assets are Different Because		
In Governmental Activities capital outlays are considered a use of financial resources and treated as expenditures in the period acquired. In the Statement of Net Assets capital assets are capitalized and reported as assets, net of accumulated depreciation. These assets consists of:		
Infrastructure	$ 8,522,580	
Site and site improvements, including buildings	6,417,291	
Machinery and Equipment	4,340,776	
Furniture and Fixtures	564,749	
	19,845,396	
Accumulated Depreciation	6,778,313	
	13,067,083	
Construction in Progress	325,858	13,392,941

Proceeds from and the repayment of general long-term debt is reported as a source of and use of financial resources in Governmental Fund Activities. In the Statement of Net Assets the balance of general long-term debt is reported as a liability. These liabilities consits of:

	Amount Payable			
	Current	Long-Term	Total	
Capitalized Leases	$ 21,809	$ 109,024	$ 130,833	
Totals	$ 21,809	$ 109,024	$ 130,833	(130,833)

Pension obligations which are due and payable are not reported in Governmental Funds. However, the net pension obliation is reported as a liability in the Government Wide Statement of Net Assets.	(59,572)
Property tax revenues collected after the end of the year but not available to pay current period expenditures are deferred in Governemntal Activities.	175,864
Expenses reported in the Statement of Activities which do not require the use of current financial resources and are not reported as expenditures in Governmental Activities	(79,185)
Net Assets of Governmental Activities (Page 3)	$ 19,671,428

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

Brooks County, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2012

	General	Capital Project Funds: Special Purpose Local Option Sale Tax 2004 Issue	Capital Project Funds: Special Purpose Local Option Sale Tax 2008 Issue	Other Governmental Funds	Total Governmental Funds
Revenues					
Property Taxes	$ 4,729,050	$ -	$ -	$ -	$ 4,729,050
Sales Tax	865,218	-	1,135,649	-	2,000,867
Insurance Premium Tax	478,246	-	-	-	478,246
Other Taxes	411,183	-	-	-	411,183
Licenses and Permits	64,508	-	-	-	64,508
Intergovernmental	225,435	2,320	-	107,247	335,002
Charges for Services	514,245	-	-	94,921	609,166
Fines and Forfeitures	218,286	-	-	68,767	287,053
Investment	32,404	5,793	-	299	38,496
Contributions	25,000				25,000
Other	137,863	-	-		137,863
Total Revenues	7,701,438	8,113	1,135,649	271,234	9,116,434
Expenditures					
Current					
General Government	1,395,156	-	-	-	1,395,156
Judicial	986,692	-	-	3,177	989,869
Public Safety	3,015,452	-	-	608,404	3,623,856
Public Works	1,701,833	-		-	1,701,833
Health and Welfare	239,937	-	-	43,800	283,737
Culture and Recreation	203,889	-	-	-	203,889
Housing and Development	311,569	-	-	-	311,569
Intergovernmental	-	-	436,120	-	436,120
Debt Service					
Principal	21,060	-	-	-	21,060
Interest on Long-Term Debt	4,980	-	-	-	4,980
Capital	-	218,230	328,535	11,104	557,869
Total Expenditures	7,880,568	218,230	764,655	666,485	9,529,938
Excess (Deficit) of Revenues Over (Under) Expenditures	(179,130)	(210,117)	370,994	(395,251)	(413,504)
Other Financing Sources (Uses)					
Transfers, net	(348,362)		-	348,362	-
Net Other Financing Sources (Uses)	(348,362)	-	-	348,362	-
Change in Fund Balance	(527,492)	(210,117)	370,994	(46,889)	(413,504)
Fund Balance, Beginning	5,664,946	720,210	233,535	167,026	6,785,717
Fund Balance, Ending	$ 5,137,454	$ 510,093	$ 604,529	$ 120,137	$ 6,372,213

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

Brooks County, Georgia
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities
For the Year Ended June 30, 2012

Net Change in Fund Balance - Total Governmental Funds (Page 7)	$	(413,504)
Amounts Reported for *Governmental Activities* in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. In the Statement of Activities, the cost of capital outlays is capitalized with depreciation expense calculated over the estimated useful life of the assets..		820,200
Depreciation is not reported as an expense in Governemntal Funds. However, depreciation reported as an expense in the Statement of Activities.		(690,219)
Revenues that do not provide current financial resources are not reported in Governmental Funds but are recognized as revenues in the Statement of Activities.		(38,446)
Repayment of long-term debt is a use of current financial resources in Governmental Funds, but in the Statement of Activities the repayment of debt is reported as decrease in liabilities.		21,060
The increase in the net pension obligation resulting from contributions paid being less than the annual required contribution is reported as an expense in the Statement of Activities.		(119,712)
Expenses reported in the Statement of Activities that do not require the use of current financial resources are not reported as expenditures in governemntal funds.		(3,555)
Proceeds from the disposition of capital assets are reported in the governmental funds without reduction for undepreciated bases. In the Statement of Activities the basis of assets disposed is recognized in determining the 'gain or loss' from the disposition of assets.		(1,228)
Change in Net Assets of Governmental Activities (Page 4)	$	(425,404)

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

Brooks County, Georgia
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2012

	Budget		Actual Amounts (Budgetary Basis)	Variance With Final Budget
	Original	Final		
Revenues				
Property Taxes	$ 4,821,946	$ 4,749,746	$ 4,729,050	$ (20,696)
Local Option Sales Tax	838,221	838,221	865,218	26,997
Insurance Premium Tax	513,306	513,306	478,246	(35,060)
Other Taxes	232,000	304,200	411,183	106,983
Licenses and Permits	67,950	67,950	64,508	(3,442)
Intergovernmental	145,651	272,068	225,435	(46,633)
Charges for Services	499,276	499,276	514,245	14,969
Fines and Forfeitures	240,000	240,000	218,286	(21,714)
Investment	36,000	36,000	32,404	(3,596)
Other and Miscellaneous	51,400	51,400	162,863	111,463
Total Revenues	7,445,750	7,572,167	7,701,438	129,271
Expenditures				
General Government	1,411,898	1,360,252	1,395,156	(34,904)
Judicial	973,521	976,139	986,692	(10,553)
Public Safety	2,858,210	2,915,780	3,015,452	(99,672)
Public Works	1,504,074	1,614,773	1,701,833	(87,060)
Health and Welfare	144,978	249,075	239,937	9,138
Culture and Recreation	193,672	198,807	203,889	(5,082)
Housing and Development	319,248	319,398	311,569	7,829
Debt Service	26,040	26,040	26,040	-
Total Expenditures	7,431,641	7,660,264	7,880,568	(220,304)
Excess (Deficit) of Revenues Over (Under) Expenditures	14,109	(88,097)	(179,130)	(91,033)
Other Financing Sources (Uses)				
Transfers	(316,862)	(316,862)	(348,362)	(31,500)
Appropriation of Surplus	302,753	404,959	-	(404,959)
Net Other Financing Sources (Uses)	(14,109)	88,097	(348,362)	(436,459)
Change in Fund Balance	-	-	(527,492)	(527,492)
Fund Balance, Beginning	5,664,946	5,664,946	5,664,946	-
Fund Balance, Ending	$ 5,664,946	$ 5,664,946	$ 5,137,454	$ (527,492)

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

Brooks County, Georgia
Statement of Net Assets
Proprietary Fund
June 30, 2012

	Major Enterprise Fund Solid Waste
Assets	
Current Assets	
Cash and Cash Equivalents	$ 358,251
Receivables	
Solid Waste Assessments	90,874
Intergovernmental	65,172
Total Current Assets	514,297
Capital Assets	
Equipment	32,085
Accumulated Depreciation	17,087
Net Capital Assets	14,998
Non-Current Assets	
Intergovernmental Receivable	557,862
Total Assets	$ 1,087,157
Liabilities and Net Assets	
Current Liabilities	
Accounts Payable and Accrued Expenses	$ 635
Interfund	53,315
Accrued Closure & Post-Closure Care Cost	85,825
Total Current Liabilities	139,775
Long-Term Liabilities	
Accrued Closure & Post-Closure Care Cost	858,249
Total Long-Term Liabilities	858,249
Total Liabilities	998,024
Net Assets	
Invested in Capital Assets, net of related debt	14,998
Restricted	
Unrestricted	74,135
Total Net Assets	89,133
Total Liabilities and Net Assets	$ 1,087,157

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

Brooks County, Georgia
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Fund
For the Year Ended June 30, 2012

	Major Enterprised Fund Solid Waste
Operating Revenues	
Solid Waste Asssments	$ 829,358
Intergovernmental	42,455
Operating Grants	72,166
Total Operating Revenues	943,979
Operating Expenses	
Salary and Wages	21,843
Benefits	2,563
	24,406
Disposal	770,833
Closure and Post Closure Care	27,901
Supplies	453
Other	1,651
Depreciation	3,218
Intergovernmental Payments	46,908
Total Operating Expeses	875,370
Operating Income (Loss)	68,609
Non-Operating Revenue (Expense)	
Investment Income	18,583
Total Non-Operating Revenue (Expense)	18,583
Income (Loss) Before Transfers	87,192
Transfers	-
Change in Net Assets	87,192
Net Assets, Beginning	1,941
Net Assets, Ending	$ 89,133

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

Brooks County, Georgia
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2012

	Major Enterprise Fund Solid Waste
Cash Flow from Operating Activities	
Solid Waste Assessments Received	$ 834,022
Intergovernmental	119,669
Closure and Post Closure Care	(70,828)
Purchase of Goods and Services	(773,578)
Compensation and Benefits	(24,406)
Cash flow from Operating Activities	84,879
Cash Flow from Non-Capital Financing Activities	
Cash Flow from Non-Capital Financing Activities	-
Cash Flow from Capital and Related Financing	
Cash Flow from Capital and Related Financing	-
Cash flow from Investing Activities	
Investment Inome	18,583
Cash Flow from Investing Activities	18,583
Net Increase (Decrease) in Cash and Cash Equivalents	103,462
Cash and Cash Equivalents, Beginning	254,789
Cash and Cash Equivalents, Ending	$ 358,251
Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used By) Operating Activities	
Operating Income (Loss)	$ 68,609
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) By Operating Activities:	
Depreciation Expense	3,218
Change in Assets and Liabilities:	
Decrease in Solid Waste Assessments Receivable	4,663
Decrease in Intergovernmental Receivables	51,956
(Decrease) in Internal Balances	(785)
(Decrease) in Obligation for Closure and Post-Closure Care Cost	(42,926)
Increase in Accounts Payable and Accrued Expenses	144
Net Cash Provided (Used) By Operating Activities	$ 84,879

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

Brooks County, Georgia
Statement of Fiduciary Assets and Liabilities
June 30, 2012

	Agency Funds
Assets	
Cash	$ 169,068
Taxes	765,297
Other	1,448
Total Assets	$ 935,813
Liabilities	
Accounts	$ 19,470
Uncollected Taxes	765,297
Other	151,046
Total Liabilities	$ 935,813

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

Note 1 – Summary of Significant Accounting Policies

The County operates under a board of commissioners form of government and provides the following services in addition to general administrative responsibilities: public safety (sheriff, fire and ambulance); public works (roads and bridges and solid waste management); tax administration (assessing and collecting); courts (superior, state, probate, and magistrate); culture and recreation; health and social services; and economic development.

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental entities. The Government Accounting Standards Board (GASB) is the accepted standard – setting body establishing governmental accounting and financial reporting principles. The County has elected to apply Financial Accounting Standards Board (FASB) Statements and Interpretation issued after November 30, 1989, to its business-type activities and to its enterprise funds provided they do not conflict with or contradict GASB pronouncements.

(A) Reporting Entity

In evaluating the County, for financial reporting purposes, management considers all potential component units. The criteria for including organizations as component units within the County's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standard Board's (GASB) Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- if the organization is legally separate and can sue and be sued in their own name
- the County holds the corporate powers of the organization
- the County appoints a voting majority of the organization's board
- the County is able to impose its will on the organization
- the organization has the potential to impose a financial burden or benefit on the county
- there is a fiscal dependency by the organization of the County

Blended Component Unit

The Brooks County Law Library, established in accordance with the provisions of O.C.G.A. 36-15, is reported as a blended component unit (a special revenue fund of the County). The library is managed by a separate board. The County is required to provide space, utilities and maintenance for the library. All law books, reports, texts, and periodicals purchased by the library are the property of the County. The library is reported as a blended component unit because the law library provides services exclusively or almost exclusively to the primary government. Separate financial statements for the law library are available in the County administrative offices.

Discretely Presented Component Units

Discretely presented component units are reported in a separate column in the combined financial statement to emphasize that the component unit is legally separate from the county government.

The Brooks County Board of Health is included as a discretely presented component unit because the County appoints the governing authority, financial interdependence, and the ability to significantly influence operation. The statements include the general and special revenue governmental funds. Financial data of the Brooks County Board of Health is reported as of and for the period ended June 30, 2012. The Board of Health's financial statements are available in the office of the County Clerk.

The Brooks County Development Authority is also included as a discretely presented component unit because the - County appoints the governing authority and has the ability to significantly influence the Authority's operations. The statements include the business-type activities of the authority. Financial data of the development authority is reported as of and for the period ended December 31, 2011. The development authority's financial statements are available in the offices of the Authority and the County Clerk.

The following functions and activities are not included in the accompanying financial statements:

Brooks County Board of Education	Development Authority of Brooks County
Brooks County Hospital Authority	Brooks County Industrial Authority
Brooks County Library Board	Quitman-Brooks County Airport Authority

These potential component units have separately elected and/or appointed boards and provide services to residents within the geographic boundaries of the County. The County does not have the ability to exercise influence or control over daily operations, approve budgets and provide partial or no funding. Copies of the financial statements of these authorities may be obtained from the secretary of each authority.

(B) Basis of Presentation

Effective October 1, 2003, the County implemented the provisions of Governmental Accounting Standards Board Statement Number 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments.* This statement establishes accounting and financial reporting standards for general purpose external financial reporting by local governments and establishes specific standards for the basic financial statements, management's discussion and analysis, and certain required supplementary information. Governments are required to report government-wide as well as fund level financial statements.

The government-wide financial statements (i.e. the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component unit. These statements include the financial activities of the overall government, except for fiduciary activities. Governmental activities, which are generally supported by taxes, intergovernmental revenues and non-exchange transactions, are reported separate from business-type activities, which rely primarily on fees and charges for services. The primary government is reported separate from legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or program is offset by program revenues. Direct expenses are expenses which are specifically associated with a particular activity. Program revenues include (a) fees, fines, and charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given activity and (b) grants and contributions which are restricted to meeting the operational or capital requirement of a particular activity. Taxes and other revenues not classified as programs revenues are reported as general revenues.

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

The accounts of the County are organized by funds and account groups, each of which is 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, equities, revenues (income) and expenditures (expenses). Resources are allocated to and accounted for in the individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The County's fund types are:

Governmental Fund Types

Governmental Funds are those through which most governmental functions are financed. The acquisition, use and balance of expendable financial resources and the sources and the related liabilities are accounted for through governmental funds. The objective for evaluation is based upon the determination of changes in financial position rather than objective for net income. The following are the County's governmental fund types:

General Fund – The principal operating fund of the County used to account for all financial resources not accounted for in another fund.

Special Revenue Funds – These funds account for the proceeds from specific revenue sources that are legally restricted to expenditures for specific purposes.

Capital Projects Funds – These funds account for financial resources used for the acquisition, construction, repair, and renovation of major capital facilities that are not financed by proprietary and trust funds.

Proprietary Funds

Proprietary funds account for on-going activities that are similar to the activities often found in the private sector. The objective for evaluation is based upon the determination of financial position and results of operations (net income). The County's proprietary fund is:

The Solid Waste Enterprise Fund – This fund accounts for operations and activities (a) financed and operated similarly to the private business enterprise where costs (expenses, including depreciation) of providing services to the public are financed or recovered primarily through user fees and/or special tax assessments; or (b) where the governing authority has decided that periodic determination of revenues earned, expenses incurred and/or net income is necessary for capital maintenance, public policy, management control, accountability or other purposes.

Fiduciary Funds

Agency Funds – Agency Funds account for assets held by the County as an agent for individuals, private organizations, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Agency Funds of Brooks County consist of the following:

Clerk of the Superior Court
Probate Court
State Court
Magistrate Court
Sheriff's Department
Tax Commissioner

(C) Measurement Focus, Basis of Accounting, and Financial Presentation

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

Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when collectible within the current period or soon enough thereafter to pay current period liabilities. The government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures are generally recorded when the liability is incurred. Debt service expenditures and expenditures related to compensated absences and claims and judgments are recorded when payment is due.

Revenues susceptible to accrual include property taxes, franchise taxes, governmental grants, special assessments, licenses, interest revenue and charges for services. Sales taxes collected and held by the state at year-end on behalf of the County are also recognized as revenue. Fines, forfeitures, and permits are not susceptible to accrual because generally they are not measurable until received in cash.

Proprietary Funds

All proprietary funds and nonexpendable trust funds are accounted for on a flow of economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

Fiduciary Funds

Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting.

The County's major governmental funds are:

The General Fund is the government's primary operating fund. All financial resources of the general government, other than resources required to be accounted for in another fund, are reported in the general fund.

The Special Purpose Local Option Sales Tax (Capital Project) Funds for capital projects financed from the special purpose local option sales tax referendums approved by voters for the four year reporting periods beginning in April 2004 and January 2009.

The County's only proprietary fund is the Solid Waste Collection, Recycling, and Disposal Fund.

Non-major funds include all special revenue funds.

Program Revenues

Amounts reported as program revenues include (a) charges to customers or applicants for goods, services, or privileges provided, (b) operating grants and contributions which finance current operating activities including restricted investment income, and (c) capital grants and contributions, including special assessments, which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions on program use. For identifying to which function program revenue pertains, the determining factor for the charge for services is which function generates the revenue. For grants and contributions, the determining factor is to which functions the revenues are restricted.

Taxes and other revenue sources not included with program revenues are reported as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or supported by general revenues.

Proprietary Funds

Proprietary funds distinguish operating revenues and expenses from non-operating revenues and expenses. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Charges to municipalities for reimbursements of the cost of solid waste management services are reported as intergovernmental operating revenues. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

For the most part, interfund transactions have been eliminated from the statements.

(D) Cash and Investments

Cash and investments includes amounts in demand and savings (including time) deposits. The County does not have any investments other than interest bearing checking accounts and certificates of deposit. The County has no specific investment policy in regards to custodial credit risk.

The Official Code of Georgia (O.C.G.A. 36-83-4) authorizes the County to invest in obligations of this or other states, the United States government, obligations fully insured or guaranteed by the United States government or a United States government agency, obligations of any corporation of the United States government, prime banker's acceptances, local government investment pools established by O.C.G.A. Section 36-83-8, repurchase agreements, and obligations of other political subdivisions of this state.

(E) Assets Held for Resale

Real estate originally purchased for development of a future solid waste disposal site is reported as an investment. When the County abandoned plans to develop its own solid waste disposal facility, the investment was transferred from the Solid Waste Enterprise Fund to the General Fund. The investment is carried at cost which management believes does not exceed current fair market value. Real estate purchased for resale to the Brooks County Development Authority for future development of an industrial park is reported as an investment.

(F) Inventory

Inventories of road construction materials (pipe, rock, stone, gravel, asphalt, etc.) are recorded at cost using the first-in, first-out method of accounting. The cost of road construction materials are recognized as expenditures when the materials are consumed (consumption method). The cost of other materials and supplies, including gasoline and fuel, are charged to operations using the purchase method of accounting.

(G) Restricted Assets

Cash and other resources are classified as restricted assets where use is limited by law, grants, or local ordinances.

(H) Prepaid Items

Expenditures for insurance are charged to the period benefited. All other expenditures are charged to expense when purchased.

(I) Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial estimated useful life of more than two years. Capital 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.

General infrastructure assets acquired prior to October 1, 2003 are not reported in the basic financial statements. General infrastructure assets include roads, streets, sidewalks, and bridges and other similar assets acquired subsequent to September 30, 2003.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the constructed assets.

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

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the following estimated useful lives:

Asset Classification	Lives
Land and Improvements	
Infrastructure	40 to 50 years
Buildings and Improvements	25 to 40 years
Machinery and Equipment	5 to 10 years
Office and Technology Equipment	3 to 10 years
Transportation Equipment	3 to 10 years

The County has not adopted a capitalization policy.

(J) Short-Term Notes Payable

Revenue anticipation notes not expected to be refinanced and for which no refinancing agreement has been arranged, are reported as a fund liability in the fund receiving and disbursing the proceeds. The County arranges interim borrowing to finance current operations which are expected to be repaid from advalorem taxes collected in subsequent years.

(K) Compensated Absences

The County allows full time, permanent employees to accumulate unused annual leave and sick leave to a maximum of thirty-five days. Upon termination, up to fifteen days of accumulated annual leave and zero days of accumulated sick leave is payable to the employee. Sick leave may be accumulated to a maximum of twenty days and is payable only upon illness while employed.

The cost of compensated absences is recorded as liabilities in the applicable government-wide, business-type activities, or proprietary fund type statement of net assets. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured. These liabilities are typically liquated by the general fund.

(L) Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net assets.

In the governmental funds statement of revenues, expenditures and changes in fund balance the proceeds of long-term debt financing is reported as other financing sources. The repayment of general long-term debt is reported as an expenditure of current financial resources.

(M) Fund Equity

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers or other funds. Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

(N) Fund Balance

Generally, fund balance represents the difference between assets and liabilities under the current financial resources measurement focus of accounting. 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's Board of Commissioners through the adoption of a resolution. The County's Board of Commissioners also 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's Board of Commissioners has authorized the County's administrator to assign fund balances.

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

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

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

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

(O) Interfund Transactions

During the course of its operations, the County processes transactions to finance the operations (i.e. the payment of payroll, payables, construction of assets, etc.) for special revenue, capital projects, and enterprise funds. Internal receivables and payables are recorded to report the amounts not reimbursed as of June 30, 2012. To the extent that these balances are between governmental funds, they are eliminated on the statement of net assets.

Interfund transfers are reported as other financing sources (uses) in governmental funds and after non-operating revenues (expenses) in enterprise funds.

(P) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(Q) Statement of Cash Flows

For purposes of the statement of cash flows, the Solid Waste Enterprise Fund considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

(R) Schedules of Financial Assistance and One Percent Special Purpose Local Option Sales Tax Project Cost Schedules

The basis of accounting employed by the fund type in which revenues and expenditures are reported for funding from federal, state and other financial assistance programs and one percent special purposes local option sales tax projects are also used to report receipts/revenues and disbursements/expenditures for the Schedule of Federal Financial Assistance, Project Cost Schedule – One Percent Special Purpose Local Option Sales Tax, and Schedule of State and Other Assistance.

Note 2 – Stewardship, Compliance, and Accountability

(A) - Budgets – Legal Compliance

The County's Finance Ordinance requires the governing authority to adopt annual budgets for all governmental fund types (general and special revenues). An annual budget is also prepared for the County's Solid Waste Enterprise Fund. Budgets for capital project funds are adopted on a project basis rather than an annual basis. The budgets are prepared and adopted on a basis consistent with generally accepted accounting principles.

The county administrator may transfer appropriations in any fund among the various accounts within a department. Transfers within a department, which increase salaries, require approval of the board of commissioners. Any increase in appropriation for any fund or department within a fund requires approval of the board of commissioners. Except for appropriations for capital expenditures, all appropriations, to the extent not expended or encumbered, lapse at the close of the period for which the appropriation was budgeted. Appropriations for capital expenditures continue in effect until the purpose for which made has been accomplished or abandoned. Capital appropriations are deemed abandoned after three years when there has been no disbursement or encumbrance of the appropriation.

The Board of Commissioners advertises and conducts public hearings according to the requirements of state law and the County's finance ordinance. The final budget for the fiscal year, July 1 through June 30, is adopted by the preceding June 30.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditures are recorded to reserve a portion of the applicable appropriation, is not employed by the County as an extension of formal budgeting in the general and special revenue funds. Encumbrances outstanding at year-end are not reported as reservations of fund balance and do not constitute expenditures or liabilities because the commitment will be honored during the subsequent year.

Budget Revisions

Budget amounts included on all budget comparisons are as amended as of June 30, 2012 by the Board of Commissioners. Supplemental appropriations, which result primarily from receipt of unanticipated revenues from federal and state grants, are included in budgeted amounts.

(B) – Excess of Expenditures over Appropriations

Expenditures exceeded appropriations in the following governmental funds:

General Fund	$	220,304
Law Library		3,177
Drug Seizure and Confiscated Property		4,729

The following departmental expenditures exceeded final budget appropriations:

General Fund	
General Government	
Governing Body	$ 46,888
Administration	1,263
Elections	21,927
General Government Buildings	2,750
Judicial	
Superior Court	8,774
Clerk of Superior Court	10,530
State Court	2,245
Public Safety	
Administration	11,801
Criminal Investigation	44,838
Patrol	51,602
Inmate Detail	4,939
Public Works	
Administration	4,451
Highways and Street Maintenance	86,966
Culture and Recreation	
Recreation	5,082
Housing and Development	
Building Inspection	2,029
Planning and Zoning	2,474
Economic Development	47,080
Other Financing Uses-Transfers Out	
Victim Witness Assistance	14,000
Drug Abuse Treatment and Education	17,500
Law Library	3,177
Drug Seizures and Confiscated Property	4,729

(C) – Deficit Fund Balances

The governmental fund – 911 Telephone System has a deficit fund balance of $41,045.

Note 3 – Cash and Cash Equivalents

As of June 30, 2012, the primary government's deposits, including certificates of deposits, were $4,642,732 and the account balances per the financial institutions were $5,051,403. Of the total account balances per the financial institutions, $2,018,172 was insured through the Federal Deposit Insurance Corporation (the FDIC). The remaining balance was collateralized with pooled securities held by the financial institutions' trust departments or by the pledge of the financial institutions' securities. Securities are held in the name of the institution and not in the name of the County.

Cash and cash equivalents, invested in savings and certificates of deposit in financial institutions, consist of the following:

Account Type	
Cash on Hand	$ 211,637
Cash and demand deposits	2,351,639
Investments (time deposits)	2,291,093
Total	$ 4,854,369

Restricted cash is summarized as follows:

Board of Education - Escrow from property tax sales	$ 15,365
Retirement Benefits – Superior Court Judges	2,683
Grants	32,166
	$ 50,214

Note 4 – Property Tax

The County collects taxes on real, intangible, and personal property including motor vehicles and mobile homes. The Brooks County Tax Commissioner acts as collection agent for the County, County Board of Education, Brooks County Development Authority, and State of Georgia for taxes on real, personal, and intangible property, and for the cities within the County for taxes on motor vehicles, mobile homes, and intangible property owned by city residents. Georgia statutes do not provide a maximum mileage rate that may be levied.

The County's property tax calendar is as follows:

Assessment Date	January 1
Due date for return of real & personal property	April 1
Assessors complete digest revisions and returns final digest to Commissioner	July 5
Levy Date	August 10
Digest is submitted to State Revenue Commissioner	August 12
Tax Commissioner mails annual tax bills	September 15
Due date of taxes, other than motor vehicles	November 15
Execution (lien) date for unpaid taxes	December 15

Tax revenues are recognized during the period for which they are levied. An allowance is established for delinquent taxes to the extent that their collectibility is questionable. Taxes collected within the current period and within sixty days thereafter are considered available to finance current operations.

Property taxes receivable as of June 30th are summarized as follows:

Current year levies, net	$ 678,335
Prior year levies	22,680
Total	$ 701,015

Note 5 – Receivables

Receivables as of June 30, 2012 for the County's major and non-major governmental activities, and proprietary fund types are summarized as follows:

	Governmental Type Activities				
	General Fund	Special Revenue Funds	Capital Projects Funds	Proprietary Funds Types	Totals
Receivables					
Property Taxes	$ 701,015	$	$	$	$ 701,015
Charges	$	$ 19,161	$	$ 90,874	$ 110,035
Other Accounts	$ 7,223	$	$	$	$ 7,223
Intergovernmental					
State of Georgia					
Local Option Sales Tax	$ 70,505		$ 93,109		$ 163,614
Grants	165,839	20,591			186,430
City of Quitman					
Shared Expenses					
Recreation Department	3,594				3,594
Solid Waste Operations				9,386	9,386
Post closure Care				613,648	613,648
Gasoline and Fuel	12,832				12,832
Board of Education					
Shared Expenses					
School Resource Officers		5,504			5,504
Total Intergovernmental	$ 252,770	$ 26,095	$ 93,109	$ 623,034	$ 995,008

Note 6 – Interfund Balances

Interfund receivables and payables result from temporary advances, primarily from the general fund to other funds, to finance current operating expenditures and are summarized as follows:

	Internal Balances	
	Receivable	Payable
Major Governmental Funds		
General Fund	$ 177,381	$ -
Capital Project Funds		
2004 Issue		89,301
2008 Issue	6,082	
Non-Major Governmental Funds	10,339	51,186
Total Governmental Funds	193,802	140,487
Proprietary-Enterprise Fund		53,315
Totals	$ 193,802	$ 193,802

Non-major governmental interfund payables are comprised of - $40,847. The Proprietary-Enterprise Fund interfund balance is payable to the General Fund.

Transfers primarily from the general fund to other funds to finance current operations are summarized as follows:

	Transfers In	Transfers Out
Major Governmental Funds		
General Fund	$	$ 348,362
Capital Project Funds		
2008 Issue		
Non-Major Governmental Funds	348,362	
Total Governmental Funds	348,362	348,362
Proprietary-Enterprise Fund		
Totals	$ 348,362	$ 348,362

Note 7 – Changes in Capital Assets

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

	Beginning Balance	Additions	Retirements	Transfers/ Adjustments	Ending Balance
Governmental Activities:					
Capital Assets not being Depreciated					
Land and Improvements	$ 308,321	$	$	$	$ 308,321
Construction in Progress	257,398	472,157		(403,697)	325,858
Total Assets not being Depreciated	565,719	472,157		(403,697)	634,179
Other Capital Assets					
Infrastructure	8,118,882			403,697	8,522,579
Building and Improvements	6,061,642	47,328			6,108,970
Machinery and Equipment	2,514,687	217,567	60,000		2,672,254
Transportation Equipment	1,682,806	35,000	49,283		1,668,523
Office and Technology Equipment	516,601	48,148			564,749
Total Other Capital Assets	18,894,618	348,043	109,283	403,697	19,537,075
Less Accumulated Depreciation					
Infrastructure	898,271	273,230			1,171,501
Building and Improvements	1,404,595	169,405			1,574,000
Machinery and Equipment	2,020,521	129,288	60,000		2,089,809
Transportation Equipment	1,449,932	80,215	48,055		1,482,092
Office and Technology Equipment	422,830	38,080			460,910
Total Depreciation	6,196,149	690,218	108,055		6,778,312
Net Other Capital Assets	12,698,469	(342,175)	(1,228)	403,697	12,758,763
Total Capital Assets, net	$ 13,264,188	$ 129,982	$ (1,228)	$	$ 13,392,942

	Beginning Balance	Additions	Retirements	Transfers/ Adjustments	Ending Balance
Business Type Activities:					
Other Capital Assets					
Machinery and Equipment	$ 32,085	$	$	$	$ 32,085
Total Other Capital Assets	32,085				32,085
Less Accumulated Depreciation					
Machinery and Equipment	13,869	3,217			17,086
Total Depreciation	13,869	3,217			17,086
Total Capital Assets, net	$ 18,216	$ 3,217	$	$	$ 14,999

Depreciation expense was charged to functions as follows:

Governmental Activities:	
General Government	$ 84,387
Judicial	3,032
Public Safety	233,235
Public Works	350,997
Health and Welfare	613
Culture and Recreation	16,342
Housing and Development	1,612
Total Depreciation Expense – Governmental Activities	$ 690,218

Construction in Progress is summarized as follows:

	Cost to Date	Estimated Final Cost
Courthouse Renovation	$ 2,300	$ 220,000
E-911 Call Center	323,558	437,000
Total Cost	$ 325,858	$ 657,000

Note 8 – Assets Held for Resale

Investment in real estate held for resale as of June 30, 2012 is summarized as follows:

Tract I – 388.233 acres acquired in 1992 located in land lots 298 and 299 in 12th land district and land lot 10 of the 13th land district of Brooks County, Georgia.	$ 420,094
Tract II – 221.66 acres acquired November 23, 2004 located in land lots 347 and 348 in the 12th land district of Brooks County, Georgia	943,213
Total	$ 1,363,307

Tract I – Consists of unimproved agricultural real estate originally purchased by the Solid Waste Enterprise Fund for the future solid waste disposal site of the County. The original cost of the real estate was $350,000. Engineering fees and other cost related to Environmental Protection Agency approval of the site for a landfill in the amount of $70,094 have been capitalized. In 1994 the County abandoned plans to develop this property for a county landfill.

Tract II – In November 2004 the County purchased 546.66 acres in land lots 347 and 348 of the 12th land district of Brooks County, Georgia at a total cost of $2,320,583 ($2,295,963 plus capitalized acquisition cost of $24,620). The real estate was purchased to assist the Brooks County Development Authority acquire property for development into a future industrial park. The Brooks County Industrial Authority purchased two hundred fifty acres of this tract for development into an industrial park and seventy-five additional acres were sold to a third party. The County's basis in the remaining 221.66 acres is $943,213 or $4,255 per acre.

Note 9 – General Long-Term Debt

Governmental fund long-term indebtedness consists of the following:

Capitalized Lease Obligation

John Deere Credit Corporation – lease in the original amount of $203,600 to purchase a 2009 John Deere 670 Motorgrader with Remco Sloper. The lease dated December 1, 2008 is payable $2,170 per month including interest at three and one-half percent through November 1, 2017. Annual debt service requirements are as follows:

Year	Principal	Interest	Total
2013	$ 21,809	$ 4,231	$ 26,040
2014	22,584	3,456	26,040
2015	23,387	2,653	26,040
2016	24,219	1,821	26,040
2017	25,081	959	26,040
2018	13,752	147	13,899
	$ 130,832	$ 13,267	$ 144,099

Business type activities long-term indebtedness consists of the following:

Landfill Post-closure Care

The Quitman-Brooks County Solid Waste Facility was closed by permission of the Environmental Protection Division of the State of Georgia on April 8, 1994. Closure and post-closure care cost is estimated to approximate $987,000 during the remaining twelve years through 2023. Post-closure care and any applicable remediation expenses are being financed by special tax assessment levies of the tax digest and reimbursements from the City of Quitman. Estimated maturities of post-closure care cost are recorded as long-term debt in the solid waste enterprise fund as follows:

Year	Total
2013	$ 85,825
2014	85,825
2015	85,825
2016	85,825
2017	85,825
2018 – 2022	429,125
2023	85,824
	$ 944,074

Changes in long-term debt obligations for the year ended June 30, 2012 are summarized as follows:

	Balance Beginning of Period	Additions	Repayments	Balance End of Period	Amount Due In One Year
Governmental Activities					
Capitalized Lease Obligations	$ 151,892	$ -	$ 21,060	$ 130,832	$ 21,809
Compensated Absences	75,630	73,698	70,143	79,185	79,185
Total Governmental Activities	227,522	73,698	91,203	210,017	100,994

	Balance Beginning of Period	Additions	Repayments	Balance End of Period	Amount Due In One Year
Business Type Activities					
Solid Waste Enterprise Fund					
Landfill Post-Closure Care	987,000		42,926	944,074	85,825
Total Business Type Activities	987,000		42,926	944,074	85,825
Total	$ 1,214,522	$ 73,698	$ 134,129	$ 1,154,091	$ 186,819

Compensated absences are funded primarily from governmental activities.

Note 10 – Fund Balance – Governmental Funds

The fund balance for governmental funds are comprised of the following:

	General Fund	Major Capital Project Funds: Special Purpose Local Option Sales and Use Tax 2004 Issue	Major Capital Project Funds: Special Purpose Local Option Sales and Use Tax 2008 Issue	Other Funds	Totals
Non-Spendable:					
Inventories	$ 45,184	$ -	$ -	$ -	$ 45,184
Prepaid Items	125,559				125,559
Restricted for:					
Special Revenue Funds:					
Law Library Fund				39,585	39,585
Seizure and Confiscated Property Fund				3,614	3,614
Confiscated Asset Fund				3,020	3,020
Drug Abuse Treatment and Education				3,638	3,638
Grant Funds	21,010			12,214	33,224
Jail Construction and Staffing				99,111	99,111
Capital Project Funds:					
Special Purpose Local Option Sales and Use Tax Funds		510,093	604,529		1,114,622
Committed to:					
Real Estate Held for Resale And Future Development	1,363,307				1,363,307
Assigned to:					
Subsequent Year's Budget	9,000				9,000
Unassigned:	3,573,394			(41,045)	3,532,349
Total	$ 5,137,454	$ 510,093	$ 604,529	$ 120,137	$ 6,372,213

Note 11 – Retirement Benefits

(A) Plan Description

The County sponsors the Association County Commissioners of Georgia (ACCG) Third Restated Defined Benefit Pension Plan (The ACCG Plan), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia.

The plan provides retirement, death and disablement benefits, if eligibility conditions are met, to plan participants and their beneficiaries. The ACCG, as the plan sponsor, has authority to amend the provisions of the plan as provided in Section 19.03 of the ACCG Plan document. The County has authority to amend the adoption agreement, which defines the specific provisions of the plan as provided in Section 19.02 of the ACCG Plan document. The plan administrator, Government Employee Benefits Corporation of Georgia, provides annual financial reports and required supplementary information. That information may be obtained from the GEBCorp, 1100 Circle 75 Parkway, Suite 300, Atlanta, Georgia 30339.

All full-time County employees are eligible to participate in the Plan as of the January 1st coincident with or following the date the employee completes three years of service. Benefits are fully vested after five years of service. Participants become eligible for early retirement at age sixty after ten year of services and three years of plan participation. Normal retirement is age sixty-five with five years of service. Upon eligibility to retire, participants are entitled to an annual benefit of .75% of average compensation up to $6,600 plus 1.25% of average compensation in excess of $6,600 plus $36 for each year of credited service payable as a life annuity. Service is limited to thirty-five years. Compensation is averaged over a five-year period prior to retirement or termination.

(B) Contributions and Funding Policy

The County is required to contribute at an actuarially determined amount to the plan Trust's fund. The contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and must satisfy the minimum funding requirement contained in the State of Georgia statutes.

The Constitution of the State of Georgia enables the governing authority of the County, the Board of Commissioners, to establish, and amend the contribution rates for the County and its plan participants.

County employees are not permitted to contribute to the Plan. The annual County contribution to the Plan is determined using the actuarial basis described in the annual valuation report.

(C) Plan Asset Matters and Accounting Policies

The Plan's financial statements are prepared on the 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.

Plan assets do not include any loans, notes, bonds, or other instruments or securities of the County or related parties.

(D) Funded Status and Progress

The amount shown below as the unfunded actuarial accrued liability is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and any step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funded status of the Plan on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the Plan.

Total unfunded actuarial accrued liability applicable to County employees was $485,354 at January 1, 2012, as follows:

Actuarial Present Value of Accumulated Plan Benefits:		
Vested:		
Retirees and beneficiaries currently receiving benefits	$	1,078,074
Deferred vested, former employees not yet receiving benefits		526,286
Current employees:		
Accumulated employee contributions, (including investments earnings)		Not Applicable
Employer-financed vested (not including benefits attributable to projected future salary increases)		914,016
Total		2,518,876
Non-vested		
Employer-financed non-vested (including all benefits attributable to future projected salary increases)		87,740
Total	$	2,606,616
Effect of future salary increases	$	427,104
Total actuarial accrued liability	$	3,033,720
Net assets available for benefits (including receivables)	$	2,395,758
Net Assets in Excess of (Deficit of) Actuarial Present Value of Accumulated Plan Benefits	$	(210,858)

Significant actuarial methods and assumptions used in the valuation as of January 1, 2012 include:

Actuarial Valuation Date:	January 1, 2012
Actuarial Cost Method:	Projected Unit Credit
Asset Valuation Method:	Market Value
Amortization Method:	Level Percent of Pay (Closed)
Remaining Amortization Period:	10 Years
Actuarial Assumption:	
Assumed Rate of Return on Assets	7.75%
Expected Future Salary Increases	4.0% - 6.5% Based on Age
Expected Inflation:	3.0%

Significant actuarial assumptions used to compute the actuarially determined contribution requirements are the same as those used to compute the unfunded actuarially accrued liability.

Plan Membership		
Retirees, beneficiaries and disables receiving benefits		39
Terminated plan participants entitled to future benefits		37
Active employees participating in the Plan		73
Total number of Plan Participants		149
Covered Compensation for Active Participants	$	2,067,576
Total Payroll for all Employees	$	3,364,142

(E) Contributions Required and Contributions Made

The County's annual pension cost and net pension obligation for the current and prior year were determined as follows:

	2012	2011
Annual Required Contribution	$ 204,182	$ 192,288
Interest on net pension obligation	(4,661)	(4,668)
Amortization of net pension obligation	4,987	4,995
Annual Pension Cost	$ 204,508	$ 192,615
Derivation of Net Pension Obligation		
Annual Pension Cost	$ 204,508	$ 192,615
Actual Contribution to Plan	84,796	192,520
Increase in Net Pension Obligation (Asset)	119,712	95
Net Pension Obligation (Asset) Beginning of Year	(60,140)	(60,235)
Net Pension Obligation (Asset) End of Year	$ 59,572	$ (60,140)

Annual pension cost for the last three years is summarized as follows:

Period	Annual Pension Cost	Annual Pension Contribution	Percentage of Annual Pension Cost Funded	Net Pension Obligation
2012	$ 204,508	$ 84,796	41.5%	$ 59,572
2011	192,615	192,520	100.0%	(60,235)
2010	175,411	179,388	102.0%	(56,258)

Funding state based upon the most recent actuarial valuation is as follows:

Period	(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 Percentage of Covered Payroll (4) – (5)
2011	$ 2,544,713	$ 3,030,067	84.0%	$ 485,354	$ 2,030,238	23.9%
2010	$ 2,439,192	$ 2,941,832	82.9%	$ 502,640	$ 1,879,537	26.7%
2009	$ 2,306,242	$ 2,777,050	83.0%	$ 470,808	$ 1,675,604	28.1%

Analysis of the dollar amounts of net assets available for benefits and unfunded actuarial accrued liability in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the unfunded actuarially accrued liability provides one indication of funding 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 is financially. Trends in unfunded actuarial accrued liability and annual covered payroll are both affected by inflation. Expressing the 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 is financially.

In addition to the defined benefit pension plan above, the following pensions and retirement plans are in effect throughout the State of Georgia:

(a) Probate Judge's Retirement Fund of Georgia

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

(b) Clerk of Superior Court Retirement Fund

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

(c) Sheriff's Retirement Fund/Peace Officer's Annuity and Benefit Fund

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

(d) Superior Court Judges Retirement

Retired judges of the Southern Judicial Circuit are provided retirement, disability, and surviving-spouse benefits from funds of the counties within the circuit. The County is required to pay a supplement to the benefits provided by the state in the same proportion as the salary supplement paid by the County to active judges of the Superior Court of the Southern Judicial Circuit bears to the state paid salary of the active judges; provided, however, that no such supplement shall be paid unless the former, retired judge has contributed to a fund maintained by the County for the retirement benefits for retired judges according to the provisions of O.C.G.A. 47-9-77.

Note 12 – Deferred Compensation Plan

During 1999, the County, as required by federal law, amended the provision of its Internal Revenue Code 457 deferred compensation plan to place the plan's assets in trust for the benefit of plan participants. The County has no fiduciary responsibility for those assets once they are deposited with the plan administrators. Consequently, under the provisions of GASB Statement No. 32 "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans," the assets of the plan are not included in the County's financial statements.

Note 13 – 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; injury to employees; and natural disasters. The County purchases insurance from commercial insurers for claims in excess of deductibles. Policy deductibles are funded from and charged to operations during the period in which losses are incurred. Commercial insurance provides coverage up to a maximum of $3,000,000 aggregate general liability limit, and various limits up to an aggregate of $16,147,310 for property damage claims. Deductible limits range from $1,000 to $25,000 per occurrence.

The County is a participant in the Association County Commissioners of Georgia (ACCG) Group Self-Insurance Worker's Compensation Fund. The purpose of the fund is to insure the participating member's obligations under state workers compensation laws for employer liability to employees for claims for injuries and medical expenses and demands for compensation. The fund is responsible for cost incurred by members in any legal proceeding defended by the members, interest accruing after judgment, expenses incurred for investigation or defense, claim settlement, interest accruing after judgment, and expenses incurred for investigation or defense. Coverage provides up to a maximum of $100,000 for each worker's compensation claim.

Each participating member county is required to continue membership until completion of the second full fiscal year of membership. Membership is continued on a year-to-year basis. A member may withdraw or choose not to renew membership effective at the end of any fiscal year upon giving ninety days advance written notice to the association.

Members failing to pay required contributions, assessments, or other sums in such amounts and at time established by the association may, upon notice, be immediately suspended from membership and coverage shall immediately cease. Terminated members remain liable for assessments for any fiscal year in which they were members and have no rights to surplus or dividends. The capital contribution, if any, of a terminated member may be returned in whole, or in part, at the discretion of the board. Additional responsibilities and obligations of participating members include; allow attorneys designated by ACCG to investigate , litigate, and discuss settlement options for claims made against participating members, including assisting and participating in the defense and settlement of claims, and promptly report all incidents which could result in any claim. Each member is jointly and severally liable for all legal obligations of the association or funds and assessments may be imposed to meet financial deficiencies of the fund.

Claims paid during the year subject to the County's deductible and in excess of insurer liability limits totaled $45,342.

The County has not compiled a record of claims paid up to the applicable deductibles for prior fiscal years. Management is not aware of any outstanding and unpaid claims as of June 30th. Accordingly, no provision has been made for potential unpaid claims.

Note 14 – Solid Waste Facility Post Closure Care

On April 8, 1994, the County, with permission of the Environmental Protection Division of the State of Georgia, ceased operations of the Quitman-Brooks County Solid Waster Facility. Federal and state laws and regulations require the County to place a final cover on the solid waste disposal site and perform certain maintenance and monitoring functions for five years from the date of closure and at five year intervals thereafter until released by the Environmental Protection Division.

The County has elected to comply with the financial assurance requirements by the Local Government Financial Test. This test requires the County to comply with applicable financial, public notice, and recordkeeping and reporting components as described in and administered in accordance with Subtitle D of the Resource Conservation and Recover Act (RCRA).

During the year ended June 30, 2012 the County incurred closure, post-closure care and remediation expenses in the amount of $27,901.

The County estimates post-closure care cost to approximately $944,074 over the remaining eleven years. These costs are based on what it would cost to perform all post-closure care in 2012, adjusted annually for inflation. Actual cost may be higher due to changes in inflation, technology or applicable laws or regulations. Should any problems occur during the post-closure period, the costs and time required for maintenance and monitoring post-closure care and any applicable remediation expenses will be financed by levies of the tax digest and reimbursements from the City of Quitman.

The County contracts the collecting, transporting, and disposing of waste.

Note 15 – Contingent Liabilities

The County receives grants and other funding from Federal agencies, the State of Georgia, and related agencies. Most grants have spending restrictions and are subject to compliance audits.

Note 16 – Litigation

The County is a party to pending and threatened legal actions. Management does not believe any of the pending and threatened actions will have an adverse material financial impact. Management believes that insurance is adequate to protect the County from pending and threatened litigation for which an unfavorable outcome is probable.

Note 17 – Joint Venture (South Georgia Regional Commission)

The County is a participating member of the South Georgia Regional Commission (SGRC), a governmental entity legislatively established by O.C.G.A. 50-8-34. The SGRC is comprised of the municipalities and counties within the ten county district created and established by the Act. The SGRC is managed by a board, which includes the chief elected official of the district's member municipalities and county governments. The municipalities and counties within the district are responsible for the debts, obligations, and operating deficits of the Regional Commission and are required to pay annual minimum dues to support operations. The County's dues for the year ended June 30, 2012 were $13,177.

Separate financial statements may be obtained from:

South Georgia Regional Commission
327 West Savannah Avenue
Valdosta, GA 31601.

Note 18 – Intergovernmental Agreement with the Brooks County Development Authority

On September 10, 2004 the County entered into an intergovernmental agreement with the Brooks County Development Authority whereby the County's will exercise the County's constitutional authority to levy and collect an advalorem tax in an amount not to exceed one-half mill per annum for period of fifteen years beginning January 1, 2005. The purpose of the levy is to develop an industrial park within the county and to repay institutional debt incurred to finance the purchase of two hundred fifty acres of real estate.

The terms of the agreement require the County to provide financial assurances to the Authority's lending institution whereby the County will caused to be levied one-half mill of tax to repay the Authority's debt to the lending institution for debt related to the purchase of real estate and cost to develop a new industrial park. The authority is responsible for all costs to operate and maintain the project. After repayment of debt and the cost of developing the industrial park excess funds may be used for operations or the development of additional properties.

Note 19 – Commitments and Contingencies

Brooks County Board of Education – Imposition of Additional Property Taxes to Insure Repayment of Principal and Interest on Series 2006 Brooks County School District General Obligation Bonds. In 2006 the Brooks County School District issued general obligation bonds in the amount of $8,100,000. In accordance with requirements of the Constitution of the State of Georgia, on or before the time of incurring bonded indebtedness, provision must be made for the assessment and collection of annual tax in an amount sufficient to pay the principal and interest. A referendum for the imposition of a one percent sales and use tax for education purposes (Education Sales Tax) was approved for a period of time not to exceed twenty consecutive calendar quarters (five years). Annual bond and interest payments average $1,170,000 for the eight years beginning October 1, 2006 through October 1, 2014 (eight and one-half years). Principal and interest payments to maturity will be $9,628,667. In any year Education SPLOST funds are not adequate to satisfy the annual bond obligation the County is required to levy an additional property tax in an amount necessary to pay the annual bond obligation. If voters do not authorize a continuation or renewal of the Education Special Purpose Local Sales Tax the County will be obligated to levy additional property taxes of approximately $1,181,000 per year or $3,543,558 for calendar years 2012 through 2014. On November 6, 2012 voters approved a referendum to renew the Educational Sales Tax to reduce, beginning in January 2014 the ad valorem property taxes scheduled to be levied to repay the outstanding Brooks County School District General Obligation Bond, Series 2008 maturing October 1, 2019.

Note 20 – Subsequent Events

Effective January 1, 2013, O.C.G.A. 48-8-3 permits qualified agriculture producers to purchase machinery, equipment, inputs, and energy used for qualifying agricultural purposes exempt from local option and special purpose local option sales and use tax. This exemption will reduce the County's revenue from Local Option and Special Purpose Local Option Sales and Use Tax.

Effective March 1, 2013 motor vehicles purchased after February 28, 2013 will be exempt from sales and use tax and the annual ad valorem tax. Purchasers and transferees of motor vehicles will be subject to a Title Ad-valorem Title Tax (TAVT) based on the vehicle's average current fair market value. The initial rate of 6.5% increases to 7% January 1, 2015. The County's tax collector will distribute the title ad-valorem tax in thirds to (a) the board of education, (b) the county and local municipalities according to the County's LOST Distribution Certificate, and (c) the county and local municipalities according to the SPLOST intergovernmental sharing agreement. The amount to be distributed each month is to be equivalent to the amount of vehicle advalorem tax collected and distributed during the same month of 2012 with two percent annual increases in subsequent years. Monthly collection deficiencies may be recovered in subsequent months. Excess collections are to be transferred to the state. The effect of this change in taxation has not been determined.

Note 21 – Adjustment to Governmental Activities Net Assets, Beginning of Year

Prior Year Net Assets were restated as follows:

Governmental Activities Net Assets, June 30, 2011	$ 20,036,692
Increase – Net Pension Obligation (Asset)	(60,140)
Restated Governmental Activities Net Assets, July 1, 2011	$ 20,096,832

The derivation of the Net Pension Obligation (Asset) is described in Note 11 (E).

Brooks County, Georgia
Combining Balance Sheet - Non-Major Governmental Funds
June 30, 2012

	Special Revenue Funds									
Assets	Law Library	Drug Seizure and Confiscated Property	Federal Seizure and Confiscated Property	Drug Abuse Treatment and Education	Victim Witness Assistance	Juvenile Deliquency and Crime Prevention	Family Connection Grant	Jail Construction and Staffing	911 Telephone System	Total
Cash and Cash Equivalents	$ 39,885	$ 4,340	$ 3,020	$ -	$ 4,363	$ 3,079	$ 172	$ 101,600	$ -	$ 156,459
Investments										-
Receivables										
Intergovernmental				5,504	9,374		11,217			26,095
Internal				1,408		8,931				10,339
Other									19,161	19,161
Total Assets	$ 39,885	$ 4,340	$ 3,020	$ 6,912	$ 13,737	$ 12,010	$ 11,389	$ 101,600	$ 19,161	$ 212,054
Liabilities and Fund Balance										
Liabilities										
Accounts Payable	$ -	$ -		$ -	$ -	$ -	$ -	$ -	$ -	$ -
Accrued Expenses				3,274	2,626				34,831	40,731
Payables										
Internal	300	726	-		10,908	-	11,388	2,489	25,375	51,186
Total Liabilities	300	726	-	3,274	13,534	-	11,388	2,489	60,206	91,917
Fund Balance										
Nonspendable										-
Restricted	39,585	3,614	3,020	3,638	203	12,010	1	99,111		161,182
Committed										-
Assigned										-
Unassigned									(41,045)	(41,045)
Total Fund Balance	39,585	3,614	3,020	3,638	203	12,010	1	99,111	(41,045)	120,137
Total Liabilities and Fund Balance	$ 39,885	$ 4,340	$ 3,020	$ 6,912	$ 13,737	$ 12,010	$ 11,389	$ 101,600	$ 19,161	$ 212,054

Brooks County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Non-Major Governmental Funds
For the Year Ended June 30, 2012

	Special Revenue Funds									
Revenues	Law Library	Drug Seizure and Confiscated Property	Federal Seizure and Confiscated Property	Drug Abuse Treatment and Education	Victim Witness Assistance	Juvenile Delinquency and Crime Prevention	Family Connection Grant	Jail Construction and Staffing	911 Telephone System	Total
Intergovernmental	$ -	$ -	$ -	$ 30,897	$ 32,350	$ -	$ 44,000	$ -	$ -	$ 107,247
Charges for Services									94,921	94,921
Fines and Forfeitures	6,287	8,955		5,400	17,954			30,171		68,767
Investment	70	3	5	3	15			196	7	299
										-
Total Revenues	6,357	8,958	5	36,300	50,319	-	44,000	30,367	94,928	271,234
Expenditures										
Judicial										
Current	3,177									3,177
Capital										-
Public Safety										-
Current		4,455		90,574	64,315	14,153		25,839	409,068	608,404
Capital								5,344	5,760	11,104
Health and Welfare										
Current							43,800			43,800
Total Expenditures	3,177	4,455	-	90,574	64,315	14,153	43,800	31,183	414,828	666,485
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,180	4,503	5	(54,274)	(13,996)	(14,153)	200	(816)	(319,900)	(395,251)
Other Financing Sources (Uses)										
Transfers				56,981	14,000			-	277,381	348,362
Total Other Financing Sources (Uses)	-	-	-	56,981	14,000	-	-	-	277,381	348,362
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	3,180	4,503	5	2,707	4	(14,153)	200	(816)	(42,519)	(46,889)
Fund Balance, Beginning of Period	36,405	(889)	3,015	931	199	26,163	(199)	99,927	1,474	167,026
Fund Balance, End of Period	$ 39,585	$ 3,614	$ 3,020	$ 3,638	$ 203	$ 12,010	$ 1	$ 99,111	$ (41,045)	$ 120,137

Brooks County, Georgia
Agency Funds
Combining Statement of Assets and Liabilities
June 30, 2012

	Clerk of Court	Probate Court	Magistrate Court	Sheriff	Tax Commissioner	Total
Assets						
Cash	$ 115,789	$ 2,150	$ 72	$ 29,982	$ 21,075	$ 169,068
Taxes					765,297	765,297
Other					1,448	1,448
	$ 115,789	$ 2,150	$ 72	$ 29,982	$ 787,820	$ 935,813
Liabilities						
Accounts Payable	$ 19,470	$ -	$ -	$ -	$ -	$ 19,470
Uncollected Taxes					765,297	765,297
Other	96,319	2,150	72	29,982	22,523	151,046
	$ 115,789	$ 2,150	$ 72	$ 29,982	$ 787,820	$ 935,813

Brooks County, Georgia
Combining Statement of Net Assets
Component Units
June 30, 2012

Assets	Brooks County Development Authority December 31, 2011	Brooks County Board of Health June 30, 2012	Combined
Current Assets			
Cash and Cash Equivalnets	$ 74,763	$ 155,360	$ 230,123
Investments	168,200		168,200
Receivables, net	106,017	11,720	117,737
Other	-		-
Total Current Assets	348,980	167,080	516,060
Non-Current Assets			
Cash and Cash Equivalents	178,643		178,643
Other Investments	5,350,794		5,350,794
Receivables	1,059,555		1,059,555
Other	16,091		16,091
Total Non-Current Assets	6,605,083	-	6,605,083
Capital Assets			
Other Capital Assets, net of Depreciation	8,162	951	9,113
Total Assets	$ 6,962,225	$ 168,031	$ 7,130,256
Liabilities and Net Assets			
Current Liabilities			
Accounts Payable and Accrued Expenses	$ 16,332	$ 32,327	$ 48,659
Mortgages Payable	163,538		163,538
Total Current Liabilities	179,870	32,327	212,197
Long-Term Liabilities			
Bonds and Mortgages Payable	1,351,358		1,351,358
Total Liabilities	1,531,228	32,327	1,563,555
Net Assets			
Invested in Capital Assets, net	8,162	951	9,113
Restricted	4,541,316	88,766	4,630,082
Unrestricted	881,519	45,987	927,506
Total Net Assets	5,430,997	135,704	5,566,701
Total Liabilities and Net Assets	$ 6,962,225	$ 168,031	$ 7,130,256

Brooks County, Georgia
Combining Statement of Activities
Component Units
For the Year Ended June 30, 2012

Functions and Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Development Authority	Net (Expense) Revenue and Changes in Net Assets: Board of Health	Net (Expense) Revenue and Changes in Net Assets: Total
Brooks County Development Authority Operations	$ 259,670	$ 44,582	$ 516,137	$ 21,250	$ 322,299	$ -	$ 322,299
Brooks County Board of Health Health and Welfare	402,674	88,766	290,542	-		(23,366)	(23,366)
Total Component Units	$ 662,344	$ 133,348	$ 806,679	$ 21,250	322,299	(23,366)	298,933
General Revenues							
Taxes							
Property Taxes					187,529		187,529
Intergovernmental						-	-
Investment					3,952	-	3,952
Miscellaneous					138	-	138
Transfers					-	-	-
Total General Revenues and Transfers					191,619	-	191,619
Changes in Net Assets					513,918	(23,366)	490,552
Net Assets, Beginning of Period					4,917,079	159,070	5,076,149
Net Assets, End of Period					$ 5,430,997	$ 135,704	$ 5,566,701

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCEAND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Commissioners
Brooks County, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Brooks County, Georgia as of and for the year ended June 30, 2012, which collectively comprise Brooks County, Georgia's basic financial statements and have issued our report there on dated February 27, 2013. Our report includes 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 Brooks County Board of Health as described in our report on the County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

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 and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the schedule of findings and responses, as items 2012.01 and 2012.02, to be material weaknesses.

A *significant deficiency* is a deficiency or 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. We consider the deficiency described in the accompanying schedule of findings and responses, item 2012.04 to be a significant deficiency.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Brooks County, Georgia's financial statements are free of material misstatement, we performed test 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 financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as item 2012.03 and 2012.05.

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

We noted certain matters that we reported to the management of Brooks County, Georgia in a separate letter dated February 27, 2013.

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



February 27, 2013

Findings and Responses

Current Year Findings

2012.01 Absence of Optimum Level of Appropriate Segregation of Duties

(This is a repeat finding)

Criteria: A properly designed and effective system of internal control requires that there are a sufficient number of properly trained, skilled personnel to be able to segregate duties and responsibilities among personnel so that individuals initiating, processing, verifying, reviewing, approving, recording or processing financial transactions, and preparing financial statements are not being performed by the same individual. Controls should provide reasonable assurance that an individual is not in a position to misappropriate funds or conceal fraud whereby such actions are not timely detected and corrected.

Condition: The County does not have sufficient personnel to provide an optimum level of appropriate segregation of duties and responsibilities.

Effect: Errors, intentional or otherwise, and fraud could occur in the processing of financial transactions and the preparation of financial statements.

Recommendation: Staffing should include a sufficient number of properly trained personnel in order to assign duties and responsibilities among the staff in order to reduce to a minimum level of risk that misstatements resulting from fraud or error might occur and not be detected by employees during the normal course of performing assigned duties.

County Response: The County concurs with this internal control weakness and the adverse consequences which could result. The County's finances and budgetary limitations, within which the County must operate, does not provide sufficient financial resources to employ the additional personnel necessary to assign and segregate the various duties to accomplish this objective.

In the administration office there are only three staff positions, including the County Clerk. Except in the offices of the Tax Commissioner and Clerk of Court, there is only one clerk. To mitigate this weakness in the County's administrative office we separate the duties and responsibilities related to the processing of purchase orders, payables, and the payment of invoices from payroll data entry and check processing and the collection of revenues and the depositing of receipts. We rotate persons picking-up and opening mail. Bank statements are received unopened by the County Administrator. Although accounts continue to be reconciled by clerks performing the posting and recording of transactions the County Administrator is responsible for the review and approval of reconciliations. Payable checks are mailed by the payroll clerk. Payroll checks are hand delivered or picked-up by department administrators for physical delivery to employees within their departments. Payroll checks, when mailed, are mailed by the payables clerk. Purchase orders and vendor invoices are made available to check signers. All checks, other than payroll, require two check signors. Authorized check signors are the Chairperson and Vice-Chairperson of the Board of Commissioners, the County Administrator, and the County Clerk. The County Clerk only signs checks when two of the other three authorized persons are not available.

The County Clerk and payables clerk prepare the monthly financial statements for all governmental and capital project funds. The statements are reviewed by the County Administrator. Monthly statements which include historical comparisons with budgeted appropriations are provided to the Board of Commissioners.

Management continues to communicate to the constitutional officials that they are responsible for the monitoring, supervision, and control over all accounting activities and financial reporting for their office and that they should comply with applicable state laws and county policies and procedures.

The County believes that reasonable management safeguards are in place based on available personnel and resources.

2012.02 Anti-Fraud Program and Controls

(This is a repeat finding)

Criteria: Policies to prevent and procedures to identify and detect financial statement misstatements caused by error or fraud and misappropriation of assets are necessary to help prevent and minimize the risk of material misstatements in the financial statements and the inappropriate use or loss of assets. The policies and procedures should be in writing, formally adopted by the Board of Commissioners, communicated to the entire organization, monitored by management, and strictly enforced.

Condition: The County has not adopted anti-fraud policies and procedures.

Effect: Errors, including fraud, may occur and not be detected and assets could be lost or damaged and not be recovered resulting in significant economic loss.

Recommendation: The Board of Commissioners should formally adopt written policies and procedures to prevent, detect and prosecute fraud. The policies and procedures should be communicated to each and every employee, including all constitutional officers. Employees and constitutional officers should acknowledge receipt and understanding of the policies. The policies and procedures should be incorporated in the County's Personnel Policy Manual. Violations should be justification for termination of employment and basis for prosecution.

County Response: The County is aware of the need to establish policies to prevent and appropriate procedures to identify and detect financial statement errors or misstatements and misappropriation or loss of assets. A draft resolution has been prepared and is being reviewed by the County Attorney. Management believes that the resolution will be finalized during the current year and during the adopting of revisions planned for the County's Personnel Policies and Purchasing Policy..

2012.03 Budgetary - Financial Compliance

(This is a modified repeat finding)

Criteria: O.C.G.A. 36-81-3(b)(1) requires each unit of local government to adopt and operate under an annual balanced budget for the general fund, each special revenue fund, and each debt service fund. O.C.G.A. 36-81-3(b)(2) requires a project-length balanced budget for each capital project fund with the project-length balanced budget being adopted by ordinance or resolution in the year that the project initially begins. The project-length balanced budget should appropriate total expenditures for the duration of the capital project. O.C.G.A. 36-81-3(b)(3) provides that a budget ordinance or resolution is balanced when the sum of estimated revenues and appropriated fund balances is equal to appropriations.

Conditions: Expenditures exceeded appropriations in seventeen General Fund departments, the Law Library, and Drug Seizure and Confiscated Property. The special revenue funds – 911 Telephone System has a deficit fund balance. Budgets were not prepared and approved for the Law Library and Drug Seizure and Confiscated Property funds. (see Notes 2 (B) and (C) on page 21).

Effect: The County is not in compliance with state laws and the County's Finance Ordinance by incurring expenditures in excess of budgeted appropriations.

Recommendation: Expenditures should be controlled within appropriations and budgets should be adopted for all governmental fund types.

County Response: Line item and departmental expenditures will be more closely monitored and regularly compared with budgeted appropriations. The budget process will be revised to be more responsive to the needs of constitutional officers and department managers. Revenues and other financing sources will be considered to help fund operating requirements. Budgets will be prepared for the Law Library and Drug Seizures and Confiscated Property funds.

2012.04 Preparation of Annual Financial Statements

(This is a repeat finding)

Criteria: Generally accepted auditing standards require auditors to audit client prepared annual financial statements including the related notes to financial statements and all required supplemental information, statements, and schedules.

Condition: The County's annual financial statements, supplementary information, and schedules required by state statute or regulators, and grantors are auditor prepared.

Effect: The County's auditor audits the auditor prepared financial statements.

Recommendation: The County should prepare the annual financial statements, notes to basic financial statements, supplementary information, and financial schedules required by state statutes or regulators, and grantors.

Response: The County does not have professional staff with the training and expertise to prepare the annual audited financial statements. The Board of Commissioners has considered alternatives for the preparation of the audited statements including contracting the services of a consultant. The Board believes that having the auditors prepare the statements is the more economically feasible option for the county. The Board and management formally reviews and accepts responsibility for the financial statements and all related disclosures.

2012.05 Grant Administration

Criteria: As recipient and administrator of United States Departments of Justice and Homeland Security grants the County is required to document services and accomplishments, costs, file periodic and final certification reports, and monitor compliance.

Condition: The County's internal grant administrator do not timely and efficiently complete grant procedures, fail to timely file periodic and final certification reports, and do not maintain adequate documentation of cost. Grant files are disorganized with applications, grants, correspondence, letters of condition, reports, narratives, cost, etc. being misplaced and not available for audit. Grants are not always completed timely and sometimes not even started.

Effect: Revenues have not been received, sometime being de-obligated, due to late and delinquent reporting. Report documentation is sometime inadequate resulting in funding delays and risk of forfeiture.

Questioned Cost: Not determined.

Recommendation: The board of commissioners should designate a person to be responsible to regularly review and monitor grant activity. Checklist and questionnaires should be developed to assure that all grant processes are being timely and accurately completed. The Board of Commissioners should require that they be regularly updated and informed about grant activities and all grant files are complete and correctly organized.

County Response: All grant application and administration activities will be transferred to office of the County Administrator. We will correct our filing systems in accordance with applicable guidelines. Required reports will be completed and timely filed. Procedures to assure that grants are being properly administered will be implemented.

Prior Year Findings

2011.01 Absence of Optimum Level of Appropriate Segregation of Duties

Criteria: A properly designed and effective system of internal control requires that there are a sufficient number of properly trained, skilled personnel to be able to segregate duties and responsibilities among personnel so that individuals initiating, processing, verifying, reviewing, approving, recording or processing financial transactions, and preparing financial statements are not being performed by the same individual.

Condition: The County does not have sufficient personnel to provide an optimum level of appropriate segregation of duties and responsibilities.

Effect: Errors, intentional or otherwise, and fraud could occur in the processing of financial transactions and the preparation of financial statements.

Recommendation: Staffing should include a sufficient number of properly trained personnel in order to assign duties and responsibilities among the staff in order to reduce to a minimum level of risk that misstatements resulting from fraud or error might occur and not be detected by employees during the normal course of performing assigned duties.

County Response: The County acknowledges this weakness in internal control structure and the adverse consequences which could result. However, the County's finances and budgetary limitations within which the County must operate does not provide sufficient available financial resources to employ the additional personnel necessary to assign and segregate the various duties and responsibilities among the administrative staff to accomplish this objective.

In the administration office there are only three staff positions, including the County Clerk. Except in the offices of the Tax Commissioner and Clerk of Court, there is only one clerk. To mitigate this weakness in the County's administrative office we separate the duties and responsibilities related to the processing of purchase orders, payables, and the payment of invoices from payroll data entry and check processing and the collection of revenues and the depositing of receipts. We rotate persons picking-up and opening mail. Bank statements are received unopened by the County Administrator. Account reconciliations are the responsibility of the County Administrator. The payroll account is reconciled by the payables clerk. The payables processing account is reconciled by the County Administrator. The County Clerk reconciles and balances all special revenue and capital projects accounts. Payable checks are mailed by the payroll clerk. Payroll checks are hand delivered or picked-up by department administrators for physical delivery to employees within their departments. Payroll checks, when mailed, are mailed by the payables clerk. Purchase orders and vendor invoices are made available to check signers when signing checks. All checks, other than payroll, require two check signors. Authorized check signors are the Chairperson and Vice-Chairperson of the Board of Commissioners, the County Administrator, and the County Clerk. The County Clerk only signs checks when two of the other three authorized persons are not available.

The County Administrator is responsible for the processing and preparation of monthly financial statements for all governmental and capital project funds. The monthly statements which include historical comparisons with budgeted appropriations are provided to the Board of Commissioners.

This finding will be communicated to the effected constitutional officials that they are responsible for the monitoring, supervision, and control over all accounting activities and financial reporting for their office and that they should comply with applicable state laws and county policies and procedures.

The County believes that reasonable management safeguards are in place based on available personnel and resources.

Current Status: There is no change in this condition.

2011.02 Anti-Fraud Program and Controls

Requirement: Policies to prevent and procedures to identify and detect financial statement misstatements caused by error or fraud and misappropriation of assets are required to prevent and minimize the risk of material misstatements in the financial statements and the inappropriate use or loss of assets. The policies and procedures should be in writing, formally adopted by the Board of Commissioners, communicated to the entire organization, monitored by management, and strictly enforced.

Condition: The County has not adopted anti-fraud policies and procedures.

Effect: Errors, including fraud, may occur and not be detected and assets could be lost or damaged and not be recovered resulting in significant economic loss.

Recommendation: The Board of Commissioners should formally adopt written policies and procedures to prevent, detect and prosecute fraud. The policies and procedures should be communicated to each and every employee, including all constitutional officers. Employees and constitutional officers should acknowledge receipt and understanding of the policies. The policies and procedures should be incorporated in the County's Personnel Policy Manual. Violations should be justification for termination of employment and basis for prosecution.

County Response: The County is aware of the need to establish policies to prevent and appropriate procedures to identify and detect financial statement errors or misstatements and misappropriation or loss of assets. Our former administrator, prior to her resignation in November, was in the process of addressing this matter with the intent of having the necessary policies and procedures in effect by the end of this year. Our current administrator, who was employed in February, has not had the opportunity to devote the necessary time and attention to completing this project. The County plans to adopt appropriate anti-fraud policies and implement procedures to identify and detect reporting irregularities, financial statement errors and misrepresentations, and the misappropriation or loss of assets during the year to end June 30, 2012.

Current Status: There is no change in this condition.

2011.03 Budgetary - Financial Compliance

Specific Requirement: O.C.G.A. 36-81-3(b)(1) requires each unit of local government to adopt and operate under an annual balanced budget for the general fund, each special revenue fund, and each debt service fund. O.C.G.A. 36-81-3(b)(2) requires a project-length balanced budget for each capital project fund with the project-length balanced budget being adopted by ordinance or resolution in the year that the project initially begins. The project-length balanced budget should appropriate total expenditures for the duration of the capital project. O.C.G.A. 36-81-3(b)(3) provides that a budget ordinance or resolution is balanced when the sum of estimated revenues and appropriated fund balances is equal to appropriations.

Conditions: Expenditures exceeded appropriations in fourteen General Fund departments and three special revenue funds – Drug Abuse Treatment and Education, Federal Seizure and Confiscated Property, and the Family Connection Grant. Two special revenue funds – Drug Seizure and Confiscated Property and the Family Connection Grant have deficit fund balances.

Effect: The County is not in compliance with state laws and the County's Finance Ordinance by incurring expenditures in excess of budgeted appropriations.

Recommendation: Expenditures should be controlled within appropriations and budgets should be adopted for all governmental fund types.

County Response: Line item expenditures will be more closely monitored and regularly compared with budgeted appropriations.

Current Status: The County continues to have department with expenditures in excess of appropriations and deficit fund balances.

2011.04 Preparation of Annual Financial Statements

Specific Requirement: Generally accepted auditing standards require auditors to audit client prepared annual financial statements including the related notes to financial statements and all required supplemental information, statements, and schedules.

Condition: The County's annual financial statements, supplementary information, and schedules required by state statute or regulators, and grantors are auditor prepared.

Effect: The County's auditor audits the auditor prepared financial statements.

Recommendation: The County should prepare the annual financial statements, notes to basic financial statements, supplementary information, and financial schedules required by state statutes or regulators, and grantors.

Response: The County does not have professional staff with the training and expertise to prepare the annual audited financial statements. The Board of Commissioners has considered alternatives for the preparation of the audited statements including contracting the services of a consultant. The Board believes that having the auditors prepare the statements is the only economically feasible option for the county. The Board and management formally reviews and accepts responsibility for the financial statements and all related disclosures.

Current Status: There is no change in this condition.

Federal Awards Findings and Responses

Current Year Findings

None

Prior Year Findings

None

Brooks County, Georgia
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2012

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Grant Identification Number	Program or Award Amount	Expenditures
U.S. Department of Transportation				
Georgia Department of Transportation				
Section 5311 Rural Transportation	20.509	TOO3857	$ 98,797	$ 98,797
Total Department of Transportation			98,797	98,797
U. S. Department of Homeland Security				
Georgia Emergency Management Agency				
Emergency Management Performance Grant	97.042	11-014S01	5,000	5,000
Multi Jurisdictional Planning	97.039	HMGP-1858-0078	18,000	24,000
Total Department of Homeland Security			23,000	29,000
U. S. Department of Health & Human Services				
Georgia Department of Health & Human Services				
Special Program for the Aging - Nutrition	93.045	AAA-2012-20	26,023	46,722
Total Department of Health & Human Services			26,023	46,722
U. S. Department of Justice				
Juvenille Justice and Delinquency Prevention				
After School Program for At Risk Children	16.804	2008-JL-FX-0537	44,717	14,153
Edward Byrne Memorial Justice Assistance Grant				
DUI and Drug Reduction Initiative - **ARRA**	16.804	2009-SB-B9-1218	42,367	27,753
Edward Byrne Memorial Justice Assistance Grant				
Child Abuse Investigation Enhancement Project	16.804	2009-DJ-BX-1255	10,327	-
Edward Byrne Memorial Justice Assistance Grant				
Fy 2010 Justice Assistance Grant Program	16.804	2010-DJ-BX-1627	10,013	-
Edward Byrne Memorial Justice Assistance Grant				
Bullet Proof Vest	16.804	2010-BU-BX-10054964	5,190	13,700
			112,614	55,606
Criminal Justice Coordinating Council				
Victims of Crime Act Assistance Grant Program	16.575	2010-VA-GX-0073	32,350	39,147
Total Department of Justice			144,964	94,753
Total Federal Assistance			$ 292,784	$ 269,272

Revenues/receipts and expenses/expenditures are presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Nonprofit Organizations*. Therefore, amounts in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

Brooks County, Georgia
Schedule of State Financial Assistance
For the Year Ended June 30, 2012

Program	Grant Number	Award Amount	Revenue or Receipts Recognized	Expenses or Expenditures
State of Georgia				
Criminal Justice Coordinating Council				
Judicial Council of Georgia				
Juvenile Judge Grant	O.C.G.A. 15-11-18	$ 25,425	$ 25,425	$ 26,089
Total Criminal Justice Coordinating Council		25,425	25,425	26,089
Georgia Department of Human Services				
Family Connection Grant	427-93-121200101-99	44,000	44,000	43,800
Total Department of Human Resources		44,000	44,000	43,800
Georgia Department of Natural Resources				
Hazard Waste Mitigation	741-EP12015	72,166	72,166	72,166
		72,166	72,166	72,166
Total State of Georgia		$ 141,591	$ 141,591	$ 142,055

Brooks County, Georgia
One Percent Special Purpose Local Option Sales Tax
Project Cost Schedule - 2004 Issue
For the Twelve Months Ended June 30, 2012

	Estimated Cost		Prior	Current	Cumulative	Percent
	Original	Current	Periods	Period	Cost	Complete
Road, Street and Bridge Projects						
Undesignated	$ 2,367,097	$ -	$ -	$ -	$ -	
CR 268 Empress Rd - Resurface		375,000	362,256	-	362,256	100.0%
CR 280 Lawson Pond Rd - Resurface		156,000	159,223	-	159,223	100.0%
Shady Acres II - Paving		120,000	118,689	-	118,689	100.0%
CR 184 Shiver Lane - Drain & Extension		100,000	3,923	-	3,923	100.0%
CR 300 River Lane - Paving		142,000	6,818	-	6,818	100.0%
CR 299 River Run Road - Paving		300,000	6,065	-	6,065	100.0%
CR 275 Grooverville Resurfacing		525,000	533,524	-	533,524	100.0%
CR 122 Carney Road		-	766	-	766	100.0%
CR 176 Guess Road Ph II		-	12,332	-	12,332	100.0%
CR 265 Blease Road		128,470	39,011	-	39,011	30.0%
CR 256, 257, 258 Pine Ridge Heights		353,000	526,148	-	526,148	100.0%
CR 305 Dixie Road Bridge		54,000	27,394	-	27,394	50.0%
CR 305 Dixie Road/Pride Bridge		280,000	162,308	-	162,308	58.0%
CR 185 Hassell Road		52,000	51,558	-	51,558	100.0%
CR 63 Dewberry Road		120,000	62,085	-	62,085	100.0%
Snow & Hickory Head (Paving/Drainage)		240,000	239,958	-	239,958	100.0%
Kennedy Hill Road Improvement		170,000	273,701	-	273,701	100.0%
CR 209 Cooper Road		112,868	111,023	-	111,023	100.0%
CR 122 Johnson Short		370,860	368,031	4,140	372,171	100.0%
Fawn Heights			1,963	75,984	77,947	100.0%
CR 174 Campground Road				63,727	63,727	
Minow Road				74,284	74,284	100.0%
Other Miscellaneous			3,189	95	3,284	100.0%
Other Projects						
Detention Facility	1,600,000	1,600,000	1,927,529	-	1,927,529	100.0%
Courthouse Renovation	150,000	150,000	171,675	-	171,675	100.0%
Intergovernmental Shared Revenues						
City of Quitman	1,198,857	1,198,857	1,315,519	-	1,315,519	100.0%
City of Barwick	32,371	32,371	35,521	-	35,521	100.0%
City of Morven	63,042	63,042	69,177	-	69,177	100.0%
City of Pavo	37,984	37,984	41,681	-	41,681	100.0%
Totals	$ 5,449,351	$ 6,681,452	$ 6,631,066	$ 218,230	$ 6,849,296	

Brooks County, Georgia
One Percent Special Purpose Local Option Sales Tax
Project Cost Schedule - 2008 Issue
For the Twelve Months Ended June 30, 2012

	Estimated Cost		Prior	Current	Cumulative	Percent
	Original	Current	Periods	Period	Cost	Complete
Road, Street and Bridge Projects						
Undesignated	$ 2,926,309	$ -	$ 110	$ -	$ 110	0.0%
Other Projects						
Courthouse Renovations	150,000	-	-	2,300	2,300	1.5%
Emergency E-911 Services	450,000	-	67,695	260,651	328,346	73.0%
Public Safety Equipment for Coalition Fire Departments	500,000	-	140,592	65,584	206,176	41.2%
Parking Lot Resurfacing for County Administration Building	40,000	-	43,326	-	43,326	100.0%
New Fields and Walking Tract for Recreation Department	50,000	-	-	-	-	0.0%
Economic Development						
Brooks County Industrial Authority	1,040,080	-	1,040,000	-	1,040,000	100.0%
Quitman-Brooks County Airport Authority	165,611	-	110,184	-	110,184	66.5%
Intergovernmental Shared Revenues						
City of Quitman	2,898,000	-	890,555	380,916	1,271,471	43.9%
City of Barwick	140,000	-	43,024	18,401	61,425	43.9%
City of Morven	140,000	-	43,024	18,401	61,425	43.9%
City of Pavo	140,000	-	43,024	18,401	61,425	43.9%
Totals	$ 8,640,000	$ -	$ 2,421,534	$ 764,654	$ 3,186,188	

Brooks County, Georgia
Family Connection Grant
Schedule of Revenues and Expenditures - Budget and Actual
Contract Number 427-93-10100347-99
For the Year Ended June 30, 2012

	Budget	Actual
Revenues		
Intergovernmental	$ 44,000	$ 44,000
	44,000	44,000
Expenditures		
Programs and Activities	5,145	4,945
Contract Services	33,600	33,600
Communications	-	-
Maintenance and Repairs	360	360
Insurance	682	682
Supplies	991	991
Travel	865	865
Education and Training	100	100
Equipment Rental	2,257	2,257
	44,000	43,800
Excess (Deficiency) of Revenues over Expenditures	$ -	$ 200

Brooks County, Georgia
Program for the Aging - Nutrition Program Grant
Schedule of Revenues and Expenditures - Budget and Actual
Grant Award Number AAA-2010-20
For the Year Ended June 30, 2012

	Budget	Actual
Revenues		
Intergovernmental	$ 27,400	$ 26,023
Total Revenues	27,400	26,023
Expenditures		
Salary and Wages	28,921	19,928
Taxes and Benefits	3,097	2,477
	32,018	22,405
Repairs	-	198
Communications	1,080	1,138
Supplies and Other	18,680	22,909
Travel	200	72
Capital	-	
Total Expenditures	51,978	46,722
Excess (Deficiency) of Revenues over Expenditures	$ (24,578)	$ (20,699)

Brooks County, Georgia
Juvenile Delinquency and Crime Prevention
Schedule of Revenues and Expenditures - Budget and Actual
Contract Number 2008-JL-FX-0537
For the Year Ended June 30, 2012

		Actual		
	Budget	Prior	Current	Total
Revenues				
Intergovernmental	$ 44,717	$ 44,717	$ -	$ 44,717
	44,717	44,717	-	44,717
Expenditures				
Programs and Activities	12,139	1,801	489	2,290
Contract Services	-	-	-	-
Communications	961	961	96	1,057
Insurance	-	-	-	-
Supplies	19,392	8,122	13,568	21,690
Travel	4,630	120	-	120
Education and Training	2,495	2,495	-	2,495
Capital	5,100	5,054	-	5,054
	44,717	18,553	14,153	32,706
Excess (Deficiency) of Revenues over Expenditures	$ -	$ 26,164	$ (14,153)	$ 12,011