BURKE COUNTY, GEORGIA

FINANCIAL REPORT

For the Year Ended September 30, 2011

BURKE COUNTY, GEORGIA

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Baird & Company *CPAs, LLC*
CERTIFIED PUBLIC ACCOUNTANTS & FINANCIAL ADVISORS

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INDEPENDENT AUDITORS' REPORT

Board of Commissioners
Burke County, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Burke County, Georgia as of and for the year ended September 30, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Burke County. Georgia's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Burke County Health Department, a discretely presented component unit, whose statements reflect total assets of $985,303 and total net assets of $931,655 as of June 30, 2011, and total revenues of $586,934 for the year then ended. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Burke County Health Department, 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 Governmental 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 previously 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 Burke County, Georgia as of September 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund and the Major Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 10 and 50 through 74 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standard's Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's response to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Burke County, Georgia's basic financial statements as a whole. The introductory section, combining and individual nonmajor fund statements, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*, and is also not a required part of financial statements. The combining and individual nonmajor fund financial statements, the schedule of expenditures of federal awards, the schedule of expenditures of state awards, the schedule of special purpose local option sales tax 2006 – 2012, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied by us and the other auditors in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the report of other auditors, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Baird & Company, CPAs, LLC

BAIRD & COMPANY, CPAs, LLC
Certified Public Accountants

Augusta, Georgia
March 16, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

The Management's Discussion and Analysis of the Annual Financial Report of Burke County, Georgia (the Government) provides an overall narrative and analysis of the Government's financial statements for the fiscal years ended September 30, 2011 and 2010. This discussion and analysis is designed to look at the Government's financial performance as a whole. Readers should also review the complete financial statements, with notes, which follow this narrative, for a better understanding of the Government's financial performance.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Government's basic financial statements. The basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different views of the Government through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Government.

Basic Financial Statements

The first two statements in the basic financial statements are the Government-wide Financial Statements. They provide both short and long-term information about the Government's financial status.

The next statements are Fund Financial Statements. These statements focus on the activities of the individual parts of Burke County, Georgia's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary fund statements.

The next section of the basic financial statements is the notes, which explain in detail some of the data contained in those statements. After the notes, supplemental information is provided to show details about the Government's non-major governmental funds and other information which provide additional information for the basic financial statements.

Government-wide Financial Statements

The Government-wide financial statements provide a broad picture of the Government's operations. The statements provide information about the Government's financial position, which assists in assessing the economic condition at the end of the fiscal year. These statements are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. This means the statements take into account all revenues and expenses connected with the fiscal year even if cash involved has not been received or disbursed. The government-wide financial statements include the following two statements:

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

The Statement of Activities presents information showing how the Government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods (e.g. uncollected taxes).

The government-wide statements are divided into three categories: 1) governmental activities, 2) business-type activities, and 3) component units. The governmental activities include most of the Government's basic services such as general government, public safety, highways and streets, health and welfare, and culture and recreation. Property taxes, sales taxes, and state and federal grant funds finance most of these activities. The business-type activities are those services that the Government charges a fee to customers in order to provide. These include solid waste management and transit services. The final category is component units.

The Development Authority of Burke County serves to promote, pursue, and implement economic development in the County. The Burke County Health Department is a public health department. Separate financial statements have been issued and are available from the Burke County Health Department. Although legally separate from the Government, the Government appoints a voting majority of the boards for the Development Authority and the Board of Health.

Fund Financial Statements

A Fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Government, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The fund financial statements focus on individual parts of the Government, reporting the Government's operations in more detail than the government-wide statements. All of the funds of the Government can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. These fund categories use different accounting approaches and should be interpreted differently.

Governmental Funds

Most of the basic services provided by the Government are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, these funds focus on how assets can readily be converted into cash and the amount of funds left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called modified-accrual accounting, which focuses on current financial resources. Such information may be useful in evaluating the government's short-term financing requirements. These statements provide a detailed short-term view of the Government's finances that assists in determining whether there will be adequate financial resources available to meet the Government's current needs. The relationship between government activities in the government-wide financial statements and the governmental funds financial statements is described in a reconciliation that is a part of the fund financial statements.

The Government has three governmental fund types: the General Fund, Special Revenue Funds, and Capital Projects Funds.

Proprietary Funds

The Government has two types of proprietary funds used to account for activities that operate similar to commercial enterprises found in the private sector. Funds that charge fees for services provided to outside customers including other local governments are known as Enterprise Funds. These funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Funds that charge fees for services provided to departments within the reporting government are known as Internal Service Funds. Proprietary funds use the accrual basis of accounting, thus there is no reconciliation needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements.

The Government has two enterprise funds: the Solid Waste Fund and the Transit Fund. The Government has two internal service funds: the Vehicle Maintenance Fund and the Facility Maintenance Fund.

Fiduciary Funds

The Fiduciary Funds are used to account for assets held by the Government as an agent for individuals, private organizations, other governments, and other Burke County departments. The Government is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and only by those to whom the assets belong. These funds are not reflected in the government-wide financial statements because the resources are not available to support the Government's operations or programs.

Government-wide Financial Analysis

Management has included comparative data for analysis purposes in the following analysis. Such comparative data may be useful in comparing the current year to the prior year and noting possible trends.

Net Assets

Net Assets may serve over time as one useful indicator of a government's financial condition. The assets of the Government exceeded liabilities by $35.9 million and $33.3 million as of September 30, 2011 and September 30, 2010, respectively.

The largest portion of Burke County's net assets, 87.7% in 2011 and 95.8% in 2010, reflects its investment in capital assets such as land, buildings, equipment, and roads. Burke County uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending.

Burke County's Net Assets
September 30, 2011 and 2010

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	$ 8,261,343	$ 4,764,740	$ 22,688	$ 14,794	$ 8,284,031	$ 4,779,534
Capital assets	29,669,194	29,971,349	1,827,178	1,881,363	31,496,372	31,852,712
Total assets	37,930,537	34,736,089	1,849,866	1,896,157	39,780,403	36,632,246
Long-term liabilities outstanding	436,877	438,539	1,772,535	1,755,187	2,209,412	2,193,726
Other liabilities	1,587,794	1,044,454	77,331	140,970	1,665,125	1,185,424
Total liabilities	2,024,671	1,482,993	1,849,866	1,896,157	3,874,537	3,379,150
Net assets:						
Invested in capital assets	29,669,194	29,971,349	1,827,178	1,881,363	31,496,372	31,852,712
Unrestricted	6,236,672	3,281,747	(1,827,178)	(1,881,363)	4,409,494	1,400,384
Total net assets	$ 35,905,866	$ 33,253,096	$ -	$ -	$ 35,905,866	$ 33,253,096

The balance of unrestricted net assets, 12.3% in 2011 and 4.2% in 2010, may be used to meet the Government's ongoing obligations to citizens and creditors.

The Government's net assets increased by $2,652,770 and $1,855,870 during the fiscal years ended September 30, 2011 and 2010, respectively.

Governmental activities

Governmental activities increased Burke County's net assets by $2,652,770 in 2011 and $1,868,974 in 2010 thereby accounting for 100% in 2011 and 100% in 2010 of the total change in the net assets of Burke County. The key factor for 2011 and 2010 was a significant increase in sales tax revenue due to major construction projects in the County.

Business-type activities

Business-type activities had no effect on Burke County's net assets in 2011 and decreased net assets by $13,104 in 2010, accounting for 0% in 2011 and 1% in 2010 of the total change in the government's net assets.

Burke County's Changes in Net Assets
September 30, 2011 and 2010

	Governmental Activities		Business-type Activities		Total	
	Fiscal Year Ended September 30, 2011	Fiscal Year Ended September 30, 2010	Fiscal Year Ended September 30, 2011	Fiscal Year Ended September 30, 2010	Fiscal Year Ended September 30, 2011	Fiscal Year Ended September 30, 2010
Revenues:						
Program revenues:						
Charges for services	$ 3,146,840	$ 2,365,139	$ 480,051	$ 467,226	$ 3,626,891	$ 2,832,365
Operating grants and contributions	601,720	846,304	83,868	115,924	685,588	962,228
Capital grants and contributions	3,491	239,807	80,177	123,610	83,668	363,417
General revenues:						
Property taxes	14,981,770	15,760,847			14,981,770	15,760,847
Other taxes	10,877,653	9,016,291			10,877,653	9,016,291
Other	44,663	132,215			44,663	132,215
Total revenues	29,656,137	28,360,603	644,096	706,760	30,300,233	29,067,363
Expenses:						
General government	5,574,926	6,668,155			5,574,926	6,668,155
Public safety	12,422,591	12,035,207			12,422,591	12,035,207
Culture and recreation	1,309,778	1,359,827			1,309,778	1,359,827
Health and welfare	572,881	501,778			572,881	501,778
Highways and streets	5,926,050	4,764,737			5,926,050	4,764,737
Interest on long-term debt					-	-
Solid Waste			1,552,338	1,536,086	1,552,338	1,536,086
Transit			352,092	367,466	352,092	367,466
Total expenses	25,806,226	25,329,704	1,904,430	1,903,552	27,710,656	27,233,256
Increase in net assets before transfers	3,849,911	3,030,899	(1,260,334)	(1,196,792)	2,589,577	1,834,107
Gain (Loss) on sale of capital assets	92,754	51,443	(29,561)	(29,680)	63,193	21,763
Transfers	(1,289,895)	(1,213,368)	1,289,895	1,213,368	-	-
Increase (Decrease) in net assets	2,652,770	1,868,974	-	(13,104)	2,652,770	1,855,870
Net assets, beginning of period	33,253,096	31,384,122	-	13,104	33,253,096	31,397,226
Net assets, end of period	$ 35,905,866	$ 33,253,096	$ -	$ -	$ 35,905,866	$ 33,253,096

Financial Analysis of the Government's Funds

Burke County uses fund accounting to demonstrate compliance with finance-related legal requirements. The County incorporated GASB Statement 54, "Fund Balance Reporting and Governmental Fund Type Definitions", during the fiscal year ended September 30, 2011.

Governmental Funds

The focus of the Government's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Government's financial requirements. In particular, the unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The combined fund balance of all the governmental funds is $6.5 million in 2011 and $3.5 million in 2010, of which $1.7 million in 2011, or 27%, was unassigned and $3 million in 2010, or 85%, was unreserved.

General Fund

The General Fund is the primary operating fund of the Government. At the end of the current fiscal year, unassigned fund balance of the general fund was $3.9 million in 2011 and unreserved fund balance of the general fund was $3.5 million in 2010, while total fund balance was $4.5 million in 2011 and $4 million in 2010. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned (unreserved) fund balance and total fund balance to total fund expenditures and net transfers out. Unassigned fund balance represents 24.1% in 2011 of total General Fund expenditures and net transfers out. Unreserved fund balance represents 21.9% in 2010 of total General Fund expenditures and net transfers out. Total fund balance represents 27.4% in 2011 and 25.2% in 2010 of that same amount.

The fund balance of Burke County's General Fund increased by $502,361 during the fiscal year ended September 30, 2011 and increased by $309,156 during the fiscal year ended September 30, 2010. The key factors in these changes were increased sales tax revenue coupled with consistent efforts to monitor operating expenditures in 2011 and 2010.

Capital Projects Funds

The Government uses Capital Projects Funds to account for the acquisition and construction of major capital facilities that are not financed by Proprietary Funds. A major fund in the fund financial statements is the Special Purpose Local Option Sales Tax II Fund. The proceeds of the special purpose 1% sales tax (SPLOST 2) are accounted for in this Capital Projects Fund until expenditures are incurred. The increase in fund balance in 2011 of $2,259,307 and in 2010 of $1,785,129 was due to the timing difference of collections versus expenditures.

Special Revenue Funds

The Fire Protection Fund, a major special revenue fund, is used by the Government to account for Fire related expenses as well as Emergency Management Agency expenses for the County. Fund balance increased by $120,842 in 2011 and $61,339 in 2010 due primarily to increased ambulance service revenues in 2011 and increased property tax revenues in 2010.

Proprietary Funds

Burke County's proprietary funds provide the same type information found in the government-wide financial statements, but in more detail. Unrestricted net assets of the Solid Waste Fund amounted to $0 for the fiscal years ended September 30, 2011 and 2010, respectively. Unrestricted net assets in the Burke Transit Fund amounted to $0 for the fiscal years ended September 30, 2011 and 2010, respectively. The total growth in net assets in the Solid Waste Fund was $0 in 2011 and 2010. The total increase (decrease) in net assets in the Burke Transit Fund was $0 and ($13,104) for the fiscal years ended September 30, 2011 and 2010, respectively. The decrease in the Burke Transit Fund for 2010 was caused by a reduction in transfers from the General Fund. The Government's internal service funds, Vehicle Maintenance Fund and Facility Maintenance Fund, had unrestricted net assets of zero in 2011 and 2010 and total growth in net assets of zero during 2011 and 2010.

Other factors concerning the finances of these funds have already been addressed in the discussion of Burke County's business-type activities.

General Fund Budgetary Highlights

For 2011, the difference between the original budget and the final amended budget was an increase in local option sales tax of $81,000 and a resulting additional transfer of $81,000 to the solid waste fund for monitoring services. Actual revenues were $24,007 over budget, which are expected results. Actual expenditures were $952,338 under budget (budget basis), primarily the result of continued efforts to reduce costs in the County. We specifically noted a reduction in maintenance costs on Road Department equipment and a reduction in personnel costs at the Sheriff's Office.

For 2010, the major differences between the original budget and the final amended budget were increases in public utility taxes and increases in court related expenditures. Public utility taxes were increased due to an increase in the utility digest. Court related expenditures continue to be a rising cost for the County each year. Actual revenues were $908,863 over budget due primarily to increased sales tax revenues due to major construction projects in the County. Actual expenditures were $458,819 under budget (budget basis), primarily due to hiring freezes in various departments, resulting in lower public safety and highways and streets costs.

Capital Assets and Debt Administration

Burke County's investment in capital assets for its governmental and business-type activities as of September 30, 2011 and 2010 amounted to $31,496,372 and $31,852,712, respectively, (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, infrastructure (roads), and construction in progress.

Major capital asset transactions during 2011 included the following:

- SPLOST-funded portion of road construction in the amount of $963,538
- General fund-funded portion of road construction in the amount of $267,053
- General fund-funded purchase of land in the amount of $184,012
- Purchase of three ambulances in the Fire Fund, of which 64% was funded by grant funds and 36% by the Fire Fund, in the amount of $344,700

Major capital asset transactions during 2010 included the following:

- SPLOST-funded portion of road construction in the amount of $496,405
- General fund-funded portion of road construction in the amount of $429,682
- Grant/local match-funded land purchased for runway extension at airport in the amount of $279,064
- Fire fund-funded purchases of two ambulances and one fire truck in the amount of $440,702

Additional information on Burke County's capital assets can be found in Note 5 to the financial statements of this report.

Burke County's Capital Assets
(net of depreciation)
September 30, 2011 and 2010

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Construction in progress	$ 106,507	$ 54,900	$ -	$ -	$ 106,507	$ 54,900
Land	1,286,011	1,101,999	1,037,752	1,037,752	2,323,763	2,139,751
Buildings	10,643,705	11,013,449	83,171	85,606	10,726,876	11,099,055
Improvements	-	-	48,281	50,617	48,281	50,617
Equipment	2,122,901	1,958,315	657,974	707,388	2,780,875	2,665,703
Infrastructure	15,510,070	15,842,686	-	-	15,510,070	15,842,686
Total	$ 29,669,194	$ 29,971,349	$ 1,827,178	$ 1,881,363	$ 31,496,372	$ 31,852,712

Long-Term Debt

Burke County had a total of $2,209,412 in outstanding long-term debt as of September 30, 2011 and $2,193,726 in outstanding long-term debt as of September 30, 2010. This entire amount is backed by the full faith and credit of the government. Burke County retired no outstanding bonds during the fiscal years ended September 30, 2011 and 2010. There were no bonds issued during 2011 or 2010.

Burke County's Outstanding Debt
General Obligation Bonds and Other Debt
September 30, 2011 and 2010

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Accrued compensated absences	$ 436,877	$ 438,539	$ 16,897	$ 16,931	$ 453,774	$ 455,470
Landfill closure costs	-	-	1,755,638	1,738,256	1,755,638	1,738,256
Total debt	$ 436,877	$ 438,539	$ 1,772,535	$ 1,755,187	$ 2,209,412	$ 2,193,726

The State of Georgia limits the amount of general obligation debt that a unit of government can issue to 10% of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the government is just over $183 million.

Additional information on Burke County's long-term debt can be found in Note 6 of the notes to the financial statements of this report.

Economic Factors and Next Year's Budget

The 2011 Fiscal Year saw a much improved local economy. The property tax digest grew by almost $200 million. Construction at Plant Vogtle for two new nuclear reactors was underway and new training facilities and new housing for workers helped our economy to grow. Other local industries have shown some increase in employment as well.

The Budget for FY 2011 is showing growth in the General Fund of about 4% after several years of decline. This can be accomplished without an increase in the millage rate due to growth in sales tax revenue and growth in the property tax digest. The causes for the increase in spending are related mostly to personnel cost and an increase in the price of fuel. We expect revenues to continue to grow for the next several years as construction at Plant Vogtle continues.

Requests for Information

This financial report is designed to provide a general overview of Burke County's finances for those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the County Administrator, P.O. Box 89, Waynesboro, GA 30830.

BASIC FINANCIAL STATEMENTS

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BURKE COUNTY, GEORGIA
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2011

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Development Authority	Health Department
ASSETS					
Cash and cash equivalents	$ 1,493,012	$ 100	$ 1,493,112	$ 2,212,230	$ 520,178
Investments	4,132,889	-	4,132,889	250,000	405,458
Taxes receivable	1,457,185	-	1,457,185	-	-
Accounts receivable	-	66,566	66,566	350	7,877
Intergovernmental receivables	383,592	-	383,592	-	41,382
Internal balances	43,978	(43,978)	-	-	-
Other receivables	96,326	-	96,326	-	-
Inventory	536,558	-	536,558	2,049,301	-
Other assets	117,803	-	117,803	-	-
Capital assets (net of accumulated depreciation)					
Land	1,286,011	1,037,752	2,323,763	-	-
Construction in progress	106,507	-	106,507	-	-
Buildings and improvements	10,643,705	131,452	10,775,157	104,261	-
Furniture, fixtures, and equipment	2,122,901	657,974	2,780,875	7,472	10,408
Infrastructure	15,510,070	-	15,510,070	-	-
Total assets	$ 37,930,537	$ 1,849,866	$ 39,780,403	$ 4,623,614	$ 985,303
LIABILITIES AND NET ASSETS					
Liabilities					
Accounts payable	$ 698,948	$ 70,343	$ 769,291	$ 13,647	$ 19,047
Accrued liabilities	661,567	6,988	668,555	10,685	270
Intergovernmental payables	223,640	-	223,640	175,781	-
Unearned revenues	3,639	-	3,639	-	994
Noncurrent liabilities					
Due within one year	-	-	-	-	-
Due in more than one year	436,877	1,772,535	2,209,412	-	33,337
Total liabilities	2,024,671	1,849,866	3,874,537	200,113	53,648
Net Assets					
Invested in capital assets	29,669,194	1,827,178	31,496,372	111,733	10,408
Restricted for:					
Health and welfare programs - PYPI	-	-	-	-	153,553
Unrestricted	6,236,672	(1,827,178)	4,409,494	4,311,768	767,694
Total net assets	$ 35,905,866	$ -	$ 35,905,866	$ 4,423,501	$ 931,655

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

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BURKE COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2011

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenue (Expense) and Changes in Net Assets: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units: Development Authority	Component Units: Health Department
Primary government:									
Governmental activities:									
General government	$ 5,574,926	$ 1,178,597	$ 129,348	$ 3,491	$ (4,263,490)	$ -	$ (4,263,490)	$ -	$ -
Public safety	12,422,591	1,563,591	290,673	-	(10,568,327)	-	(10,568,327)	-	-
Culture and recreation	1,309,778	337,389	672	-	(971,717)	-	(971,717)	-	-
Health and welfare	572,881	-	141,850	-	(431,031)	-	(431,031)	-	-
Highways and streets	5,926,050	67,263	39,177	-	(5,819,610)	-	(5,819,610)	-	-
Total governmental activities	25,806,226	3,146,840	601,720	3,491	(22,054,175)	-	(22,054,175)	-	-
Business-type activities:									
Solid Waste	1,552,338	358,922	-	-	-	(1,193,416)	(1,193,416)	-	-
Transit	352,092	121,129	83,868	80,177	-	(66,918)	(66,918)	-	-
Total business-type activities	1,904,430	480,051	83,868	80,177	-	(1,260,334)	(1,260,334)	-	-
Total primary government	$ 27,710,656	$ 3,626,891	$ 685,588	$ 83,668	(22,054,175)	(1,260,334)	(23,314,509)	-	-
Component units:									
Development Authority	$ 422,540	$ 381,418	$ -	$ -	-	-	-	(41,122)	-
Health Department	-	-	-	-	-	-	-	-	(42,326)
Total component units	$ 422,540	$ 381,418	$ -	$ -	-	-	-	(41,122)	(42,326)
General revenues:									
Property tax					14,224,578	-	14,224,578	-	-
Sales tax					9,472,115	-	9,472,115	-	-
Real estate transfer tax					16,103	-	16,103	-	-
Prior year real property tax					671,686	-	671,686	-	-
Intangible tax					61,231	-	61,231	-	-
Timber tax					85,022	-	85,022	-	-
Alcoholic beverage tax					65,853	-	65,853	-	-
Hotel-motel tax					428	-	428	-	-
Insurance premium tax					654,796	-	654,796	-	-
Financial institution tax					34,492	-	34,492	-	-
Mobile home tax					63,159	-	63,159	-	-
Motor vehicle tax					487,753	-	487,753	-	-
Property not on digest					484	-	484	-	-
Railroad tax					21,723	-	21,723	-	-
Interest income					12,746	-	12,746	12,416	9,746
Gain (loss) on sale of capital assets					92,754	(29,561)	63,193	-	-
Cable TV franchise fees					31,917	-	31,917	-	-
Transfers					(1,289,895)	1,289,895	-	-	-
Total general revenues and transfers					24,706,945	1,260,334	25,967,279	12,416	9,746
Change in net assets					2,652,770	-	2,652,770	(28,706)	(32,580)
NET ASSETS, BEGINNING OF YEAR					33,253,096	-	33,253,096	4,452,207	964,235
NET ASSETS, END OF YEAR					$ 35,905,866	$ -	$ 35,905,866	$ 4,423,501	$ 931,655

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

BURKE COUNTY, GEORGIA
BALANCE SHEETS
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2011

	General Fund	Fire Protection Fund	Special Purpose Local Option Sales Tax II Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 1,354,155	$ 100	$ 1,000	$ 137,757	$ 1,493,012
Investments	-	-	4,132,889	-	4,132,889
Taxes receivable	1,045,407	89,932	321,846	-	1,457,185
Intergovernmental receivables	343,319	22,602	-	17,671	383,592
Interfund receivables	2,088,298	-	-	2,987	2,091,285
Other receivables	26,132	-	-	70,194	96,326
Inventory	536,558	-	-	-	536,558
Other assets	117,803	-	-	-	117,803
Total assets	$ 5,511,672	$ 112,634	$ 4,455,735	$ 228,609	$ 10,308,650
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ 326,427	$ 37,045	$ 248,228	$ 15,965	$ 627,665
Accrued liabilities	564,315	82,397	-	4,299	651,011
Intergovernmental payables	-	-	223,640	-	223,640
Interfund payables	-	2,122,347	-	6,800	2,129,147
Deferred revenues	138,798	74,304	-	3,639	216,741
Total liabilities	1,029,540	2,316,093	471,868	30,703	3,848,204
Fund Balances					
Nonspendable	536,558	-	-	-	536,558
Restricted	-	-	3,983,867	197,906	4,181,773
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	3,945,574	(2,203,459)	-	-	1,742,115
Total fund balances	4,482,132	(2,203,459)	3,983,867	197,906	6,460,446
Total liabilities and fund balances	$ 5,511,672	$ 112,634	$ 4,455,735	$ 228,609	$ 10,308,650

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

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BURKE COUNTY, GEORGIA
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
NET ASSETS OF GOVERNMENTAL ACTIVITIES
SEPTEMBER 30, 2011

Total fund balances - governmental funds	$ 6,460,446
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:	
Land	1,286,011
Construction in progress	106,507
Infrastructure	33,836,257
Buildings and improvements	18,376,310
Furniture, fixtures, and equipment	13,236,304
Accumulated depreciation	(37,172,195)
Total capital assets - governmental activities	29,669,195
Some revenues will be collected after year end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds. This balance reflects deferred property tax revenues.	213,102
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These liabilities consist of:	
Accrued compensated absences	(436,877)
Net assets of governmental activities	$ 35,905,866

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

BURKE COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	General Fund	Fire Protection Fund	Special Purpose Local Option Sales Tax II Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	$ 15,558,659	$ 5,300,403	$ 5,571,865	$ 428	$ 26,431,355
Intergovernmental	406,411	241,494	-	230,205	878,110
Charges for services	333,907	1,175,076	-	368,345	1,877,328
Fines and forfeitures	359,079	-	-	93,870	452,949
Licenses and permits	76,638	-	-	-	76,638
Interest	7,870	-	4,182	723	12,775
Donation	-	-	-	5,419	5,419
Miscellaneous	-	-	-	110	110
Other	97,603	39,467	-	110	137,180
Total revenues	16,840,167	6,756,440	5,576,047	699,210	29,871,864
EXPENDITURES					
Current					
General government	4,334,452	-	-	131,252	4,465,704
Public safety	4,289,739	7,559,265	-	493,354	12,342,358
Culture and recreation	1,160,130	-	-	117,749	1,277,879
Health and welfare	483,414	-	-	70,121	553,535
Highways and streets	3,384,156	-	-	-	3,384,156
Capital outlay					
General government	-	-	-	25,957	25,957
Highways and streets	-	-	1,319,052	-	1,319,052
Intergovernmental					
SPLOST proceeds to other governments	-	-	2,264,741	-	2,264,741
Total expenditures	13,651,891	7,559,265	3,583,793	838,433	25,633,382
Excess (deficiency) of revenues over expenditures	3,188,276	(802,825)	1,992,254	(139,223)	4,238,482
OTHER FINANCING SOURCES (USES)					
Transfers in	7,128	923,667	267,053	212,428	1,410,276
Transfers out	(2,693,043)	-	-	(7,128)	(2,700,171)
Total other financing sources (uses)	(2,685,915)	923,667	267,053	205,300	(1,289,895)
NET CHANGE IN FUND BALANCE	502,361	120,842	2,259,307	66,077	2,948,587
FUND BALANCE, BEGINNING OF YEAR	3,979,771	(2,324,301)	1,724,560	131,829	3,511,859
FUND BALANCE, END OF YEAR	$ 4,482,132	$ (2,203,459)	$ 3,983,867	$ 197,906	$ 6,460,446

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

BURKE COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2011

Net change in fund balances - governmental funds	$ 2,948,587
Amounts reported for governmental activities in the statement of activities are different because:	
Capital outlay is reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. For the current year, these amounts were:	
Capital outlay	2,304,021
Depreciation expense	(2,608,175)
Excess of depreciation expense over capital outlay	(304,154)
Because some revenue will not be collected for several months after the County's fiscal year end, they are not considered "available" revenues and are deferred in the governmental funds. Deferred revenues increased by this amount.	6,675
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. Accrued compensated absences decreased by this amount.	1,662
Change in net assets of governmental activities	$ 2,652,770

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

BURKE COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Budgeted Amounts			
	Original Budget	Amended and Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	$ 15,601,460	$ 15,682,460	$ 15,558,659	$ (123,801)
Intergovernmental	265,100	265,100	406,411	141,311
Licenses and permits	107,000	107,000	76,638	(30,362)
Charges for services	311,600	311,600	333,907	22,307
Fines and forfeitures	374,000	374,000	359,079	(14,921)
Interest	25,000	25,000	7,870	(17,130)
Other	51,000	51,000	97,603	46,603
Total revenues	16,735,160	16,816,160	16,840,167	24,007
EXPENDITURES				
General government	4,464,573	4,464,573	4,334,452	(130,121)
Public safety	4,634,964	4,634,964	4,289,739	(345,225)
Culture and recreation	1,250,920	1,250,920	1,160,130	(90,790)
Health and welfare	457,000	457,000	483,414	26,414
Highways and streets	3,796,772	3,796,772	3,384,156	(412,616)
Total expenditures	14,604,229	14,604,229	13,651,891	(952,338)
Excess of revenues over expenditures	2,130,931	2,211,931	3,188,276	976,345
OTHER FINANCING SOURCES (USES)				
Transfers in	1,500	1,500	7,128	5,628
Transfers out	(2,132,431)	(2,213,431)	(2,693,043)	(479,612)
Total other financing uses	(2,130,931)	(2,211,931)	(2,685,915)	(473,984)
CHANGE IN FUND BALANCE	$ -	$ -	502,361	$ 502,361
FUND BALANCE, BEGINNING OF YEAR			3,979,771	
FUND BALANCE, END OF YEAR			$ 4,482,132	

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

BURKE COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FIRE PROTECTION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Budgeted Amounts			
	Original Budget	Amended and Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	$ 5,323,634	$ 5,323,634	$ 5,300,403	$ (23,231)
Intergovernmental	-	219,828	241,494	21,666
Charges for services	1,030,000	1,030,000	1,175,076	145,076
Miscellaneous	1,000	39,643	39,467	(176)
Total revenues	6,354,634	6,613,105	6,756,440	143,335
EXPENDITURES				
Public safety	7,278,301	7,536,772	7,559,265	22,493
Total expenditures	7,278,301	7,536,772	7,559,265	22,493
Deficiency of revenues under expenditures	(923,667)	(923,667)	(802,825)	120,842
OTHER FINANCING SOURCES (USES)				
Transfers in	923,667	923,667	923,667	-
Total other financing sources	923,667	923,667	923,667	-
CHANGE IN FUND BALANCE	$ -	$ -	120,842	$ 120,842
FUND BALANCE, BEGINNING OF YEAR			(2,324,301)	
FUND BALANCE, END OF YEAR			$ (2,203,459)	

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

BURKE COUNTY, GEORGIA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
SEPTEMBER 30, 2011

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Solid Waste Fund	Transit Fund	Total	
ASSETS				
Current assets				
Cash	$ 100	$ -	$ 100	$ -
Accounts receivable	46,168	20,398	66,566	-
Intergovernmental receivables	-	-	-	-
Interfund receivables	177,949	-	177,949	81,839
Total current assets	224,217	20,398	244,615	81,839
Capital assets				
Land	1,037,752	-	1,037,752	-
Improvements	85,587	-	85,587	-
Buildings	97,410	-	97,410	-
Machinery and equipment	785,401	279,313	1,064,714	-
	2,006,150	279,313	2,285,463	-
Less accumulated depreciation	(389,390)	(68,895)	(458,285)	-
Total capital assets, net of accumulated depreciation	1,616,760	210,418	1,827,178	-
Total assets	$ 1,840,977	$ 230,816	$ 2,071,793	$ 81,839
LIABILITIES AND NET ASSETS				
Liabilities				
Current Liabilities				
Accounts payable	$ 70,096	$ 247	$ 70,343	$ 71,283
Accrued wages	4,240	2,748	6,988	10,556
Interfund payables	-	221,927	221,927	-
Total current liabilities	74,336	224,922	299,258	81,839
Long-Term Liabilities				
Accrued vacation	11,003	5,894	16,897	-
Accrued closure and postclosure costs	1,755,638	-	1,755,638	-
Total long-term liabilities	1,766,641	5,894	1,772,535	-
Total liabilities	1,840,977	230,816	2,071,793	81,839
Net Assets				
Invested in capital assets	1,616,760	210,418	1,827,178	-
Unrestricted	(1,616,760)	(210,418)	(1,827,178)	-
Total net assets	-	-	-	-
Total liabilities and net assets	$ 1,840,977	$ 230,816	$ 2,071,793	$ 81,839

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

BURKE COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Solid Waste Fund	Transit Fund	Total	
OPERATING REVENUES				
Charges for services	$ 358,922	$ 121,129	$ 480,051	$ 2,843,343
Operating grants	-	83,868	83,868	-
Total operating revenues	358,922	204,997	563,919	2,843,343
OPERATING EXPENSES				
Personnel services	365,646	204,736	570,382	831,726
Operations	1,111,289	106,999	1,218,288	2,011,617
Depreciation	75,403	40,357	115,760	-
Total operating expenses	1,552,338	352,092	1,904,430	2,843,343
Operating loss	(1,193,416)	(147,095)	(1,340,511)	-
NON-OPERATING REVENUES				
Capital grants	-	80,177	80,177	-
Loss on disposal of capital assets	-	(29,561)	(29,561)	-
Total non-operating revenues	-	50,616	50,616	-
Loss before transfers	(1,193,416)	(96,479)	(1,289,895)	-
TRANSFERS IN				
Transfer in	1,193,416	96,479	1,289,895	-
CHANGE IN NET ASSETS	-	-	-	-
NET ASSETS, BEGINNING OF YEAR	-	-	-	-
NET ASSETS, END OF YEAR	$ -	$ -	$ -	$ -

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

BURKE COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Solid Waste Fund	Transit Fund	Total	
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	$ 341,510	$ 126,953	$ 468,463	$ 2,880,669
Other cash (payments) receipts	-	-	-	-
Operating grants	-	83,868	83,868	
Cash paid to suppliers and others	(1,158,426)	(102,073)	(1,260,499)	(2,050,919)
Cash paid to employees	(364,550)	(205,227)	(569,777)	(829,750)
Net cash used in operating activities	(1,181,466)	(96,479)	(1,277,945)	-
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES				
Transfers in	1,193,416	96,479	1,289,895	-
Net cash provided by noncapital and related financing activities	1,193,416	96,479	1,289,895	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchase of capital assets	(11,950)	-	(11,950)	-
Proceeds from sale of capital assets	-	-	-	-
Net cash used in capital and related financing activities	(11,950)	-	(11,950)	-
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	100	-	100	-
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 100	$ -	$ 100	$ -
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES				
Operating loss	$ (1,193,416)	$ (147,095)	$ (1,340,511)	$ -
Adjustments to reconcile operating loss to net cash used in operating activities:				
Depreciation	75,403	40,357	115,760	-
Changes in assets and liabilities:				
Accounts receivable	(13,012)	991	(12,021)	-
Interfund receivables	(4,400)	5,824	1,424	37,326
Interfund payables	-	3,694	3,694	-
Accounts payable	(64,519)	241	(64,278)	(39,302)
Accrued liabilities	1,096	(491)	605	1,976
Accrued landfill closure and postclosure	17,382	-	17,382	-
Net cash used in operating activities	$ (1,181,466)	$ (96,479)	$ (1,277,945)	$ -
Noncash investing, capital, and financing activities:				
Contributions of capital assets from government	$ -	$ 79,186	$ -	$ -
Loss on contributed assets returned to DOT	-	(29,561)	-	-

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

BURKE COUNTY, GEORGIA
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
SEPTEMBER 30, 2011

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 657,400
Total assets	$ 657,400
LIABILITIES	
Due to others	$ 657,400
Total liabilities	$ 657,400

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Introduction

The financial statements of Burke County, Georgia (the County) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing governmental accounting and financial reporting principles. The County has implemented GASB No. 34, *Basic Financial Statements and Management's Discussion and Analysis – for State and Local Governments* and related standards. These standards provide for significant changes in terminology and presentation for the inclusion of Management's Discussion and Analysis as required supplementary information. The accompanying summary of the County's more significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report.

Basis of accounting

In accordance with GASB No. 34, the basic financial statements consist of the government-wide financial statements, fund financial statements, and notes to the financial statements.

Government-wide statements – The statement of net assets and the statement of activities report information on all of the nonfiduciary activities of the primary government and its component units. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with the program or function of the County's governmental activities. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund financial statements – The fund financial statements provide information about the County's funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented, although the latter is excluded from the government-wide financial statements. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Property taxes, franchise taxes, licenses, interest and special assessments are susceptible to accrual. Sales taxes collected and held by the state at year-end on behalf of the County are also recognized as revenue. Other receipts and taxes become measurable and available when cash is received by the County and are recognized as revenue at that time. Entitlements and shared revenues are recorded at the time of receipt or earlier if susceptible to accrual criteria is met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

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

The accounts of the County are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with financial-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The County reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the County. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, fines and forfeitures, and various other taxes and charges. The primary expenditures are for the general administration, public safety, highways and streets, health and welfare, and culture and recreation.

Fire Protection Fund – This special revenue fund has been established to account for the County's fire protection and emergency management activities.

Special Purpose Local Option Sales Tax II Fund – This capital projects fund was established to account for expenditures on capital improvements made by the County and financed through revenues from a special purpose local option sales tax commencing April 2006.

The County reports the following major enterprise funds:

Solid Waste Fund – The Solid Waste Fund is used to account for the collection and disposal of solid waste.

Transit Fund – This fund is used to account for the operation and costs of Burke County Transit.

The County also reports two internal service funds. The *Vehicle Maintenance Fund* is used to account for operations that provide repairs and maintenance to the County fleet. The *Facilities Maintenance Fund* is used to account for repairs and maintenance to County buildings and facilities. These services are provided to other County departments on a cost-reimbursement basis.

The County has adopted GASB Statement No. 20, Accounting and Financial Reporting of Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting, and has elected to follow GAAP prescribed by GASB and all Financial Accounting Standard Board (FASB) standards issued prior to November 30, 1989. Subsequent to this date, the County accounts for its business-type activities and enterprise funds of the primary government as presented by GASB.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Solid Waste and the Transit Funds are charges to customers for sales and services. Operating expenses for enterprise funds include costs 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.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Additionally, the County reports the following fund types:

Fiduciary Funds – Fiduciary funds are custodial in nature and do not involve the measurement of operating results. Such funds have no equity accounts since all assets are due to individuals or entities at some future time. These funds account for assets held by the County in an agency capacity for individuals and other government units. Fiduciary funds are accounted for on the accrual basis, much like that used for proprietary funds.

Fiduciary funds include all trust funds which account for assets held by the County as a trustee for individuals or other government units.

Component Units
Discretely presented component units are presented in separate columns on the government-wide statement of net assets and statement of activities to emphasize legal separation from the County.

Those discretely presented component units are:

Development Authority of Burke County – The component unit column in the government-wide financial statements includes the financial data of the Development Authority of Burke County. It is reported in a separate column to emphasize that it is legally separate from the County. Governed by County appointment, this entity was created for the purpose of promoting and developing trade, commerce, industry, and employment opportunities in the County. Operations of the Development Authority are subsidized through the General Fund as needed. No separate financial statements are issued for the Development Authority of Burke County.

Burke County Health Department – The component unit column in the government-wide financial statements includes the financial data of the Burke County Health Department. It is reported in a separate column to emphasize that it is legally separate from the County. Governed by a voting majority of board members appointed by the County, this entity receives funding from Burke County. The Health Department has a June 30 year end, and the financial statements included herein are as of and for the year ended June 30, 2011. Separate financial statements have been issued and are available from the Burke County Health Department.

The following component unit has been included in the financial statements as blended a component unit:

Public Library – Governed by County appointment, this entity oversees the Burke County Library that is available to the citizens of Burke County and the general public. No separate financial statements are issued for the Public Library.

Budgets and Budgetary Accounting
The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to September 30, the County administrator submits to the County Board of Commissioners a proposed operating budget for the fiscal year commencing October 1. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted by the County to obtain taxpayer comments.
3. The budget is legally enacted by resolution of the County Board of Commissioners.
4. The County administrator is authorized to transfer the line item amounts within operating departments.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds. Project length budgets are adopted for Capital Project Funds.
6. Budgets for the governmental funds are adopted on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

Budget amounts reflected in the accompanying financial statements represent the original adopted budget and any revisions approved by the County Board of Commissioners. The County Board of Commissioners approves additional appropriations or transfers between departments.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Encumbrances
The County does not employ encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditures are recorded as liabilities on the balance sheet when issued.

Cash and cash equivalents
For purposes of financial statement presentation, the County considers all highly liquid investments with an original maturity of three months or less, or with insignificant early withdrawal penalties, to be cash equivalents. Cash and cash equivalents include amounts in demand deposits and certificates of deposit at September 30, 2011. The County had no deposits with financial institutions that are in excess of the federally insured amounts.

Investments
The County follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools.* Nonparticipating interest-earning investment contracts (investments whose value is not affected by interest rate or other market changes), include money market investments (short-term, highly liquid debt instruments including commercial paper, banker's acceptances and U. S. Treasury and agency obligations), that have a remaining maturity at purchase of one year or less are reported at cost or amortized cost assuming their fair value has not been impacted by changes in the credit worthiness of the issuer or similar factors. All other investments are reported at fair value (the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale).

Local government investment pool – The local government investment pool "Georgia Fund 1", created by O.C.G.A.§36-83-8, is a stable net asset value investment pool that follows Standard and Poor's criteria for AAA rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule 2A-7 of the Investment Company Act of 1940 and is considered to be a 2A-7 like pool. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1.00 per share value). The Office of Treasury and Fiscal Services is the regulatory oversight agency.

Receivables
All receivables are reported at their net realizable value.

Inventories
Inventories consist of expendable supplies held for consumption stated on a first-in, first-out basis. They are reported at cost and are recorded as expenditures at the time the individual inventory items are used.

Prepaid Items
Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

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 County as assets with an initial individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Major outlays for capital assets and improvements are capitalized as the projects are constructed. Interest incurred during the construction phase of proprietary assets is included as part of the capitalized value of the assets constructed. All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

Buildings	20 – 40 years
Furniture, fixtures, and equipment	5 – 10 years
Infrastructure	20 years

Infrastructure acquired prior to June 20, 1980, is not reported.

Compensated Absences
County employees are entitled to certain compensated absences based on their length of employment. County employees may earn vacation time up to a maximum of fifteen (15) days per year, which is vested. As in prior years, compensated absences are liquidated through the General Fund.

Interfund Transactions
During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as interfund receivables and interfund payables on the balance sheet of the fund financial statements and as internal balances on the statement of net assets in the government-wide financial statements. Internal balances are eliminated in the government-wide financial statements.

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursement to a fund for expenditures/expenses initially made on behalf of another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is being reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

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 liabilities are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

Net Assets/Fund Equity - Government-Wide Financial Statements
The GASB has issued Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2010. The following categories of fund balance are now being used in the fund level financial statements of the government funds:

Nonspendable Fund Balance
The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The "not inspendable for" criterion includes items that are not to be converted to cash, for example, inventories and prepaid amount. It also includes the long-term amounts of loans and notes receivable, as well as property acquired for resale.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Restricted Fund Balance
The restricted fund balance classification includes amounts that are either restricted externally by creditors, grantors, contributors, or laws or regulations of other governments or restricted by law through constitutional provisions or enabling legislation.

Committed Fund Balance
The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the County's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the County removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. Committed fund balances also incorporate contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. The County recognizes committed fund balances that have been approved for specific purposes by the County Board of Commissioners before the year end.

Assigned Fund Balance
The assigned fund balance classification includes amounts that are constrained by the County's intent to be used for specific purposes but are not restricted or committed. The authority for making an assignment is not required to be the County's highest level of decision-making authority and as such, the nature of actions necessary to remove or modify an assignment does not require the County's highest level of authority. Assigned fund balance amounts in the County's financial statements represent amounts approved by the County Board of Commissioners to be transferred and spent after year end. In the special revenue fund, assigned fund balances represent amounts to be spent for specific purposes.

Unassigned Fund Balance
The unassigned fund balance classification includes amounts that have not been assigned to other funds and have not been restricted, committed, or assigned for specific purposes within the general fund.

Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these amounts.

NOTE 2 – DEPOSITS AND INVESTMENTS

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

Investments	Maturities	Fair Value	Credit Rating
Primary Government:			
Georgia Fund 1	Average of 47 days WAM	$ 4,132,889	AAAm
Discretely Presented Component Unit - Development Authority of Burke County:			
Certificates of deposit	-	$ 405,458	-

NOTE 2 – DEPOSITS AND INVESTMENTS - Continued

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

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

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

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

NOTE 3 – PROPERTY TAXES

The County's Tax Commissioner bills and collects property taxes, then remits to the County its respective share of property taxes. Property taxes are an enforceable lien on property owned as of January 1. Taxes are typically levied in October and may be paid after receipt of the tax bill. Taxes are considered delinquent 61 days after mailing by the Tax Commissioner. Property tax revenues are recognized when they become measurable and available. Available revenues include those property tax receivables expected to be collected within 60 days.

Property taxes are recorded as receivables when levied. Property taxes receivable, reduced by an allowance for doubtful accounts and amounts collected within 60 days of the statement date (the amount "available"), are recorded as deferred until collected. Such revenue is deferred because it is measurable though not available.

Current year property taxes were levied on December 17, 2010, and due February 20, 2011. A summary of the current year property tax levy is a follows:

	General Fund	Fire Protection Fund
Millage rates		
Unincorporated	6.264	3.562
Incorporated	6.733	3.562
Property tax levy	$ 10,360,908	$ 5,478,263
Property taxes receivable at September 30, 2011	$ 581,712	$ 312,845
Allowance for uncollectible accounts	(416,494)	(222,913)
Net property taxes receivable at September 30, 2011	$ 165,218	$ 89,932
Deferred property tax revenues at September 30, 2011	$ 138,798	$ 74,304

NOTE 4 – PUBLIC UTILITIES TAX

Public Utility taxes accounted for approximately 70% of the current year tax digest.

NOTE 5 – CAPITAL ASSETS

Governmental capital asset activity for the year ended September 30, 2011, was as follows:

	Balance 10/1/2010	Additions	Deletions	Balance 9/30/2011
Capital assets not being depreciated				
Land	$ 1,101,999	$ 184,012	$ -	$ 1,286,011
Construction in progress	54,900	51,607	-	106,507
Total capital assets not being depreciated	1,156,899	235,619	-	1,392,518
Capital assets being depreciated				
Infrastructure	32,784,455	1,051,802	-	33,836,257
Buildings and improvements	18,288,687	87,623	-	18,376,310
Furniture, fixtures, and equipment	12,797,453	930,976	(492,125)	13,236,304
Total capital assets being depreciated	63,870,595	2,070,401	(492,125)	65,448,871
Less accumulated depreciation				
Infrastructure	(16,941,769)	(1,384,418)	-	(18,326,187)
Buildings and improvements	(7,275,238)	(457,367)	-	(7,732,605)
Machinery and equipment	(10,839,138)	(766,390)	492,125	(11,113,403)
Total accumulated depreciation	(35,056,145)	(2,608,175)	492,125	(37,172,195)
Net capital assets being depreciated	28,814,450	(537,774)	-	28,276,676
Governmental activities capital assets - net	$ 29,971,349	$ (302,155)	$ -	$ 29,669,194

Depreciation expense was charged to functions as follows:

General government	$ 270,069
Public safety	576,069
Culture and recreation	142,582
Health and welfare	19,346
Highways and streets	1,600,109
Total depreciation expense - governmental activities	$ 2,608,175

NOTE 5 – CAPITAL ASSETS – Continued

Business-type capital asset activity for the year ended September 30, 2011, was as follows:

	Balance 10/1/2010	Additions	Deletions	Balance 9/30/2011
Capital assets not being depreciated				
Land	$ 1,037,752	$ -	$ -	$ 1,037,752
Capital assets being depreciated				
Buildings	97,410	-	-	97,410
Improvements	85,587	-	-	85,587
Machinery and equipment	978,597	91,135	(5,018)	1,064,714
Total capital assets being depreciated	1,161,594	91,135	(5,018)	1,247,711
Less accumulated depreciation				
Buildings	(11,804)	(2,435)	-	(14,239)
Improvements	(34,970)	(2,336)	-	(37,306)
Machinery and equipment	(271,209)	(110,989)	(24,542)	(406,740)
Total accumulated depreciation	(317,983)	(115,760)	(24,542)	(458,285)
Net capital assets being depreciated	843,611	(24,625)	(29,560)	789,426
Business-type activities capital assets - net	$ 1,881,363	$ (24,625)	$ (29,560)	$ 1,827,178

Depreciation expense was charged as follows:

Solid Waste Fund	$ 75,403
Transit Fund	40,357
Total depreciation expense - business-type activities	$ 115,760

Capital asset activity for Development Authority component unit for the year ended September 30, 2011, was:

	Balance 10/1/2010	Additions	Deletions	Balance 9/30/2011
Capital assets being depreciated				
Buildings and improvements	$ 1,355,643	$ -	$ (163,564)	$ 1,192,079
Machinery and equipment	21,639	-	(3,090)	18,549
Less accumulated depreciation				
Machinery and equipment	(7,986)	(3,091)	-	(11,077)
Buildings	(1,020,710)	(67,108)	-	(1,087,818)
Development Authority capital assets - net	$ 348,586	$ (70,199)	$ (166,654)	$ 111,733

NOTE 5 – CAPITAL ASSETS – Continued

Capital asset activity for Health Department component unit during the year was:

	Balance 7/1/2010	Additions	Deletions	Balance 6/30/2011
Capital assets being depreciated				
Furniture, fixtures, and equipment	$ 156,954	$ 6,450	$ -	$ 163,404
Less accumulated depreciation	(139,447)	(13,549)	-	(152,996)
Health Department capital assets - net	$ 17,507	$ (7,099)	$ -	$ 10,408

NOTE 6 – LONG-TERM DEBT

The following is a summary of long-term liability activity for governmental activities and business type activities for the year ended September 30, 2011:

Governmental Activities	Balance 10/1/2010	Additions	Deletions	Balance 9/30/2011
Accrued compensated absences	$ 438,539	$ 505,624	$ (507,286)	$ 436,877
Total	$ 438,539	$ 505,624	$ (507,286)	$ 436,877
Business-type Activities				
Accrued landfill closure and postclosure costs	$ 1,738,256	$ 32,382	$ (15,000)	$ 1,755,638
Accrued compensated absences	16,931	21,213	(21,247)	16,897
Total	$ 1,755,187	$ 53,595	$ (36,247)	$ 1,772,535

The following is a summary of short term borrowings for governmental activities during the year ended September 30, 2011:

Governmental Activities	Balance 10/1/2010	Additions	Deletions	Balance 9/30/2011
Tax anticipation notes				
Capital City Bank	$ -	$ 3,500,000	$ (3,500,000)	$ -
Regions Bank	-	6,000,000	(6,000,000)	-
Total	$ -	$ 9,500,000	$ (9,500,000)	$ -

NOTE 6 – LONG-TERM DEBT – Continued

The County issued tax anticipation notes on October 12, 2010 in the amount of $3,500,000 at 3.15% and on January 1, 2011 in the amount of $6,000,000 at 1.082%. The proceeds from the short term borrowings were used to meet the cash flow needs of the government until receipt of property tax revenues. Principal and interest were paid on all of the notes prior to September 30, 2011.

The following is a summary of long-term liability activity for discretely presented component units:

Development Authority	10/1/2010	Additions	Deletions	9/30/2011
Industrial Development Revenue Bonds	$ 100,000	$ -	$ (100,000)	$ -
Total	$ 100,000	$ -	$ (100,000)	$ -

Health Department	Balance 7/1/2010	Additions	Deletions	Balance 6/30/2011
Accrued compensated absences	$ 33,436	$ 24,791	$ (24,890)	$ 33,337
Total	$ 33,436	$ 24,791	$ (24,890)	$ 33,337

NOTE 7 – EXCESSES OF EXPENDITURES OVER APPROPRIATIONS IN INDIVIDUAL FUNDS

Excesses of expenditures over appropriations (modified accrual basis budget) for the year ended September 30, 2011, were as follows:

	Budget	Actual	Excess
General Fund			
Administration	$ 453,245	$ 527,010	$ 73,765
Legal Services	32,000	148,249	116,249
Burke Office Park	136,000	143,667	7,667
Risk Management	314,000	325,694	11,694
State Court - Community Service	16,510	22,541	6,031
CSRA Regional Commission	15,500	18,604	3,104
Georgia Forestry Commission	34,000	54,253	20,253
Archives	41,300	55,599	14,299
Burke County Service Center	24,800	31,031	6,231
Interest	22,000	23,003	1,003
Coroner	38,669	42,392	3,723
Health Department	187,000	197,922	10,922
Senior Citizens	266,000	281,492	15,492
Public Library	109,550	117,749	8,199
Fire Fund	7,536,772	7,559,265	22,493

The County funded expenditures in excess of appropriations through accumulated fund balances and transfers.

NOTE 8 – INTERFUND RECEIVABLES, INTERFUND PAYABLES AND TRANSFERS

A summary of interfund receivables and payables as of September 30, 2011, follows. Interfund receivables and payables accounts for loans between funds for cash management purposes. All amounts are expected to be paid within one year.

Receivable Fund	Payable Fund	
General Fund	Fire Protection	$ 2,122,347
General Fund	Large Grants Fund	6,800
General Fund	Transit	221,926
Small Grants Fund	General Fund	2,987
Solid Waste	General Fund	177,949
Vehicle Maintenance	General Fund	51,980
Facility Maintenance	General Fund	29,859
Total		$ 2,613,848

A summary of transfers for the year ended September 30, 2011 is as follows:

Transfers between funds were routine and primarily to support the operation of the funds receiving transfers.

Funds	Transfers In	Transfers Out
General Fund	$ 7,128	$ 2,693,043
Fire Protection	923,667	-
SPLOST II	267,053	-
Other Governmental Funds	212,428	7,128
Solid Waste	1,193,416	-
Transit	96,479	-
Total Interfund Payable	$ 2,700,171	$ 2,700,171

NOTE 9 – RETIREMENT PLAN

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

Complete financial statements of the Association County Commissioners of Georgia can be obtained at the following:

Association County Commissioners of Georgia Pension Plan
1100 Circle 75 Parkway, Suite 300
Atlanta, Georgia, 30339

The specific benefit provisions of the County's plan were established by an adoption agreement executed by the County Board of Commissioners. The Plan provides benefits upon retirement, disability, death, and termination of employment, if certain eligibility conditions are met.

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

All full-time County employees are eligible to participate in the Plan after reaching age 21 and completing at least one year of service.

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

Retirees and beneficiaries	39
Deferred vested (former employees)	99
Active participants	297
Disable in Pay Status	9
Total	444
Covered compensation	$10,834,344

Normal retirement age is 65. At that time, an employee is entitled to a lifetime pension equal to 1.20% of average annual compensation multiplied by the years of service (maximum of 40 years) plus .75% of average annual compensation in excess of $10,000 multiplied by years of service (maximum 35 years). The .75% is reduced to .70% for employees born after 1937 and reduced to .65% for employees born after 1954. Average annual compensation is defined as the highest average compensation over three consecutive plan years during the 10 plan years preceding retirement or termination. An employee becomes 100% vested after completing five years of service. These benefit provisions and all other requirements, including amendments or termination, are established by County ordinance.

The Plan's financial statements are prepared on an accrual basis, modified to include unrealized gains or losses on marketable securities owned by the Plan and incremental changes in the cash value of pre-retirement life insurance policies owned by the trust. County contributions are recognized when due and the County has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable.

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

NOTE 9 – RETIREMENT PLAN – Continued

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

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

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

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

The following is an analysis of pension plan funding progress:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	(Funded) Unfunded (AAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	(Funded) Unfunded AAL as a Percentage of of Covered Payroll (b-a)(c)
9/30/2000	5,797,021	5,940,785	143,764	97.6 %	6,348,596	2.3 %
9/30/2001	4,817,039	7,937,691	3,120,652	60.7 %	6,748,359	46.2 %
9/30/2002	5,094,589	10,852,079	5,757,490	46.9 %	7,096,528	81.1 %
9/30/2003	5,572,860	8,190,871	2,618,011	68.0 %	6,928,416	37.8 %
12/31/2003	6,316,218	8,422,273	2,106,055	75.0 %	6,928,416	30.4 %
12/31/2004	7,369,428	9,828,856	2,459,428	75.0 %	7,486,796	32.9 %
12/31/2005	8,211,736	12,021,118	3,809,382	68.3 %	8,502,260	44.8 %
12/31/2006	9,517,535	12,370,946	2,853,411	76.9 %	8,547,413	33.4 %
12/31/2007	10,693,254	14,010,196	3,316,942	76.3 %	9,464,263	35.0 %
12/31/2008	10,818,776	15,499,018	4,680,242	69.8 %	10,019,734	46.7 %
12/31/2009	11,756,495	16,751,504	4,995,009	70.2 %	10,462,668	47.7 %
12/31/2010	12,522,052	17,144,131	4,622,079	70.0 %	10,835,612	47.7 %

NOTE 9 – RETIREMENT PLAN – Continued

The following schedule shows actuarial present value of accumulated plan benefits as of January 1, 2011, the most recent actuarial report available:

Vested:	
Retirees (and others in pay status)	$ 3,721,045
Deferred vested (former employees)	1,671,021
Vested active participants	9,516,134
Total	14,908,200
Non-vested	974,068
Total	15,882,268
Effect of future salary increases	1,261,863
Total actuarial accrued liability	$ 17,144,131
Net assets available for benefits (including receivables)	$ 12,364,879
Deficit of net assets in excess of actuarial present value of accumulated plan benefits	$ (3,517,389)
Principal Actuarial Assumptions	
Investment return	7.75%
Rate of future salary increases (not applicable to accumulated plan benefit calculations)	3-5.5%

The County has made contributions to the Plan as shown below. Employees do not contribute to the plan.

Plan Year Ended	Annual Required Contribution	Percentage Contributed
September 30, 2001	$ 652,000	100.0%
September 30, 2002	683,913	100.0%
September 30, 2003	783,799	100.0%
December 31, 2003	192,748	100.0%
December 31, 2004	894,264	76.6%
December 31, 2005	901,998	83.9%
December 31, 2006	911,807	90.0%
December 31, 2007	996,448	85.4%
December 31, 2008	1,076,132	84.4%
December 31, 2009	1,185,666	69.5%

NOTE 9 – RETIREMENT PLAN – Continued

The Plan information presented was determined as part of the actuarial valuation as of January 1, 2011. The following summarizes the actuarial methods and assumptions used in that valuation:

Current Valuation Date	January 1, 2011
Annual Return on Invested Plan Assets	7.75%
Projected Annual Salary Increases	3.0-5.5% based on age
Expected Annual Inflation	3.0%
Actuarial Value of Assets	Market Value
Actuarial Funding Method	Projected Unit Cost
Amortization Method	Level Percent of Pay (Closed)
Remaining Amortization Period	9

Contributions of $954,964, $971,358 and $937,475 were made for fiscal years ending 9/30/2011, 9/30/2010 and 9/30/2009 respectively.

NOTE 10 – CLOSURE AND POSTCLOSURE CARE COSTS

State and Federal laws and regulations require that the County perform certain maintenance and monitoring functions at its landfill site for thirty years after closure which occurred in 1999. In addition to operating expenditures related to current activities of the landfill, a liability is being recognized based on the future postclosure care costs that will be incurred in the next 20 years. The estimated liability for landfill postclosure care costs, which is recorded in the Solid Waste Enterprise Fund, has a balance of $1,755,638 as of September 30, 2011. This is based on 100% usage (filled) of the landfill. During 1998, the landfill reached full capacity. The estimated total current cost of the landfill postclosure care is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of September 30, 2011. However, the actual cost of postclosure may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

The County expects to finance the costs for the estimated landfill postclosure care costs as they become due during the coming twenty years through the regular operations of the County. Current year postclosure costs totaled $15,000.

NOTE 11 – JOINT VENTURE

Under Georgia law, the County, in conjunction with the thirteen counties and forty one cities in east Georgia known as the Central Savannah River Area (CSRA), is a member of the CSRA Regional Commission (CSRA RC). The CSRA RC is a public organization that assists local governments in planning for common needs, cooperating for mutual benefit, and coordinating for sound regional development. The operations are mainly financed by membership dues and financial assistance provided by the State of Georgia. Membership in the CSRA RC is required by the Official Code of Georgia Annotated (O.C.G.A,) §58-8-34 with annual dues based on a per capita amount. During the year ended September 30, 2011, the County paid $14,852 in such dues, which was based on a per capita amount of $.55. The CSRA RC Board membership is composed of one County official, one city official, and one private sector individual from each county. O.C.G.A. §58-8-39.1 provides that the County is liable for any debts or obligations of the CSRA RC. The Comprehensive Annual Financial Report of the CSRA RC may be obtained from:

CSRA Regional Commission
3023 River Watch Parkway, Suite A
Augusta, GA 30907

NOTE 12 – HOTEL/MOTEL LODGING TAX

The County has levied a 5% lodging tax. A summary of the transactions for the year ended September 30, 2011, follows:

Lodging tax receipts	$ 428
Funds transferred to General Fund during the period on promotion of tourism	(428)
Balance of lodging tax funds on hand at September 30, 2011	$ -

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; and natural disasters. The County maintains commercial insurance coverage covering those risks of loss. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. An excess coverage insurance policy covers individual claims. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. As of September 30, 2011, the County had recorded no liability for claims. The County is covered by commercial insurance.

The County has joined together with other municipalities in the state as part of the ACCG Group Self-Insurance Workers Compensation Fund (ACCG-GSIWCF), a public entity risk pool currently operating as a common risk management and insurance program for member local governments. As part of this risk pool, the County is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agent and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss.

The County is also to allow the pool's agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

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

As a participant in the ACCG-GSIWCF that also provides claims administration and loss control services, the County has a $200,000 loss retention. This program is accounted for in the General Fund.

Changes in the balances of worker's compensation claims through September 30, 2011, are as follows:

Unpaid claims, beginning of fiscal year	$ 747,190
Incurred claims	365,727
Claim payments	(486,166)
Adjustments	(185,836)
Unpaid claims, September 30, 2011	$ 440,915

NOTE 14 – COMMITMENTS AND CONTINGENCIES

The County is party to various legal proceedings in the normal course of governmental operations. It is the opinion of the County's management and legal counsel that these legal proceedings are not likely to have a material, adverse impact on the financial condition of the County.

NOTE 15 – DEFICIT IN FUND EQUITY

The Fire Protection Fund and Other Capital Projects Fund had deficit fund balances of $2,324,301 and $212,852 as of September 30, 2011. The deficit will be funded through future operations and transfers from the General Fund, as needed.

NOTE 16 - DEFERRED/UNEARNED REVENUES

The balances of deferred revenues in the fund financial statements (including both deferred and unearned amounts) and unearned revenues in the Statement of Net Assets as of September 30, 2011, are comprised of the following:

	Deferred Revenue	Unearned Revenue
Taxes receivable and unavailable to General Fund as of year end	$ 138,798	$ -
Taxes receivable and unavailable to Fire Protection Fund as of year end	74,304	-
Grant revenue received in advance of year end and unspent	-	3,639
Total	$ 213,102	$ 3,639

NOTE 17 – SUSBSEQUENT EVENTS

In preparing the financial statements, the County has evaluated events and transactions for potential recognition or disclosure through March 16, 2012, the date the financial statements were available to be issued.

INDIVIDUAL AND COMBINING FUND STATEMENTS

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GENERAL FUND

The General Fund is used to account for all of the County's financial resources except those resources that must be accounted for in a special purpose fund. Current inflows are typically from revenue sources such as property taxes, fines, and penalties. Current outflows are generally related to the provision of various governmental services such as health and welfare, public safety, and general governmental administration.

BURKE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Original Budget	Amended and Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes				
Ad valorem taxes	$ 2,567,235	$ 2,567,235	$ 2,322,763	$ (244,472)
Commissions	536,000	536,000	571,935	35,935
Penalties and interest	170,000	170,000	194,934	24,934
Real estate transfer tax	30,000	30,000	16,103	(13,897)
Alcoholic beverage tax	65,000	65,000	65,853	853
Mobile home taxes	48,000	48,000	40,665	(7,335)
Financial institution tax	36,000	36,000	34,492	(1,508)
Motor vehicle taxes	309,000	309,000	333,434	24,434
Intangible tax	60,000	60,000	61,231	1,231
Public utilities tax	7,190,225	7,190,225	6,828,486	(361,739)
Railroad tax	13,000	13,000	14,607	1,607
Timber tax	57,000	57,000	54,314	(2,686)
Property not on digest	-	-	317	317
Local option sales tax	3,700,000	3,781,000	3,900,250	119,250
Prior year real property taxes	120,000	120,000	464,479	344,479
Insurance premium tax	700,000	700,000	654,796	(45,204)
Total taxes	15,601,460	15,682,460	15,558,659	(123,801)
Intergovernmental				
Natural Resources Conservation Service	12,600	12,600	12,500	(100)
Indigent defense grant	12,000	12,000	8,789	(3,211)
Juvenile Judge grant	21,500	21,500	21,500	-
Federal Grant - Senior Citizens	115,000	115,000	113,483	(1,517)
State Grant - Senior Citizens	5,000	5,000	5,477	477
U.S. Treasury payment in lieu of taxes	19,000	19,000	19,451	451
Forest Land Protection Act	-	-	27,708	27,708
Inmate housing	80,000	80,000	197,503	117,503
Total intergovernmental	265,100	265,100	406,411	141,311
Licenses and Permits				
Beer and wine licenses	7,000	7,000	9,375	2,375
Building permits	100,000	100,000	67,263	(32,737)
Total licenses and permits	107,000	107,000	76,638	(30,362)

BURKE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET TO ACTUAL- continued
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Original Budget	Amended and Final Budget	Actual	Variance Over (Under)
REVENUES - Continued				
Fines and Forfeitures				
Superior Court fees and fines	$ 43,000	$ 43,000	$ 39,425	$ (3,575)
Magistrate Court fees and fines	70,000	70,000	80,267	10,267
Juvenile fines	1,000	1,000	156	(844)
State Court fees and fines	260,000	260,000	239,231	(20,769)
Total fines and forfeitures	374,000	374,000	359,079	(14,921)
Charges for Services				
Court fees and costs	44,000	44,000	43,198	(802)
Special police services	25,000	25,000	26,094	1,094
Probate Court fees	25,000	25,000	36,837	11,837
Cable television franchise fees	25,000	25,000	31,917	6,917
Tag collection fees	30,000	30,000	28,794	(1,206)
Recreation	98,400	98,400	109,608	11,208
Public safety fees	700	700	-	(700)
Fingerprinting fees	3,500	3,500	2,570	(930)
Recording fees	60,000	60,000	54,889	(5,111)
Total charges for services	311,600	311,600	333,907	22,307
Interest				
Interest on investments	25,000	25,000	7,870	(17,130)
Other				
Map sales	1,000	1,000	1,696	696
Qualifying fees	-	-	2,481	2,481
Donations	-	-	672	672
Miscellaneous revenue	50,000	50,000	51,504	1,504
Sale of assets	-	-	41,250	41,250
Total other	51,000	51,000	97,603	46,603
Total revenues	16,735,160	16,816,160	16,840,167	24,007

BURKE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL – Continued
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Original Budget	Amended and Final Budget	Actual	Variance Over (Under)
EXPENDITURES				
General Government				
Administration	$ 453,245	$ 453,245	$ 527,010	$ 73,765
Legal Services	32,000	32,000	148,249	116,249
County Commissioners	59,280	59,280	55,151	(4,129)
Data Processing	40,000	40,000	26,156	(13,844)
Audit Fees	34,000	34,000	33,500	(500)
Burke Office Park	136,000	136,000	143,667	7,667
Clerk of Court	409,026	409,026	391,195	(17,831)
County Agent	110,967	110,967	98,821	(12,146)
Probate Court	131,340	131,340	127,421	(3,919)
Risk Management	314,000	314,000	325,694	11,694
State Court	162,060	162,060	156,359	(5,701)
State Court - Judge	37,902	37,902	37,548	(354)
State Court - Community Service	16,510	16,510	22,541	6,031
Superior Court	499,765	499,765	338,053	(161,712)
Juvenile Court	135,605	135,605	93,533	(42,072)
Indigent Legal Defense	30,000	30,000	30,000	-
Board of Equalization	8,200	8,200	4,104	(4,096)
Tax Assessor	345,163	345,163	344,863	(300)
Tax Commissioner	386,644	386,644	372,196	(14,448)
Board of Elections	207,460	207,460	183,142	(24,318)
Planning Commission	249,450	249,450	200,426	(49,024)
CSRA Regional Commission	15,500	15,500	18,604	3,104
Georgia Forestry Commission	34,000	34,000	54,253	20,253
Magistrate Court	312,798	312,798	293,793	(19,005)
District Attorney	170,000	170,000	158,753	(11,247)
Airport	18,300	18,300	13,163	(5,137)
Archives	41,300	41,300	55,599	14,299
Soil Conservation	27,258	27,258	26,624	(634)
Burke County Service Center	24,800	24,800	31,031	6,231
Interest	22,000	22,000	23,003	1,003
Total general government	4,464,573	4,464,573	4,334,452	(130,121)
Public Safety				
Sheriff	2,481,656	2,481,656	2,209,756	(271,900)
Coroner	38,669	38,669	42,392	3,723
County Jail	2,109,639	2,109,639	2,032,651	(76,988)
Animal Control	5,000	5,000	4,940	(60)
Total public safety	4,634,964	4,634,964	4,289,739	(345,225)

BURKE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL – Continued
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Original Budget	Amended and Final Budget	Actual	Variance Over (Under)
EXPENDITURES - Continued				
Culture and Recreation				
Library	$ 336,515	$ 336,515	$ 334,071	$ (2,444)
Recreation	885,205	885,205	801,698	(83,507)
Museum	11,200	11,200	6,361	(4,839)
Burke County Chamber of Commerce	18,000	18,000	18,000	-
Total culture and recreation	1,250,920	1,250,920	1,160,130	(90,790)
Health and Welfare				
Welfare	4,000	4,000	4,000	-
Health Department	187,000	187,000	197,922	10,922
Senior Citizens	266,000	266,000	281,492	15,492
Total health and welfare	457,000	457,000	483,414	26,414
Highways and Streets				
Road Department	3,796,772	3,796,772	3,384,156	(412,616)
Total highways and streets	3,796,772	3,796,772	3,384,156	(412,616)
Total expenditures	14,604,229	14,604,229	13,651,891	(952,338)
Excess of revenues over expenditures	2,130,931	2,211,931	3,188,276	976,345
OTHER FINANCING SOURCES (USES)				
Transfers in	1,500	1,500	7,128	5,628
Transfers out	(2,132,431)	(2,213,431)	(2,693,043)	(479,612)
Total other financing uses	(2,130,931)	(2,211,931)	(2,685,915)	(473,984)
CHANGE IN NET ASSETS	$ -	$ -	$ 502,361	$ 502,361

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BURKE COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for proceeds from specific revenue sources which are legally restricted to expenditures for specific purposes.

Law Library Fund – This fund is used to account for the revenues and expenditures associated with the law library of Burke County, which is available for public use.

Drug Enforcement Fund – This fund was established by the State of Georgia and is used to account for revenues and expenditures associated with the DARE program.

Drug Treatment and Education Fund – This fund was established by the State of Georgia and is used to account for revenues and expenditures associated with drug abuse treatment and education programs relating to controlled substances.

Public Library Fund – This fund is used to account for revenues and expenditures associated with the Burke County Library, which is available for public use.

Small Grants Fund – This fund is used to account for grant revenues not accounted for in another fund.

Large Grants Fund - This fund is used to account for larger grant revenues.

Hotel-Motel Fund – This fund is used to account for tax to be used for tourism-related purposes.

Emergency Telephone System Fund – This fund is used to account for collection of 911 phone surcharges used for operation and maintenance of the 911 phone system.

Jail Surcharge Fund – This fund is used to account for collection of fines that are to be used for jail maintenance and improvements.

Victims Assistance Fund – This fund is used to account for collection of fines that are to be used to assist Burke County residents who are the victim of violent crimes.

CAPITAL PROJECTS FUND

Other Capital Projects - this fund is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds, trust funds and SPLOST SALES TAX II fund.

BURKE COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Special Revenue Funds										Capital Projects Fund
	Law Library	Drug Enforcement	Drug Treatment & Education	Public Library	Small Grants	Large Grants	Hotel Motel Taxes	Emergency Telephone System	Jail Surcharge	Victims Assistance	Other Capital Projects
ASSETS											
Cash and cash equivalents	$ 14,944	$ 6,365	$ 1,813	$ 16,482	$ -	$ 1,000	$ -	$ 62,036	$ 32,069	$ 3,048	$ -
Other receivables	-	-	1,119	-	1,791		-	67,284	-	-	-
Interfund receivables	-	-	-	-	2,987	-	-	-	-	-	-
Intergovernmental receivables	-	-	-	-	-	14,028	-	-	1,804	1,839	-
Total assets	$ 14,944	$ 6,365	$ 2,932	$ 16,482	$ 4,778	$ 15,028	$ -	$ 129,320	$ 33,873	$ 4,887	$ -
LIABILITIES AND FUND BALANCES											
Liabilities											
Accounts payable	$ -	$ -	$ -	$ -	$ 1,139	$ 8,228	$ -	$ 6,598	$ -	$ -	$ -
Interfund payables	-	-	-	-	-	6,800	-	-	-	-	-
Accrued liabilities	-	-	-	-	-		-	4,299	-	-	-
Deferred revenue	-	-	-	-	3,639	-	-	-	-	-	-
Total liabilities	-	-	-	-	4,778	15,028	-	10,897	-	-	-
Fund Balance											
Committed	14,944	6,365	2,932	16,482	-	-	-	118,423	33,873	4,887	-
Total fund balance	14,944	6,365	2,932	16,482	-	-	-	118,423	33,873	4,887	-
Total liabilities and fund balances	$ 14,944	$ 6,365	$ 2,932	$ 16,482	$ 4,778	$ 15,028	$ -	$ 129,320	$ 33,873	$ 4,887	$ -

BURKE COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Special Revenue Funds										Capital Projects Fund
	Law Library	Drug Enforcement	Drug Treatment & Education	Public Library	Small Grants	Large Grants	Hotel Motel Taxes	Emergency Telephone System	Jail Surcharge	Victims Assistance	Other Capital Projects
REVENUES											
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ 428	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	90,446	113,878	22,890	-	-	-	-	2,991
Charges for services	-	-	-	5,924	-	-	-	362,421	-	-	-
Fines and forfeitures	10,187	10,691	10,099	11,369	-	-	-	-	30,356	21,168	-
Donation	-	-	-	2,800	2,119	-	-	-	-	-	500
Interest	-	18	43	29	-	-	-	603	27	3	-
Miscellaneous	-	-	-	110	-	-	-	-	-	-	-
Other	-	-	-	110	-	-	-	-	-	-	-
Total revenues	10,187	10,709	10,142	110,788	115,997	22,890	428	363,024	30,383	21,171	3,491
EXPENDITURES											
Current											
General government	15,895	-	-	-	115,357		-	-	-	-	-
Public safety	-	23,550	-	-	-		-	459,961	9,843	-	-
Cultural and recreation	-	-	-	117,749	-		-	-	-	-	-
Health and welfare	-	-	47,321	-	-		-	-	-	22,800	-
Capital outlay											-
General government	-	-	-	-	-	22,890	-	-	-	-	3,067
Total expenditures	15,895	23,550	47,321	117,749	115,357	22,890	-	459,961	9,843	22,800	3,067
Excess (deficiency) of revenues over expenditures	(5,708)	(12,841)	(37,179)	(6,961)	640	-	428	(96,937)	20,540	(1,629)	424
OTHER FINANCING SOURCES (USES)											
Transfers in (out)	-	-	-	-	(6,700)	-	(428)	-	-	-	212,428
Total other financing sources (uses)	-	-	-	-	(6,700)	-	(428)	-	-	-	212,428
NET CHANGE IN FUND BALANCE	(5,708)	(12,841)	(37,179)	(6,961)	(6,060)	-	-	(96,937)	20,540	(1,629)	212,852
FUND BALANCE, BEGINNING OF YEAR	20,652	19,206	40,111	23,443	6,060	-	-	215,360	13,333	6,516	(212,852)
FUND BALANCE, END OF YEAR	$ 14,944	$ 6,365	$ 2,932	$ 16,482	$ -	$ -	$ -	$ 118,423	$ 33,873	$ 4,887	$ -

BURKE COUNTY, GEORGIA
LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Original Budget	Amended and Final	Actual	Variance Over (Under)
REVENUES				
Fines & forfeitures	$ 40,000	$ 40,000	$ 10,187	$ (29,813)
Total revenues	40,000	40,000	10,187	(29,813)
EXPENDITURES				
General Government	40,000	40,000	15,895	(24,105)
Total expenditures	40,000	40,000	15,895	(24,105)
NET CHANGE IN FUND BALANCE	$ -	$ -	(5,708)	$ (5,708)
FUND BALANCE, BEGINNING OF YEAR			20,652	
FUND BALANCE, END OF YEAR			$ 14,944	

BURKE COUNTY, GEORGIA
HOTEL – MOTEL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Original Budget	Amended and Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes	$ 1,200	$ 1,200	$ 428	$ (772)
Total revenues	1,200	1,200	428	(772)
EXPENDITURES				
General Government	-	-	-	-
Total expenditures	-	-	-	-
Excess of revenues over expenditures	1,200	1,200	428	(772)
OTHER FINANCING USES				
Transfers out	(1,200)	(1,200)	(428)	772
NET CHANGE IN FUND BALANCE	$ -	$ -	-	$ -
FUND BALANCE, BEGINNING OF YEAR			-	
FUND BALANCE, END OF YEAR			$ -	

BURKE COUNTY, GEORGIA
DRUG ENFORCEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Original Budget	Amended and Final Budget	Actual	Variance Over (Under)
REVENUES				
Fines and forfeitures	$ -	$ 10,600	$ 10,691	$ 91
Interest	20	20	18	(2)
Total revenues	20	10,620	10,709	89
EXPENDITURES				
Public safety	19,020	29,620	23,550	(6,070)
Total expenditures	19,020	29,620	23,550	(6,070)
NET CHANGE IN FUND BALANCE	$ (19,000)	$ (19,000)	(12,841)	$ 6,159
FUND BALANCE, BEGINNING OF YEAR			19,206	
FUND BALANCE, END OF YEAR			$ 6,365	

BURKE COUNTY, GEORGIA
DRUG TREATMENT AND EDUCATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Original Budget	Amended and Final Budget	Actual	Variance Over (Under)
REVENUES				
Fines and forfeitures	$ 12,000	$ 12,000	$ 10,099	$ (1,901)
Interest	200	200	43	(157)
Miscellaneous	-	-	-	-
Total revenues	12,200	12,200	10,142	(2,058)
EXPENDITURES				
Welfare	79,200	79,200	47,321	(31,879)
Total expenditures	79,200	79,200	47,321	(31,879)
NET CHANGE IN FUND BALANCE	$ (67,000)	$ (67,000)	(37,179)	$ 29,821
FUND BALANCE, BEGINNING OF YEAR			40,111	
FUND BALANCE, END OF YEAR			$ 2,932	

BURKE COUNTY, GEORGIA
PUBLIC LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Original Budget	Amended and Final Budget	Actual	Variance Over (Under)
REVENUES				
Intergovernmental	$ 92,700	$ 92,700	$ 90,446	$ (2,254)
Charges for services	8,250	8,250	5,924	(2,326)
Fines and forfeitures	13,150	13,150	11,369	(1,781)
Donation	1,000	1,000	2,800	1,800
Interest	100	100	29	(71)
Miscellaneous	-	-	110	110
Other	1,000	1,000	110	(890)
Total revenues	116,200	116,200	110,788	(5,412)
			110,788	
EXPENDITURES			-	
Culture and recreation	109,550	109,550	117,749	8,199
Total expenditures	109,550	109,550	117,749	8,199
NET CHANGE IN FUND BALANCE	$ 6,650	$ 6,650	(6,961)	$ (13,611)
FUND BALANCE, BEGINNING OF YEAR			23,443	
FUND BALANCE, END OF YEAR			$ 16,482	

BURKE COUNTY, GEORGIA
SMALL GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Original Budget	Amended and Final Budget	Actual	Variance Over (Under)
REVENUES				
Intergovernmental	$ 86,632	$ 135,832	$ 113,878	$ (21,954)
Donations	2,500	2,500	2,119	(381)
Miscellaneous	-	-	-	-
Total revenues	89,132	138,332	115,997	(22,335)
EXPENDITURES				
General government	89,132	138,332	115,357	(22,975)
Total expenditures	89,132	138,332	115,357	(22,975)
Deficiency in revenues under expenditures	-	-	640	640
OTHER FINANCING USES				
Transfers out	-	-	(6,700)	(6,700)
Total other financing sources	-	-	(6,700)	(6,700)
NET CHANGE IN FUND BALANCE	$ -	$ -	(6,060)	$ (6,060)
FUND BALANCE, BEGINNING OF YEAR			6,060	
FUND BALANCE, END OF YEAR			$ -	

BURKE COUNTY, GEORGIA
EMERGENCY TELEPHONE SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Original Budget	Amended and Final Budget	Actual	Variance Over (Under)
REVENUES				
Charges for services	$ 380,000	$ 380,000	$ 362,421	$ (17,579)
Interest	300	300	603	303
Total revenues	380,300	380,300	363,024	(17,276)
EXPENDITURES				
Public Safety	580,300	580,300	459,961	(120,339)
Total expenditures	580,300	580,300	459,961	(120,339)
NET CHANGE IN FUND BALANCE	(200,000)	(200,000)	(96,937)	103,063
FUND BALANCE, BEGINNING OF YEAR			215,360	
FUND BALANCE, END OF YEAR			$ 118,423	

BURKE COUNTY, GEORGIA
JAIL SURCHARGE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Original Budget	Amended and Final Budget	Actual	Variance Over (Under)
REVENUES				
Fines and forfeitures	$ 30,000	$ 30,000	$ 30,356	$ 356
Interest	60	60	27	(33)
Total revenues	30,060	30,060	30,383	323
EXPENDITURES				
Public safety	40,060	40,060	9,843	(30,217)
Total expenditures	40,060	40,060	9,843	(30,217)
NET CHANGE IN FUND BALANCE	$ (10,000)	$ (10,000)	20,540	$ 30,540
FUND BALANCE, BEGINNING OF YEAR			13,333	
FUND BALANCE, END OF YEAR			$ 33,873	

BURKE COUNTY, GEORGIA
VICTIM'S ASSISTANCE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Original Budget	Amended and Final Budget	Actual	Variance Over (Under)
REVENUES				
Additional penalty	$ 20,000	$ 20,000	$ 21,168	$ 1,168
Interest	-	-	3	3
Total revenues	20,000	20,000	21,171	1,171
EXPENDITURES				
Payments to other agencies	27,000	27,000	22,800	(4,200)
Total expenditures	27,000	27,000	22,800	(4,200)
NET CHANGE IN FUND BALANCE	$ (7,000)	$ (7,000)	(1,629)	$ 5,371
FUND BALANCE, BEGINNING OF YEAR			6,516	
FUND BALANCE, END OF YEAR			$ 4,887	

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INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the government on a cost reimbursement basis.

Vehicle Maintenance Fund – This fund is used to account for maintenance costs of County vehicles.

Facilities Maintenance Fund – This fund is used to account for allocation of costs associated with operations and maintenance of County buildings.

BURKE COUNTY, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
SEPTEMBER 30, 2011

	Vehicle Maintenance	Facilities Maintenance	Total
ASSETS			
Interfund receivables	$ 51,980	$ 29,859	$ 81,839
Total assets	$ 51,980	$ 29,859	$ 81,839
LIABILITIES AND NET ASSETS			
Liabilities			
Accounts payable	$ 45,063	$ 26,220	$ 71,283
Accrued wages	6,917	3,639	10,556
Total liabilities	51,980	29,859	81,839
Net Assets			
Total net assets	-	-	-
Total liabilities and net assets	$ 51,980	$ 29,859	$ 81,839

BURKE COUNTY, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Vehicle Maintenance	Facilities Maintenance	Total
OPERATING REVENUES			
Charges for services	$ 2,189,130	$ 654,213	$ 2,843,343
OPERATING EXPENSES			
Personnel services	543,981	287,745	831,726
Operations	1,645,149	366,468	2,011,617
Total operating expenses	2,189,130	654,213	2,843,343
CHANGE IN NET ASSETS	-	-	-
FUND BALANCE, BEGINNING OF YEAR	-	-	-
FUND BALANCE, END OF YEAR	$ -	$ -	$ -

BURKE COUNTY, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Vehicle Maintenance	Facilities Maintenance	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from internal services provided	$ 2,227,678	$ 652,991	$ 2,880,669
Cash paid to suppliers and others	(1,684,989)	(365,930)	(2,050,919)
Cash paid to employees	(542,689)	(287,061)	(829,750)
Total cash provided by (used in) operating activities	-	-	-
NET CHANGE IN CASH AND CASH EQUIVALENTS	-	-	-
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	-	-	-
CASH AND CASH EQUIVALENTS, END OF YEAR	$ -	$ -	$ -
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating income	$ -	$ -	$ -
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:			
Changes in assets and liabilities:			
Interfund receivables	38,548	(1,222)	37,326
Accounts payable	(39,840)	538	(39,302)
Accrued liabilities	1,292	684	1,976
Total cash provided by (used in) operating activities	$ -	$ -	$ -

FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets when a governmental unit is functioning either as a trustee or as an agent for another party. Because the County is functioning in a fiduciary capaCounty, the authority to employ, dispose of, or otherwise use the assets is determined not by a legislative body or oversight board, but by the public laws and private agreements that created the trustee or agency relationship.

Sheriff Fund – This fund is used to account for all monies received by the Sheriff's department on behalf of individuals, private organizations, other governmental units, and other funds.

Tax Commissioner Fund – This fund is used to account for the collection of various taxes, including property taxes, and the payment to Burke County and other taxing units of the various taxes collected on their behalf.

Clerk of Superior Court Fund – This fund is used to account for all monies received by the Clerk of Superior Court on behalf of individuals, private organizations, other governmental units, and other funds.

Probate Court Fund – This fund is used to account for all monies received by the Probate Court on behalf of individuals, private organizations, other governmental units, and other funds.

Magistrate Court Fund – This fund is used to account for all monies received by the Magistrate Court on behalf of individuals, private organizations, other governmental units, and other funds.

BURKE COUNTY, GEORGIA
AGENCY FUND - COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
SEPTEMBER 30, 2011

	Sheriff	Tax Commissioner	Clerk of Superior Court	Probate Court	Magistrate Court	Total
Assets						
Cash and cash equivalents	$ 42,772	$ 500,946	$ 113,252	$ -	$ 430	$ 657,400
Total assets	$ 42,772	$ 500,946	$ 113,252	$ -	$ 430	$ 657,400
Liabilities						
Due to others	$ 42,772	$ 500,946	$ 113,252	$ -	$ 430	$ 657,400
Total liabilities	$ 42,772	$ 500,946	$ 113,252	$ -	$ 430	$ 657,400

BURKE COUNTY, GEORGIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2011

	Balance 10/1/2010	Additions	Deductions	Balance 9/30/2011
Sheriff				
Assets				
Cash	$ 40,061	$ 439,249	$ (436,538)	$ 42,772
Liabilities				
Due to others	$ 40,061	$ 439,249	$ (436,538)	$ 42,772
Tax Commissioner				
Assets				
Cash	$ 356,839	$ 44,047,065	$ (43,902,958)	$ 500,946
Liabilities				
Due to others	$ 356,839	$ 44,047,065	$ (43,902,958)	$ 500,946
Clerk of Superior Court				
Assets				
Cash	$ 124,602	$ 1,230,080	$ (1,230,080)	$ 124,602
Liabilities				
Due to others	$ 124,602	$ 1,230,080	$ (1,230,080)	$ 124,602
Probate Court				
Assets				
Cash	$ -	$ 42,885	$ (42,885)	$ -
Liabilities				
Due to others	$ -	$ 42,885	$ (42,885)	$ -
Magistrate Court				
Assets				
Cash	$ 20,028	$ 258,256	$ (277,854)	$ 430
Liabilities				
Due to others	$ 20,028	$ 258,256	$ (277,854)	$ 430
Total Agency Funds				
Assets				
Cash	$ 541,530	$ 46,017,535	$ (45,890,315)	$ 668,750
Liabilities				
Due to others	$ 541,530	$ 46,017,535	$ (45,890,315)	$ 668,750

COMPLIANCE SECTION AND SUPPLEMENTARY SCHEDULES

Baird & Company *CPAs, LLC*
CERTIFIED PUBLIC ACCOUNTANTS & FINANCIAL ADVISORS

John P. Gillion, Jr., CPA, PFS, CFS, CVA, CFP®
Brenda F. Carroll, CPA, CFE, CIA, CICA, FCPA, CSEP, PFS
Rep E. Whiddon, CPA, CVA

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

To the Board of Commissioners
Burke 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 Burke County, Georgia, as of and for the year ended September 30, 2011, which collectively comprise Burke County, Georgia's basic financial statements and have issued our report thereon dated March 16, 2012. We did not audit the financial statements of the Burke County Health Department, a discretely presented component unit, whose statements reflect total assets of $997,671 and total net assets of $964,235 as of June 30, 2011, and total revenues of $622,168 for the year then ended. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Burke County Health Department, 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.

Internal Control over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified a deficiency in internal control over financing reporting, described in the accompanying schedule of findings and responses that we consider to be a significant deficiency in internal control over financing reporting as item 2011-1. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged by governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Burke County, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed 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 2011-1.

Burke County, Georgia's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. We did not audit Burke County, Georgia's response, and accordingly, we do not express an opinion on it.

We noted certain matters that we reported to management of Burke County, Georgia, in a separate letter dated March 16, 2012.

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

Baird & Company, CPAs, LLC

BAIRD & COMPANY, CPAs, LLC
Certified Public Accountants

Augusta, Georgia
March 16 , 2012

BURKE COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2011

Grantor/Pass-Through Grantor Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
U.S. Department of Health and Human Services			
Senior citizen nutrition program through contract with the CSRA Regional Development Center, pass-through from Georgia Department of Human Resources	93.045	n/a	$ 93,022
and CSRA Regional Development Center.	93.053	n/a	20,461
Total U.S. Department of Health and Human Services			113,483
U.S. Department of Housing and Urban Development			
Community Development Block Grant (Passed through Georgia Department of Community Affairs, Public Facility Restoration Project)	14.228	10p-y-017-1-5266	22,890
Total U.S. Department of Housing and Urban Development			22,890
U.S. Department of Justice			
Juvenile Offenders Program Juvenile Accountability Incentive Block Grant (Passed through Council of Juvenile Court Judges of Georgia) FY 2010	16.523	JB-07ST-004	121
Juvenile Offenders Program Juvenile Accountability Incentive Block Grant (Passed through Council of Juvenile Court Judges of Georgia) FY 2011	16.523	JB-08ST-0002	5,022
			5,143
ARRA - Recovery Act Edward Byrne Memorial Justice Assistance Grant FY 2009	16.804	2009-SB-B9-0671	33,760
Edward Byrne Justice Assistance Grant FY 2009	16.738	2009-DJ-BX-0437	165
Edward Byrne Justice Assistance Grant FY 2010	16.738	2010-DJ-BX-1585	3,850
			4,015
Total U.S. Department of Justice			42,918
U.S. Department of Homeland Security			
Department of Homeland Security Buffer Zone Protection Program (Passed through GA Emergency Management Agency)		FIPS #033-00000-05	
FY07	97.078	GAN #2007-BZ-T7-0035	23,979
Federal Emergency Management Agency Performance Partnership Agreement (Passed through Georgia Emergency Management		2010-EP-00-0013	
Agency) FY 2010	97.042	OEM 10-017S01	6,673
Total U.S. Department of Homeland Security			30,652

BURKE COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES FEDERAL AWARDS - Continued
FOR THE YEAR ENDED SEPTEMBER 30, 2011

Grantor/Pass-Through Grantor Program Title	CFDA Number	Grantor's Number	Expenditures
Development of the State of Georgia	17.266	AA-14670-05-55	3,171
Total U.S. Department of Labor			3,171
U.S. Department of Agriculture			
Natural Resource Conservation Service			
Conservation Reserve Program	10.069	65-4310-10-442	12,500
Total U.S. Department of Agriculture			12,500
Section 5311 Rural Public Transportation		T003503	
(Passed through Georgia Department of Transportation)	20.509	GA-18-4031	$ 65,216
Section 5311 Rural Public Transportation		T003822	
(Passed through Georgia Department of Transportation)	20.509	GA-18-4032	18,652
Section 5311 Rural Public Transportation		T003363	
(Passed through Georgia Department of Transportation)	20.509	GA-18-0028	71,269
			155,137
Airport Improvement Program		AP100-9909-12(033)	
(Passed through Georgia Department of Transportation)	20.106	PID - T002738	2,914
Off System Safety Project, Highway Planning and Construction		CSSFT-0008-00(745) Burke	
(Passed through Georgia Department of Transportation)	20.205	PI # 0008745	39,177
Total U.S. Department of Transportation			197,228
Total Expenditures of Federal Awards			$ 422,842

Note – Significant Accounting Policies

The significant accounting policies used to prepare the schedule of expenditures of federal awards are the same as those described in Note 1 to the financial statements.

BURKE COUNTY, GEORGIA
SCHEDULE OF STATE AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2011

State Grantor	Grant Number	Program Expenditures
Georgia Department of Transportation Airport Improvement Program	AP-100-9909-12(033) PID - T002738	$ 77
Georgia Department of Transportation Rural Public Transportation Capital Grant	TT03363 GA-18-0028	8,909
Georgia Department of Human Resources Senior Citizens Nutrition Program (Passed through CSRA Regional Commission)	n/a	5,477
Georgia Department of Community Health Georgia Trauma Commission AVL System Program	n/a	2,418
Georgia Department of Community Health EMS Vehicle Replacement Grant	PH201117G	73,276
Georgia Department of Community Health EMS Vehicle Replacement Grant	PH201016G	73,276
Georgia Department of Community Health EMS Vehicle Replacement Grant	PH201118G	73,276
Georgia Department of Community Affairs Communities of Opportunity Initiative Prog	n/a	1,357
Council of Juvenile Court Judges of GA Juvenile Offenders Program	JB-08ST-002	857
Council of Juvenile Court Judges of GA Juvenile Judge Grant	n/a	21,500
TOTAL EXPENDITURES OF STATE AWARDS		$ 260,423

BURKE COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED SEPTEMBER 30, 2011

SUMMARY OF AUDIT FINDINGS

Audit findings reported for the year ended September 30, 2011:

Finding: **2011-1**

Criteria:
Transactions for all funds should be maintained on the County's general ledger system.

Condition:
The following funds were not recorded on the trial balance:

Special Revenue Funds
Law Library
Public Library

Trust and Agency Funds

Clerk of Superior Court	Probate Court
Tax Commissioner	Sheriff
Magistrate Court	

Cause:
The Special Revenue and Fiduciary Funds are maintained by the Constitutional Office and a department outside of the County Accounting Office.

Effect:
Internal controls and operating efficiencies are weakened.

Management Response:
Finding 2011-1 states that transactions for all funds were not recorded on the trial balance in the County's centralized general ledger system. We concur with the finding. However, we are not in possession of these accounts. They are under the control and supervision of independent boards or elected officials. We have discussed the situation and the need to have these funds accounted for in our central system. This remains to be a difficult recommendation to implement on a practical basis due to each office wanting to maintain control over their funds. We will continue to discuss this with the various boards and elected officials.

BURKE COUNTY, GEORGIA
SCHEDULE OF SPECIAL PURPOSE LOCAL OPTION SALES TAX, 2006 – 2012
FOR THE YEAR ENDED SEPTEMBER 30, 2011

Project	Original Estimated Cost	Prior Years Cost	Current Period Cost	Total Cost	Estimated Percentage of Completion
Burke County					
Recreation facility	$ 1,000,000	$ 622,269	$ 88,460	$ 710,729	71%
Industrial development	1,050,000	39,961	-	39,961	4%
Building construction and renovations	1,500,000	1,500,000	-	1,500,000	100%
Hospital projects	1,565,856	1,418,423	147,433	1,565,856	100%
Roads, streets, and bridges	9,850,000	4,437,494	963,538	5,401,032	55%
Waynesboro					
Water, sewer, and storm drainage systems/building renovations	6,250,000	4,058,655	1,448,685	5,507,340	88%
Sardis					
Capital equipment/building renovations/ streets, drainage, and sidewalks	1,450,000	936,611	334,312	1,270,923	88%
Midville					
Building renovations/water and sewer improvements and equipment	725,000	468,307	167,156	635,463	88%
Keysville					
Water system improvements/building renovations	481,000	312,202	111,437	423,639	88%
Girard					
Building renovations/equipment shed/ holiday decorations/walking path	240,500	156,102	55,719	211,821	88%
Totals	$ 24,112,356	$ 13,950,024	3,316,740	$ 17,266,764	
Roads, streets, and bridge costs funded by General Fund			267,053		
SPLOST 2 fund total expenditures			$ 3,583,793		

BURKE COUNTY, GEORGIA
SCHEDULE OF PROJECT COSTS AND SOURCE AND APPLICATION OF FUNDS FOR COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

Project: Community Development Block Grant
Renovation of existing public facility
Grant Number: 10p-y-017-1-5266
Commencement of project activity: March 2011
Percentage complete: 3%

Description	Funding	Prior Year Costs	Current Year Costs	Total Cost
Renovation of existing public facility	$ 500,000	$ -	$ 22,890	$ 22,890