COFFEE COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

COFFEE COUNTY, GEORGIA
ANNUAL FINANCIAL REPORT
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

PAGE NO.

TITLE PAGE
Table of Contents 2

INTRODUCTORY SECTION

Organizational Chart 5
Principal Officials 6

FINANCIAL SECTION

Independent Auditor's Report 8

Basic Financial Statements:
Government-wide Financial Statements
Statement of Net Assets 10
Statement of Activities 11
Fund Financial Statements
Balance Sheet – Governmental Funds 13
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds 14
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities 15
Statement of Net Assets – Proprietary Funds 16
Statement of Revenues, Expenses, and Changes in Fund Net Assets – Proprietary Funds 17
Statement of Cash Flows – Proprietary Funds 18
Statement of Fiduciary Assets and Liabilities – Fiduciary Funds 20
Notes to the Financial Statements 21

Required Supplementary Information:
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund 43
Notes to Required Supplementary Information 44

Combining and Individual Fund Schedules:
Nonmajor Governmental Funds description 46
Combining Balance Sheets – Nonmajor Governmental Funds 47
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds 49
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:
Law Library Fund 51
Sheriff's Narcotics Fund 52
Sheriff's Pal Fund 53
County Drug Abuse Treatment & Education Fund 54
Juvenile Service Fund 55
Sheriff's Commissary Fund 56
County Jail Fund 57
E-911 Fund 58
D.A.R.E Fund 59
Fire Department FEMA #EMW-2004-FG-17777 60
Special District Fund #1 61

COFFEE COUNTY, GEORGIA
ANNUAL FINANCIAL REPORT
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2011

PAGE NO.

Agency Funds:
Combining Statement of Changes in Assets and Liabilities 63

Supplemental Schedules:
Capital Assets Used in the Operation of Governmental Funds:
Comparative Schedules by Source 66
Schedule by Function and Activity 67
Schedule of Changes by Function and Activity 68

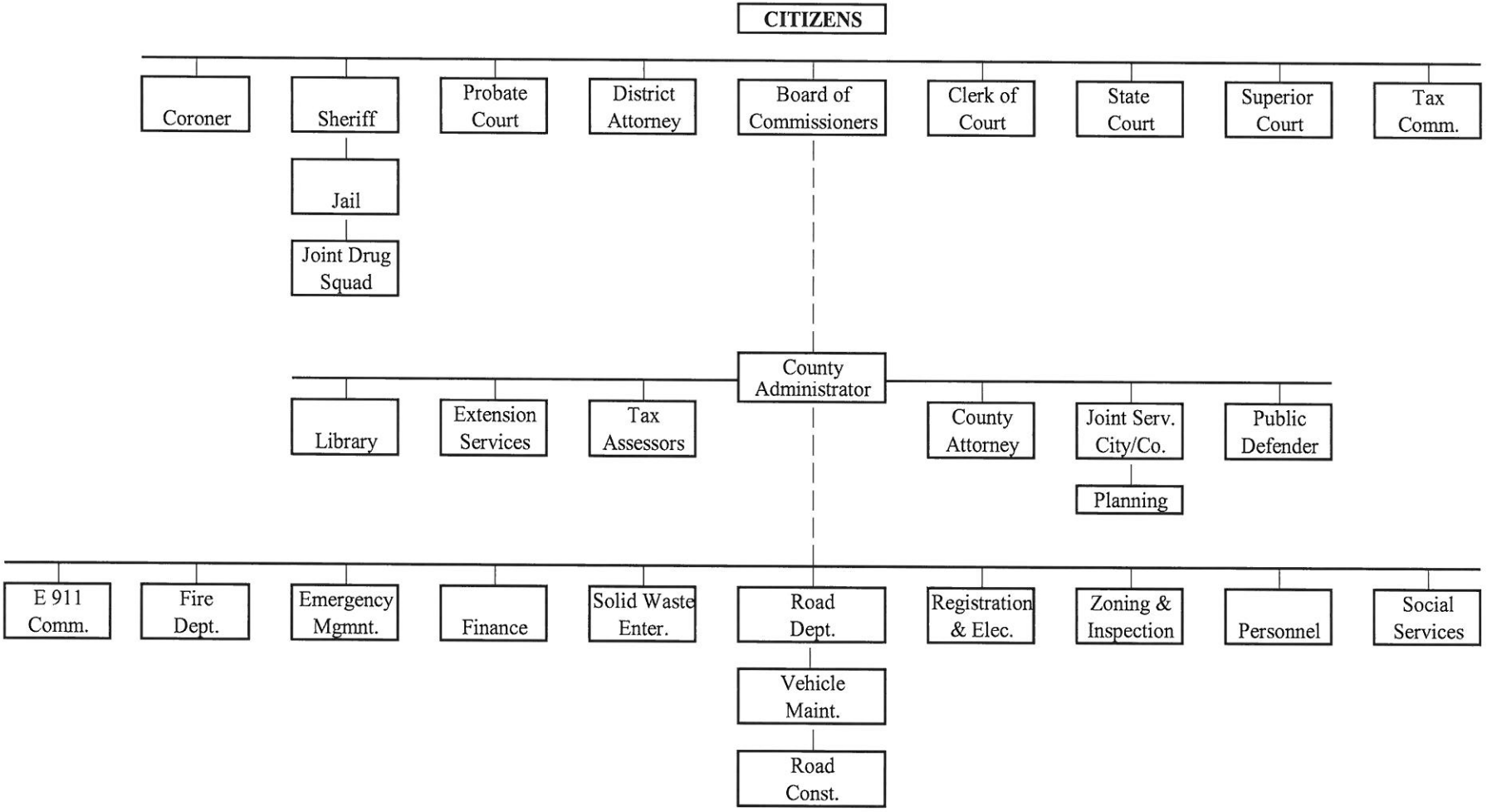
SPECIAL REPORTS SECTION
Section I
Report on Compliance and on Internal Controls over Financial
Reporting Based on an Audit Financial Statements Performed
in Accordance with Government Auditing Standards 70
Section II
Report on Special County Sales and Use Tax
Independent Auditor's Report on Special County 1% Sales
and Use Tax 73
Schedule of Projects Constructed with Special Sales Tax
Proceeds – Project III 74
Proceeds - Project IV 76
Proceeds – Project V 78

Section III
Report on E-911 Fund Collections and Expenditures
Independent Auditor's Report on E-911 Fund Collections and Expenditures 79
Annual Report on E-911 Fund Collections and Expenditures 80
Section IV
Other Reports:
VOCA Grant - #C06-8-025
Source and Application of Funds 85
CDBG Grant - # R-09-CR-5103
Source and Application of Funds 86
CDBG Senior Citizens Center Grant - #09-Y-034-1-5172
Source and Application of Funds 87

Other Supplemental Reports:
Schedule of Expenditures-Budget & Actual – General Fund 88

INTRODUCTORY SECTION

COFFEE COUNTY
ORGANIZATION CHART



COFFEE COUNTY, GEORGIA
PRINCIPAL OFFICIALS
DECEMBER 31, 2011

BOARD OF COMMISSIONERS

DISTRICT ONE ..... FRANK JACKSON

DISTRICT TWO ..... CHAIRMAN, JIMMY KITCHENS

DISTRICT THREE ..... TOM RICE

DISTRICT FOUR ..... EARL BRICE

DISTRICT FIVE ..... CHARLES H. DEEN

COUNTY ADMINISTRATOR

WESLEY VICKERS

ELECTED OFFICIALS

CLERK OF COURTS ..... ANGELA SPELL-HUTTO
CORONER ..... NEIL SIMS
MAGISTRATE COURT JUDGE ..... ANNE MARIE FUSSELL
PROBATE COURT JUDGE ..... SYLVIA STONE
SHERIFF ..... JERRY POPE
SOLICITOR GENERAL ..... JEFF KIGHT
STATE COURT JUDGE ..... BOB PRESTON
SURVEYOR ..... FRANCIS FOUNTAIN
TAX COMMISSIONER ..... SHANDA HENDERSON

APPOINTED OFFICIALS

FINANCE DIRECTOR ..... OPEN POSITION
ATTORNEY ..... TONY ROWELL
CLERK ..... JOANN METTS
ROAD SUPERINTENDENT ..... DON STOKES
FIRE CHIEF ..... STEVE CARVER
E-911 DIRECTOR ..... VERNICA DAVIS CROCKETT
CODE ENFORCEMENT DIRECTOR ..... OPEN POSITION
CHIEF TAX ASSESSOR ..... TERRELL HULSEY
EMERGENCY MANAGEMENT DIRECTOR ..... STEVE CARVER

FINANCIAL SECTION

H&H Hurst & Hurst, CPA's, LLC

ROBERT W. HURST, JR., CPA
ROBERT W. HURST, CPA - RETIRED

SMALL BUSINESS SPECIALISTS

MEMBERS:
AMERICAN INSTITUTE OF CPA'S
GEORGIA SOCIETY OF CPA'S

221 E. SELLERS STREET P.O. BOX 898 DOUGLAS, GEORGIA 31534
TELEPHONE: (912) 384-3322 FAX: (912) 383-0714

Independent Auditor's Report

The Honorable Board of County Commissioners
Coffee County Courthouse
Douglas, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Coffee County, Georgia, as of and for the year ended December 31, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Coffee 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 Coffee County Health Department, which represent 100 percent and 100 percent respectively, of the assets and revenues of the Component Unit column. 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 Coffee County Health Department, is based on the report of the other auditors.

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

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

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

In accordance with *Government Auditing Standards,* we have also issued a report dated June 20, 2012 on our consideration of Coffee County, Georgia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control are financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Coffee County, Georgia's basic financial statements. The required supplementary information is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. The combining and individual fund schedules and supplemental schedules are presented for purposes of additional analysis are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the 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 the basic financial statements. The required supplementary information, combining and individual fund schedules, supplemental schedules, and the schedule of expenditures of federal awards have been subjected to auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects to the basic financial statements taken as a whole.

Hurst and Hurst, CPAs
Douglas, Georgia
June 20, 2012

BASIC FINANCIAL STATEMENTS

COFFEE COUNTY, GEORGIA
STATEMENT OF NET ASSETS
DECEMBER 31, 2011

	PRIMARY GOVERNMENT			COMPONENT UNIT
	Government Activities	Business-type Activities	Total	Board of Health
ASSETS AND OTHER DEBITS				
Cash and Cash Equivalents	$ 8,537,058	$ 422,384	$ 8,959,442	$ 1,105,017
Investments	-	-	-	-
Receivables (Net of Allowance for Uncollectibles)	2,877,673	250,357	3,128,030	56,362
Internal Balances	77,628	(77,628)	-	-
Other Current Assets	297,782	-	297,782	-
Capital Assets (Net of Accumulated Depreciation):				
Land	7,158,843	532,831	7,691,674	-
Buildings and System	40,595,171	4,474,954	45,070,125	-
Machinery and Equipment	3,897,554	27,581	3,925,135	13,585
Infrastructure	57,589,978	-	57,589,978	-
Construction in Progress	35,408	-	35,408	-
Held for Sale	-	-	-	-
Intangibles	-	-	-	-
TOTAL ASSETS	$ 121,067,095	$ 5,630,479	$ 126,697,574	$ 1,174,964
LIABILITIES				
Accounts Payable and Other Current Liabilities	$ 1,579,617	$ 245,578	$ 1,825,195	$ -
Deferred Revenues	16,743	-	16,743	-
Noncurrent Liabilities:				
Due within One Year	2,158,723	55,917	2,214,640	-
Due in More than One Year:				
Capital Lease	655,536	-	655,536	-
Loans Payable	290,823	273,806	564,629	-
Installment Sale Agreement	-	-	-	-
Bonds Payable	-	2,511,868	2,511,868	-
Postclosure Cost	-	1,556,921	1,556,921	-
Compensated Absences	244,127	-	244,127	55,490
TOTAL LIABILITIES	$ 4,945,569	$ 4,644,090	$ 9,589,659	$ 55,490
NET ASSETS				
Investment in Capital Assets, Net of Related Debt	$ 106,171,872	$ 2,203,775	$ 108,375,647	$ 13,585
Restricted For:				
Capital Projects	-	-	-	
Public Health	-	-	-	447,328
Unrestricted	9,949,654	(1,217,386)	8,732,268	658,561
TOTAL NET ASSETS	$ 116,121,526	$ 986,389	$ 117,107,915	$ 1,119,474

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

COFFEE COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR YEAR ENDED DECEMBER 31, 2011

FUNCTIONS/PROGRAMS	Expenses	PROGRAM REVENUES: Charges for Services	PROGRAM REVENUES: Operating Grants and Contributions	PROGRAM REVENUES: Capital Grants and Contributions	NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Board of Health
Primary Government								
Governmental Activities								
General Government	$ 1,726,312	$ 591,230	$ -	$ -	$ (1,135,082)	$ -	$ (1,135,082)	$ -
Judicial	1,690,967	1,429,412	33,645	-	(227,910)	-	(227,910)	-
Public Safety	9,601,893	2,006,779	378,686	64,164	(7,152,264)	-	(7,152,264)	-
Highways and Streets	4,826,021	-	-	472,195	(4,353,826)	-	(4,353,826)	-
Health and Welfare	297,069	-	45,236	-	(251,833)	-	(251,833)	-
Culture and Recreation	393,942	-	-	-	(393,942)	-	(393,942)	-
Community Development	775,872	-	-	-	(775,872)	-	(775,872)	-
Intergovernmental	683,468	-	-	-	(683,468)	-	(683,468)	
Interest on Long-term Debt	181,755	-	-	-	(181,755)	-	(181,755)	-
Total Governmental Activities	$ 20,177,299	$ 4,027,421	$ 457,567	$ 536,359	$ (15,155,952)	$ -	$ (15,155,952)	$ -
Business-Type Activities								
Solid Waste Disposal	$ 1,911,935	$ 1,999,721	$ -	$ -	$ -	$ 87,786	$ 87,786	$ -
Water Utilities	296,010	186,829	-	-	-	(109,181)	(109,181)	-
Total Business-Type Activities	$ 2,207,945	$ 2,186,550	$ -	$ -	$ -	$ (21,395)	$ (21,395)	$ -
Total Primary Government	$ 2,207,945	$ 2,186,550	$ -	$ -	$ (15,155,952)	$ (21,395)	$ (15,177,347)	$ -
Component Units								
Board of Health	$ 1,524,372	$ 447,328	$ 1,055,806	$ -	$ -	$ -	$ -	$ (21,238)
Total Component Units	$ 1,524,372	$ 447,328	$ 1,055,806	$ -	$ -	$ -	$ -	$ (21,238)

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

COFFEE COUNTY, GEORGIA
STATEMENT OF ACTIVITIES (continued)
FOR YEAR ENDED DECEMBER 31, 2011

FUNCTIONS/PROGRAMS	Expenses	PROGRAM REVENUES: Charges for Services	PROGRAM REVENUES: Operating Grants and Contributions	PROGRAM REVENUES: Capital Grants and Contributions	NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Board of Health
General Revenues								
Property Taxes					$ 6,627,433	$ -	$ 6,627,433	$ -
Real Estate Transfer Taxes					18,609	-	18,609	-
Franchise Taxes					102,446	-	102,446	-
Sales Taxes					9,081,044	-	9,081,044	-
Business Taxes					295,879	-	295,879	-
Penalties and Interest on Delinquent Taxes					148,394	-	148,394	-
Insurance Premium Tax					1,104,223	-	1,104,223	-
Unrestricted Investment Earnings					63,903	2,482	66,385	-
Gain(Loss) on Sale of Capital Assets					(360,864)	-	(360,864)	-
Total General Revenues					$ 17,081,067	$ 2,482	$ 17,083,549	$ -
Transfers					-	-	-	-
Capital Asset Contribution					-	-	-	-
Total General Revenues and Transfers					$ 17,081,067	$ 2,482	$ 17,083,549	$ -
Change in Net Assets					$ 1,925,115	$ (18,913)	$ 1,906,202	$ (21,238)
Net Assets - Beginning					114,196,411	1,005,302	115,201,713	1,140,712
Net Assets - Ending					$ 116,121,526	$ 986,389	$ 117,107,915	$ 1,119,474

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

COFFEE COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2011

	Major Governmental Funds				Other Governmental Funds	Total Governmental Funds
	General	SPLOST III	SPLOST IV	SPLOST V		
ASSETS						
Cash and Cash Equivalents	$ 6,214,393	$ 732,252	$ 481,840	$ -	$ 1,108,573	$ 8,537,058
Investments	-	-	-	-	-	-
Receivables (Net of Allowance for Uncollectibles)	2,258,410	-	533,289	-	85,974	2,877,673
Due from Other Funds	919,630	-	-	-	-	919,630
Other Current Assets	195,484	-	-	-	102,298	297,782
Total Assets	$ 9,587,917	$ 732,252	$ 1,015,129	$ -	$ 1,296,845	$ 12,632,143
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts Payable	$ 1,420,863	$ 3,346	$ -	$ -	$ -	$ 1,424,209
Accrued Wages and Withholdings	155,408	-	-	-	-	155,408
Compensated Absences	-	-	-	-	-	-
Due to Other Funds	-	6,055	392,252	291,219	152,476	842,002
Other Payables	-	-	-	-	-	-
Deferred Revenue	902,011	-	-	-	16,743	918,754
Total Liabilities	$ 2,478,282	$ 9,401	$ 392,252	$ 291,219	$ 169,219	$ 3,340,373
Fund Balances:						
Nonspendable:	$ -	$ -	$ -	$ -	$ -	$ -
Restricted For:						
SPLOST III Fund	-	722,851	-	-	-	722,851
SPLOST IV Fund	-	-	622,877	-	-	622,877
SPLOST V Fund	-	-	-	(291,219)		(291,219)
Other Governmental Funds	-	-	-	-	1,127,626	1,127,626
Committed to:	-	-	-	-	-	-
Assigned to:						-
General Fund:	3,076,432	-	-	-	-	3,076,432
Unassigned:						-
General Fund:	4,033,203	-	-	-	-	4,033,203
Capital Projects:	-	-	-	-	-	-
Total Fund Balances	$ 7,109,635	$ 722,851	$ 622,877	$ (291,219)	$ 1,127,626	$ 9,291,770
Total Liabilities and Fund Balances	$ 9,587,917	$ 732,252	$ 1,015,129	$ -	$ 1,296,845	$ 12,632,143

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.	$109,276,954
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	902,011
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(3,349,209)
Net Assets of Governmental Activities	$116,121,526

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

COFFEE COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	Major Governmental Funds				Other Governmental Funds	Total Governmental Funds
	General	SPLOST III	SPLOST IV	SPLOST V		
Revenues:						
Taxes	$ 10,455,782	$ -	$ 5,681,834	$ -	$ 1,104,223	$ 17,241,839
Licenses and Permits	99,364	-	-	-	53,919	153,283
Intergovernmental	521,732	472,195	-	-	-	993,927
Charges for Services	1,497,749	-	-	-	611,217	2,108,966
Fines and Fees	1,233,231	-	-	-	401,212	1,634,443
Investment Earnings	40,344	19,845	616	-	3,098	63,903
Other	123,577	-	-	-	160,434	284,011
Total Revenues	$ 13,971,779	$ 492,040	$ 5,682,450	$ -	$ 2,334,103	$ 22,480,372
Expenditures:						
Current:						
General Government	$ 1,816,272	$ -	$ -	$ -	$ -	$ 1,816,272
Judicial	1,651,300	-	-	-	38,009	1,689,309
Public Safety	6,999,263	-	-	-	1,830,136	8,829,399
Highways & Streets	2,372,257	-	-	-	-	2,372,257
Health and Welfare	218,046	-	-	-	-	218,046
Culture and Recreation	278,326	-	-	-	115,616	393,942
Community Development	168,968	-	-	-	559,524	728,492
Intergovernmental	-	672,302	6,992	4,174	-	683,468
Capital Outlay	516,627	1,131,528	20,822	287,045	25,671	1,981,693
Debt Service:						-
Principal	461,605	-	3,741,812	-	-	4,203,417
Interest	37,555	-	144,200	-	-	181,755
Total Expenditures	$ 14,520,219	$ 1,803,830	$ 3,913,826	$ 291,219	$ 2,568,956	$ 23,098,050
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ (548,440)	$ (1,311,790)	$ 1,768,624	$ (291,219)	$ (234,853)	$ (617,678)
OTHER FINANCING SOURCES (USES)						
Transfers In	$ 149,000	$ -	$ -	$ -	$ 324,233	$ 473,233
Transfers Out	(324,233)	-	-	-	(149,000)	(473,233)
Capital Lease	270,131	-	-	-	-	270,131
Sale of Capital assets	537,426	-	-	-	-	537,426
Total Other Financing Sources (Uses)	$ 632,324	$ -	$ -	$ -	$ 175,233	$ 807,557
Net Change In Fund Balances	$ 83,884	$ (1,311,790)	$ 1,768,624	$ (291,219)	$ (59,620)	$ 189,879
Fund Balances - Beginning of Year	7,025,751	2,034,641	(1,145,747)	-	1,187,246	9,101,891
FUND BALANCES - END OF YEAR	$ 3,995,162	$ 722,851	$ 622,877	$ (291,219)	$ 1,127,626	$ 9,291,770

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

COFFEE COUNTY, GEORGIA
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2011

Amounts reported for governmental activities in the *Statement of Activities* are different because:

Net change in fund balances - total governmental funds reported in the *Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds*	$	189,879
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		(2,013,469)
Some revenues reported in the *Statement of Activities* do not provide current financial resources and, therefore, are not reported as revenues in governmental funds.		369,769
The issuance of long-term debt (e.g., bonds, leases, notes) provided current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.		3,349,209
Some expenses reported in the *Statement of Activities* do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		29,727
Change in net assets of governmental activities reported in the *Statement of Activities.*	$	1,925,115

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

COFFEE COUNTY, GEORGIA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2011

	Business-type Activities-Enterprise Funds		
	Solid Waste	Water Utilities	Totals Current Year
ASSETS			
Current Assets			
Cash in Bank	$ 284,698	$ 137,686	$ 422,384
Accounts Receivable (Net)	226,086	24,271	250,357
Other Receivables	-	-	-
Due From Other Funds	-	13,816	13,816
Total Current Assets	$ 510,784	$ 175,773	$ 686,557
Noncurrent Assets			
Capital Assets (Net of Accumulated Depreciation)			
Land and Improvements	$ 525,320	$ 7,511	$ 532,831
Buildings and Systems	-	4,474,964	4,474,964
Machinery and Equipment	-	27,571	27,571
Computers and Related	-	-	-
Construction in Progress	-	-	-
Intangibles	-	-	-
Total Noncurrent Assets	$ 525,320	$ 4,510,046	$ 5,035,366
TOTAL ASSETS	$ 1,036,104	$ 4,685,819	$ 5,721,923
LIABILITIES			
Current Liabilities			
Accounts Payable	$ 127,215	$ -	$ 127,215
Due to Other Funds	47,223	44,221	91,444
Other Payables	87,425	30,938	118,363
Deferred Revenue	-	-	-
Notes Payable-Current	-	55,917	55,917
Total Current Liabilities	$ 261,863	$ 131,076	$ 392,939
Noncurrent Liabilities			
Postclosure Liabilities	$ 1,566,921	$ -	$ 1,566,921
Notes Payable	-	2,775,674	2,775,674
Total Noncurrent Liabilities	$ 1,566,921	$ 2,775,674	$ 4,342,595
TOTAL LIABILITIES	$ 1,828,784	$ 2,906,750	$ 4,735,534
NET ASSETS			
Investment in Capital Assets, Net of Related Debt	$ 525,320	$ 1,678,455	$ 2,203,775
Restricted For:			
Capital Projects			-
Unrestricted	(1,318,000)	100,614	(1,217,386)
TOTAL NET ASSETS	$ (792,680)	$ 1,779,069	$ 986,389

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

COFFEE COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	Business-type Activities-Enterprise Funds		
	Solid Waste Disposal	Water Utilities	Totals Current Year
OPERATING REVENUES			
Charges for Sales and Services			
Disposal Fees	$ 1,999,721	$ -	$ 1,999,721
Water Sales	-	186,829	186,829
Other Revenue	-	-	-
Total Operating Revenues	$ 1,999,721	$ 186,829	$ 2,186,550
OPERATING EXPENSES			
Cost of Sales and Services	$ 1,634,651	$ 36,024	$ 1,670,675
Administration	277,284	6,049	283,333
Depreciation	-	138,209	138,209
		-	
Total Operating Expenses	$ 1,911,935	$ 180,282	$ 2,092,217
Operating Income (Loss)	$ 87,786	$ 6,547	$ 94,333
NONOPERATING REVENUES (EXPENSES)			
Investment Earnings	$ 1,276	$ 1,206	$ 2,482
Interest Expense	-	(115,728)	(115,728)
Bond Issuance Expense	-	-	-
Grant Revenue	-	-	-
Total Nonoperating Revenues (Expenses)	$ 1,276	$ (114,522)	$ (113,246)
Income (Loss) before Contribution and transfers	$ 89,062	$ (107,975)	$ (18,913)
Transfer In	-	-	-
Change of Net Assets	$ 89,062	$ (107,975)	$ (18,913)
Total Net Assets - Beginning of Year	(881,742)	1,887,044	1,005,302
Total Net Assets - End of Year	$ (792,680)	$ 1,779,069	$ 986,389

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

COFFEE COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2011

	Business-type Activities-Enterprise Funds		
	Solid Waste	Water Utilities	Totals Current Year
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers, Including Cash Deposits	$ 1,999,721	$ 186,829	$ 2,186,550
Cash Paid to Employees	(265,432)	-	(265,432)
Cash Paid to Suppliers	(1,659,799)	(40,773)	(1,700,572)
Net Cash Provided (Used) by Operating Activities	$ 74,490	$ 146,056	$ 220,546
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in Other Funds	$ -	$ -	$ -
Net Cash Provided (Used) by Noncapital Financing Activities	$ -	$ -	$ -
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Transfers In-SPLOST	$ -	$ -	$ -
Principal Payments - Notes	-	(54,426)	(54,426)
Principal Payments - Interest	-	(115,817)	(115,817)
Acquisition and Construction of Capital Assets	-	-	-
Bond Issuance Expense	-	-	-
Grant Proceeds	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	$ -	$ (170,243)	$ (170,243)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Income	$ 1,276	$ -	$ 1,276
Net Cash Provided (Used) by Investing Activities	$ 1,276	$ -	$ 1,276
Net Increase (Decrease) in Cash and Cash Equivalents	$ 75,766	$ (24,187)	$ 51,579
Cash and Cash Equivalents - Beginning of Year	208,932	161,873	370,805
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 284,698	$ 137,686	$ 422,384
Noncash Transaction			
Contribution of Capital Assets	$ -	$ -	$ -

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

COFFEE COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPES (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2011

	Business-type Activities-Enterprise Funds		
	Solid Waste	Water Utilities	Totals Current Year
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	$ 87,786	$ 6,547	$ 94,333
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities			
Depreciation Expense	-	138,210	138,210
(Increase) Decrease in Accounts Receivable	44,407	(14)	44,393
Increase (Decrease) in Allowances for Uncollectible Accounts	8,063	-	8,063
(Increase) Decrease in Other Receivables	-	-	-
(Increase) Decrease in Due from Other Funds	-	1,482	1,482
Increase (Decrease) in Accounts Payable	7,166	-	7,166
Increase (Decrease) in Other Payables	862	(286)	576
Increase (Decrease) Due to Other Funds	(3,118)	117	(3,001)
Increase (Decrease) in Closure and Postclosure Costs	(70,676)	-	(70,676)
Net Cash Provided (Used) by Operating Activities	$ 74,490	$ 146,056	$ 220,546

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

COFFEE COUNTY, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
DECEMBER 31, 2011

	Agency Funds
ASSETS	
Cash and Cash Equivalents	$ 1,512,417
TOTAL ASSETS	$ 1,512,417
LIABILITIES	
Due to Other Agencies, Officials and Individuals	$ 1,512,417
TOTAL LIABILITIES	$ 1,512,417

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Coffee County, Georgia operates under a five member Commission form of government. Commissioners serve staggered terms of four years. The Board elects its own chairman. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the government.

Discretely Presented Component Unit. The Coffee County Board of Health (Board) provides healthcare services for the citizens of the County. The County Commissioners appoint a voting majority to the Board. The Board is presented as a governmental fund type. The financial data of the Board reflects their most recent audited financial statements. The fiscal year end of the Board is June 30.

Complete financial statements for the component unit may be obtained at the entity's administrative offices:

Coffee County Board of Health
Coffee County Health Department
Douglas, Georgia

B. Government-Wide and Fund Financial Statements

The County has implemented the new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments.* The Statement establishes accounting and financial reporting standards for general purpose external financial reporting by local governments and establishes specific standards for the basic financial statements, management's discussion and analysis, and certain required supplementary information.

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

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

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

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

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

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

The government reports the following **major governmental funds**:

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

The *SPLOST III Fund* accounts for the capital projects financed from the special purpose local option sales tax which was approved by the voters for a five year period effective April, 2001 through March, 2006.

The *SPLOST IV Fund* accounts for the capital projects financed from the special purpose local option sales tax which was approved by the voters for a six year period effective April, 2006 through March, 2012.

The SPLOST V Fund accounts for the capital projects financed from the special purpose local option sales tax which was approved by the voters for a six year period effective April, 2012 through March, 2018.

The government reports the following **major proprietary funds**:

The *Water Utility Fund* accounts for the activities of the Coffee County water system

The *Solid Waste Disposal Fund* accounts for the activities of the county's inert waste landfill and curbside garbage pick-up for county residents in unincorporated areas.

Additionally, the government reports the following fund types:

Agency Funds. These funds account for taxes, fees, fines and bonds collected on behalf of other governments, agencies, officials, and individuals.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

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

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for the enterprise funds include the cost of sales and service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

D. Assets, Liabilities, and Equity

1. *Deposits and Investments*

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposit and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the County to invest in obligations of the State of Georgia, the U.S. Government and corporations of the U.S. Government, obligations insured or guaranteed by the U.S. Government, and the local government investment pool.
Investments for the government, as well as for its component units, are reported at fair value.

2. *Receivables and Payables*

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding material balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of an allowance for uncollectibles.

Property taxes were levied on July 31, 2011, were payable December 1, and attached as an enforceable lien on property as of January 1.

3. *Inventories and Prepaid Items*

The costs of inventories are recorded as expenditures when purchased in all funds. The cost of inventories at year end, if any, are not considered material to the financial statements.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as expenditures when paid in all funds. The cost of prepaid items at year end, if any, are not considered material to the financial statements.

4. *Capital Assets*

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. All general infrastructure assets acquired or constructed after December 31, 2002 have been reported in government-wide financial statements. In implementation of GASB Statement 34 infrastructure assets, the county has elected to limit its transition capitalization to road projects that resulted in acquisition, construction, or significant reconstruction or improvements of county roads since December 31, 1979. The county has made use of current replacement cost adjusted for price level changes back to an assets acquisition year.

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

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

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

Assets	Years
Buildings	25-50
Water and Sewer Systems	15-50
Improvements	10-20
Machinery and Equipment	5-10
Infrastructure	5-50

5. *Compensated Absences*

Vacation and sick pay are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured. The compensated absence liability is normally liquidated by the fund from which the employee is paid. The general fund has typically been used in prior years to liquidate compensated absences.

County employees with 20 years service receive one hundred percent of their accumulated sick leave upon retirement, not to exceed 240 hours. This obligation amounted to $15,674 for the County at December 31, 2011.

County employees can also accumulate annual leave of up to 80 hours which is payable on termination of employment. This obligation amounted to $228,452 at December 31, 2011.

6. *Long-term Obligations*

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

7. *Fund Equity*

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement Of Net Assets

The governmental fund balance sheet includes reconciliation between *fund balance-total governmental funds* and *net assets-governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this ($3,349,209) difference are as follows:

Capital Leases	$ 767,592
Notes Payable	516,253
Installment Sale Agreement	1,821,237
Compensated Absences	244,127
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net assets - governmental activities*	$ 3,349,209

B. Explanation of Certain Differences Between the Governmental Fund Statement Of Revenues, Expenditures, And Changes In Fund Balances and the Government-Wide Statement Of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net changes in fund balances-total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this $2,013,469 difference are as follows:

Capital Outlay	$ 1,981,693
Depreciation Expense	(3,995,162)
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net assets of governmental activities*	$ (2,013,469)

Another element of that reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net assets.

Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities." The details of this ($4,186,037) difference are as follows:

Debt issued or incurred:	
Loans Payable	$ -
Principal repayments:	
Capital Leases and Loans Payable	444,226
Installment Sale Agreement	3,741,811
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net assets of governmental activities*	$ 4,186,037

Another element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this $29,727 difference are as follows:

(Increase) Decrease in accrued compensated absences	$ 29,727
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net assets of governmental activities*	$ 29,727

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year end.

All agencies of the government submit requests for appropriations to the County administrator and/or finance director so that a budget may be prepared. The County administrator and/or finance director prepares and submits a proposed budget to the Board of County Commissioners for review. The commission holds public hearings and a final budget must be prepared and adopted no later than December 31.

The appropriated budget is prepared by fund, function, and department. The County's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the County commission. The legal level of budgetary control is the department level. Supplemental budgetary appropriations in funds were not considered material.

B. Excess of Expenditures over Appropriations

The following General Fund department incurred actual expenditures in excess of budgeted amounts for the year ended December 31, 2011:

Department	Appropriations	Expenditures	Excess
General Government:			
County Commission	$ 196,400	$ 196,478	$ (78)
Legal	57,000	72,750	(15,750)
Judicial:			
State Court Solicitor General	113,300	114,754	(1,454)
Juvenile Court	34,100	35,883	(1,783)
Public Defender	189,000	189,673	(673)
Public Safety:			
Fire Department	-	9,407	(9,407)
Culture / Recreation:			
Recreation Department	-	213,126	(213,126)
Housing and Development:			
County Ag Building	43,900	44,240	(340)

Fund	Appropriations	Expenditures	Excess
Sheriff's PAL	$ 2,000	$ 11,909	$ (9,909)
County Drug Abuse Treatment and Education Fund	27,200	51,115	(23,915)
Juvenile Service Fund	5,100	7,471	(2,371)

These over expenditures are funded by available fund balances.

C. Deficit Fund Equity

The Solid Waste Disposal enterprise fund had a deficit in net assets of ($792,680) as of December 31, 2011. This deficit should be extinguished as future post-closure costs are paid from future revenue.

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The County's deposits and investments include cash on deposit with financial institutions, cash equivalents, including money market accounts, cash invested in the State of Georgia's local government investments pool, Georgia Fund One and investments authorized by State Statutes and County ordinances. Cash investments are carried at book value (cost) which approximates fair market value.

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

- Obligations of State of Georgia or any other states;
- Obligations issued by the United States;
- Obligations fully insured or guaranteed by the United States government or Government Agency;
- Obligations of any Georgia Local Government Investment Pool;
- Repurchase agreements; and
- Obligations of other political subdivisions of the State of Georgia.

Interest Rate Risk. The County does not have a formal investment policy for interest rate risk.

Credit Risk. The County does not have a formal investment policy for credit risk. The County's investments in Georgia Fund I are rated AAAm (Standard & Poor's) and in U.S. Government Agencies rated AAA (Moody's Investment Services). Georgia Fund I, created by OCGA 36-83-8, is a stable net asset value investment pool which follows Standard and Poor's criteria for AAAm 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). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on $1.00 per share. The Office of Treasury and Fiscal services provide regulatory oversight for the pool.

Concentration of Credit Risk. The County does not have a formal investment policy for credit risk.

Custodial Credit Risk – Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County does not have a formal investment policy for custodial credit risk.

Custodial Credit Risk – Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a formal deposit policy for custodial credit risk. As of December 31, 2011, the County's entire bank balance was insured or collateralized with securities held by the pledging financial institution's trust department or agent in the County's name.

The carrying amount of deposits for the Coffee County Board of Health, a discretely presented component unit, was $1,105,017. Of the bank balance, $1,105,017 was covered by Federal Depository Insurance or pledged securities held in the Board of Health's name.

B. Receivables

Receivables as of year-end for the government's individual major funds and nonmajor, and fiduciary funds in the aggregate, net of allowances for uncollectible accounts, are as follows:

	General	SPLOST III	SLOST IV	SPLOST V	Solid Waste	Water Utilities	Nonmajor and Other Funds	Total
Receivables:								
Taxes	$ 2,258,410	$ -	$ 533,289	$ -	$ -	$ -	$ -	$ 2,791,699
Intergovernmental	919,630	-	-	-	-	-	-	919,630
Accounts	-	-	-	-	226,086	24,271	85,974	336,331
Other	195,474	-	-	-	-	-	102,298	297,772
Net Receivables	$ 3,373,514	$ -	$ 533,289	$ -	$ 226,086	$ 24,271	$ 188,272	$ 4,345,432

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

	Unavailable	Unearned
Delinquent property taxes receivable (general fund)	$ 902,011	$ -
Fees received not earned (other nonmajor governmental)	-	16,743
Total deferred/unearned revenue for governmental funds	$ 902,011	$ 16,743

C. Capital Assets

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

Primary Government	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated				
Land	$ 7,153,843	$ 5,000	$ -	$ 7,158,843
Construction in progress	1,084,469	35,408	1,084,469	35,408
Total capital assets, not being depreciated	$ 8,238,312	$ 40,408	$ 1,084,469	$ 7,194,251
Capital assets, being depreciated:				
Buildings	$ 45,835,852	$ 164,299	$ -	$ 46,000,151
Machinery and equipment	10,479,056	1,040,472	618,982	10,900,546
Infrastructure	104,093,364	1,810,419	-	105,903,783
Total capital assets, being depreciated	$ 160,408,272	$ 3,015,190	$ 618,982	$ 162,804,480
Less accumulated depreciation for:				
Buildings	$ 4,457,390	$ 947,590	$ -	$ 5,404,980
Machinery and equipment	6,578,247	872,866	448,121	7,002,992
Infrastructure	46,139,099	2,174,706	-	48,313,805
Total accumulated depreciation	$ 57,174,736	$ 3,995,162	$ 448,121	$ 60,721,777
Total capital assets being depreciated, net	$ 103,233,536	$ (979,972)	$ 170,861	$ 102,082,703
Governmental activities capital assets, net	$ 111,471,848	$ (939,564)	$ 1,255,330	$ 109,276,954
Business-type activities:				
Capital assets, not being depreciated				
Land	$ 532,831	$ -	$ -	$ 532,831
Construction in progress	-	-	-	-
Total capital assets, not being depreciated	$ 532,831	$ -	$ -	$ 532,831
Capital assets, being depreciated:				
Buildings and system	$ 5,159,252	$ -	$ -	$ 5,159,252
Machinery and equipment	127,834	-	-	127,834
Total capital assets, being depreciated	$ 5,287,086	$ -	$ -	$ 5,287,086
Less accumulated depreciation for:				
Buildings and system	$ 556,452	$ 127,846	$ -	$ 684,298
Machinery and equipment	89,890	10,363	-	100,253
Total accumulated depreciation	$ 646,342	$ 138,209	$ -	$ 784,551
Total capital assets being depreciated, net	$ 4,640,744	$ (138,209)	$ -	$ 4,502,535
Business-type activities capital assets, net	$ 5,173,575	$ (138,209)	$ -	$ 5,035,366

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

Governmental activities:	
General Government	$ 93,797
Public Safety	1,302,630
Highways and Streets, including depreciation of general infrastructure assets	2,482,487
Health and Welfare	68,868
Community Development	47,380
Total depreciation expense - governmental activities	$ 3,995,162
Business-type activities:	
Solid Waste	$ -
Water Utilities	138,209
Total depreciation expense - business-type activities	$ 138,209

D. Interfund Receivables, Payables, and Transfers

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

Due To / From Other Funds

Fund	Receivable	Payable
General Fund	$ 919,630	$ -
SPLOST III	-	6,055
SPLOST IV	-	392,252
SPLOST V	-	291,219
Other Nonmajor Governmental	-	152,476
Total Governmental Funds	$ 919,630	$ 842,002
Solid Waste Disposal Fund	$ -	$ 47,223
Water Utilities Fund	13,816	44,221
Total Proprietary Funds	$ 13,816	$ 91,444
Total All Funds	$ 933,446	$ 933,446

General Fund:	
Due from Solid Waster Enterprise Fund (to fund cash flow shortfall)	$ 33,406
Due from SPLOST III (to temporarily fund start-up funds for capital projects)	6,055
Due from SPLOST IV (to temporarily fund start-up funds for capital projects)	392,252
Due from SPLOST V (to temporarily fund start-up funds for capital projects)	291,219
Due from Special District #1 (to set up monthly expenditures advanced by General Fund)	64,695
Due from E-911 (to set up monthly expenditures advanced by General Fund)	87,782
Due from Water Utility Fund (to temporarily fund start-up funds for a capital project	44,221
Proprietary Funds:	
Water Utilities Fund:	
Due from Solid Waste Enterprise Fund (monthly collections)	13,816
Total	$ 933,446

E. Leases

Capital Leases. The County has entered into lease agreements as lessee for financing the acquisition of capital assets. The lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date.

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2011, are as follows:

Year Ending December 31,	Governmental activities	Total
2012	$ 112,056	$ 112,056
2013	112,056	112,056
2014	112,056	112,056
2015	442,056	442,056
2016	27,398	27,398
Total Minimum Lease Payments	$ 805,622	$ 805,622
Less: Amounts Representing Interest	69,765	69,765
Present Value of Minimum Lease Payments	$ 735,857	$ 735,857

The County has entered into lease agreements for financing various equipment and vehicles. These lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease terms) and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. The following is an analysis of building, equipment, and vehicles leased under capital leases as of December 31, 2011.

	Carrying Value
Equipment and Vehicles	$ 805,622
Net Carrying Value	$ 805,622

F. Long-Term Debt

Installment Sale Agreement. On December 1, 2006, the County entered into an installment sale agreement with the Association of County Commissioners of Georgia in the amount of $6,790,734 at a rate of 3.73% to finance the construction of a building that will house the jail and other offices. Payments are made monthly in the amount of $132,476 through June 1, 2012 if the agreement is renewed annually. These payments will be made from the proceeds of the Special Local Option Sales Tax. The principal balance at December 31, 2011 was $653,350.

Installment Sale Agreement. On January 5, 2007, the County entered into an installment sale agreement with the Association of County Commissioners of Georgia in the amount of $10,000,000 at a rate of 3.73% to finance the construction of a building that will house the jail and other offices. Payments are made monthly in the amount of $191,359 through June 1, 2012 if the agreement is renewed annually. These payments will be made from the proceeds of the Special Local Option Sales Tax. The principal balance at December 31, 2011 was $1,167,888.

Installment Sale Agreement debt service requirements to maturity are as follows:

Year Ending December 31,	Governmental Activities	
	Principal	Interest
2012	$ 1,821,238	$ 18,722
Totals	$ 1,821,238	$ 18,722

Loans Payable. On June 2, 2008, Coffee County entered into a loan agreement in the amount of $127,500 with the United States Department of Agriculture to finance various equipment purchases. Payments are made annually in the amount of $28,641. This loan is to be repaid over a five year period.

Loans Payable. On December 11, 2009, Coffee County entered into a loan agreement in the amount of $760,000 with the United States Department of Agriculture to finance various equipment and vehicle purchases. Payments are made annually in the amount of $172,520. This loan is to be repaid over a five year period.

Loans Payable. On December 2, 2010, Coffee County entered into a loan agreement in the amount of $108,800 with the United States Department of Agriculture to finance vehicle purchase for the Coffee County Sheriff's Office. Payments are made annually in the amount of $24,269.

Purpose	Interest Rates	Amount
Various equipment purchases -USDA	4.125%	$ 127,500
Various equipment and vehicle purchases - USDA	4.375%	172,520
Vehicle purchases - USDA	3.750%	108,800
Total		$ 408,820

Loans Payable debt service requirements to maturity are as follows:

Year Ending	Governmental activities		Business-type activities		Totals	
December 31,	Principal	Interest	Principal	Interest	Principal	Interest
2012	93,225	18,994	23,850	953	117,075	19,947
2013	95,847	16,570	23,929	873	119,776	17,443
2014	98,138	14,082	24,008	795	122,146	14,877
2015	424,689	17,528	24,087	716	448,776	18,244
2016	40,665	434	24,166	636	64,831	1,070
2017-2019	-	-	72,987	1,427	72,987	1,427
2020-2024	-	-	104,629	779	104,629	779
Total	$ 752,564	$ 67,608	$ 297,656	$ 6,179	$1,050,220	$ 73,787

Bonds Payable. Water Revenue Bonds were issued in 2006. The original amount of the 2006 Series Bonds was $2,648,300. They are due serially through January 12, 2046. Bonds were issued to construct and equip a water system. The county has adopted resolutions for its water revenue bonds that provide for various covenants as required by the 2006 bond Ordinances. These covenants are listed below and related asset accounts are presented in the financial statements as restricted assets of the enterprise fund.

Pledge of Revenues-

The Revenue bonds are secured by a pledge of all gross revenues of the system.

Establishment of Various Accounts –

(1) Revenue Fund Account – to pay all operating and maintenance costs of the system

(2) Sinking Fund – Debt Service Account – monies in the debt service account will be used to pay principal of and interest on the Bonds coming due

(3) Sinking Fund – Reserve Account – maintained for the purpose of paying, and shall be used at any time to pay, the principal of and interest on the Bonds coming due in any year as to which there otherwise would be a default. Monthly payments of 10% of principal and interest until the next year's installments are accumulated.

(4) Renewal and Extension Fund – Monies in the renewal and extension fund shall be used to pay the cost of making necessary renewals, replacements, improvements, additions, and extensions of capital assets required for the proper maintenance and efficient operation of the system.

Investment Restrictions –

The resolution provides that all monies in the above funds and accounts may only be invested in the following:

(1) Obligations of the United States and of its agencies and instrumentalities, or obligations fully insured or guaranteed by the United Sates government or by one of its agencies

(2) Bonds or certificates of indebtedness of the State of Georgia and of its agencies and instrumentalities

(3) Certificates of deposit of banks which have deposits insured by the Federal Deposit Insurance Corporation; provided, however, that the portion of such certificates of deposit in excess of the amount insured by the Federal Deposit Insurance Corporation must be secured by direct obligations of the State or United States which are of a par value equal to that portion of such certificates of deposit which would be uninsured

(4) The local government investment pool established by O.C.G.A

(5) Such other investments as shall be authorized by law at the time such investments are made

Debt service requirements on outstanding Bonds are as follows:

Year Ending December 31,	Business-type Activities Principal	Interest
2012	$ 32,067	$ 113,805
2013	33,992	111,880
2014	35,553	110,319
2015	37,186	108,686
2016	38,747	107,125
2017-2019	127,885	309,730
2020-2024	255,140	474,220
2025-2029	319,383	409,977
2030-2034	399,802	329,558
2035-2039	500,470	228,890
2040-2044	626,486	102,874
2045-2046	128,075	29,953
Totals	$ 2,534,786	$ 2,437,017

Changes in General Long-Term Liabilities.

Long-term liability activity for the year ended December 31, 2011, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Capital Leases	$ 560,000	$ 270,131	$ 62,539	$ 767,592	$ 112,056
Loans Payable	897,940.00	-	381,687.00	516,253.00	225,430.00
Installment Sale Agreement	5,563,048.00	-	3,741,811.00	1,821,237.00	1,821,237.00
Compensated Absences	275,446.00	-	31,319.00	244,127.00	-
Total Governmental activities	$ 7,296,434	$ 270,131	$ 4,217,356	$ 3,349,209	$ 2,158,723
Business-type activities:					
Loans Payable	$ 321,429	$ -	$ 23,772	$ 297,657	$ 23,850
Bonds Payable	2,565,441	-	32,067	2,533,374	33,992
Post-Closure Cost	1,723,789	-	86,189	1,637,600	87,051
Total Business-type activities	$ 4,610,659	$ -	$ 142,028	$ 4,468,631	$ 144,893

G. Landfill Postclosure Care Costs

State and federal laws and regulations require that the County place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The landfill's operation closed on June 30, 1998. The closure certificate was effective February 29, 2000.

Post-closure costs have been accrued in accordance with GEPD projections as of December 31, 2011 as $1,566,921 although actual costs may be higher due to inflation, changes in technology, or changes in regulations. The County has met financial assurance requirements by meeting the financial ratio test.

H. Reserved Fund Balances and Restricted Net Assets

The amount of reserved fund balances reported in the governmental fund financial statements as of December 31, 2011 are as follows:

Reserved Fund Balance	
SPLOST III Fund	
Reserved for sales tax capital projects	$ 722,851
SPLOST IV Fund	
Reserved for sales tax capital projects	622,877
SPLOST V Fund	
Reserved for sales tax capital projects	(291,219)
Nonmajor Governmental Funds:	
Special Revenue Funds	417,102
Reserved for Special District #1	773
Reserved for jail construction, improvements, and staffing	22,554
Reserved for drug abuse treatment and education programs	224,206
Reserved for law enforcment purposes	126
Reserved for grant expenditures	74,535
Reserved for law library	74,535
Reserved for police athletic league	52
Reserved for juvenile service	28,618
Reserved for E-911	359,660
Total Governmental Activities	$ 2,256,670
Component Unit	
Board of Health	
Reserved for special use - program income	$ 447,328
Total Component Unit	$ 447,328

I. Designated Fund Balance

The General Fund – Fund Balance has been designated in an amount necessary to cover all reserve requirements of the USDA on loans payable and to cover the sales tax rollback. The designated balance at December 31, 2011 was $3,076,432.

V. OTHER INFORMATION

A. 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 for which the County carries commercial insurance purchased either directly or indirectly from independent third parties. Settled claims from these risks have not exceeded commercial insurance coverage for the past three years. The County's deductibles for commercial insurance coverage range from $250 to $2,500 with various limits of liability ranging from $5,000 to $2,000,000. For its workers compensation coverage, the County is a member of the Association County Commissioners of Georgia-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. The ACCG administers the risk poll. The ACCG-GSIWCF operates under the authority of O.C.G.A 34-9-150 *et Seq*. The County pays into the fund its share of the fund's projected obligation for workers' compensation liability, administrative expenses, and other cost incurred by the fund. The County's share is adjusted by the board of the fund according to the claims experience of each participating member in accordance with criteria set forth in the bylaws of the fund. The fund makes payments to the employees of the members for workers compensation benefits pursuant to and in accordance with the claims procedures set for in title 34, chapter 9 of O.C.G.A. The County is jointly and severally liable for all legal obligations of the fund, including, but not limited to, any obligations of the fund to pay claims against the fund arising out of any occurrence, incident, or accident covered under title 34, chapter 9 of O.C.G.A. Coffee County, Georgia participates in ACCG's Interlocal Risk Management Agency.

As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The county is also to allow the 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 of the funds against liability or loss as prescribed in the member governments' contracts and in accordance with the workers' compensation laws of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation, or defense.

B. Commitments, Contingencies, and Litigation

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the County's counsel that resolution of most of these matters will not have a material adverse effect on the financial condition of the County.

The County has begun various construction projects as a part of the Special 1% Local Option Sales passed in 2000. These projects will involve $16,453,381 of sales tax funds supplemental by various state contracts for road construction. These projects are ongoing and approximately 95.1% was expended as of December 31, 2011.

The County has begun various construction projects as a part of the Special 1% Local Option Sales passed in 2005. These projects will involve $33,110,000 of sales tax funds supplemental by various state contracts for road construction. These projects are on going and approximately 100% was expended as of December 31, 2011. This is an intergovernmental agreement between the county and all municipalities that the County Detention Center is the sole priority one project associated with this SPLOST. In this regard, all SPLOST revenue received in the first fourteen months that the SPLOST is in effect shall be allocated to this project. After the first fourteen months, any SPLOST revenue received shall first be allocated to the county on a monthly basis in an amount sufficient to service this project cost.

The County has begun various construction projects as a part of the Special 1% Local Option Sales passed in 2011. These projects involve $33,000,000 of sales tax funds supplemental by various state contracts for road construction. These projects are ongoing and approximately 0.9% was expended as of December 31, 2011.

C. Joint Venture

Under Georgia law, the County, in conjunction with other cities and counties in the fourteen county Southeast Georgia area, is a member of the Southeast Georgia Regional Development Center (RDC) and is required to pay annual dues thereto. During its year ended December 31, 2011, the county paid $36,546 in such dues. Membership in a RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RDC in Georgia. The RDC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a RDC. Separate financial statements may be obtained from:

Southeast Georgia Regional Commission
3395 Harris Road
Waycross, GA 31503

D. Pensions

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

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 for benefits upon retirement, death, disablement, and termination of employment, if certain eligibility conditions are met. An outline of plan provisions was attached at the end of this year's valuation report.

The annual County contribution to the Plan is determined using the actuarial basis described in the annual valuation report. Employee contributions are not permitted. The annual County contribution meets or exceeds the minimum funding requirements of Georgia Statute 47-20.

Participant counts as of January 1, 2012 (the most recent actuarial valuation date) and covered compensation (based on covered earnings for the preceding year) are shown below:

Retirees, Beneficiaries and Disables receiving benefits		57
Terminated plan participants entitled to but not yet receiving benefits		82
Active employees participatin in the Plan		174
Total number of Plan Participants		313
Covered compensation for active participants	$	5,266,940
1. Actuarial Present Value of Accumulated Plan Benefits as of December 31, 2011		
a. Vested		
i. Retirees (and others in pay status)	$	3,371,087
ii. Deferred Vested (former employees)		1,041,345
iii. Vested Active Participants		3,687,841
Total	$	8,100,273
b. Nonvested	$	627,798
Total	$	8,728,071
2. Effect of Future Salary Increases	$	991,873
3. Total Actuarial Accrued Liability	$	9,719,944
4. Net Assets Available for Benefits (including receivables)	$	7,556,409
5. Net Assets in Excess of Actuarial Present Value of Accumulated Plan Benefits	$	(1,171,662)
6. Principal Actuarial Assumptions		
a. Investment Return		7.75%
b. Rate of Future Salary Increases (not applicable to Accumulated Plan Benefits calculations)		4.0% - 6.5% based on age

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

Derivation of Net Pension Obligation:	2011	2010
Net Pension Obligation as of Beginning of Prior Year	($241,021)	($206,160)
Annual Pension Cost for Prior Year	665,869	609,083
Actual Contributions to Plan for Prior Year	686,796	643,944
Increase in Net Pension Obligation	($20,927)	($34,861)
Net Pension Obligation as of Beginning of the Year	($261,948)	($241,021)

Derivation of Annual Pension Cost

Annual Required Contribution	$717,993	$664,562
Interest on Net Pension Obligation	(20,301)	(18,679)
Amortization of Net Pension Obligation	21,722	19,986
Annual Pension Cost	$719,414	$665,869

Schedule of Employer Contributions

Year Ended December 31,	Annual Required Contribution	Percentage Contributed
2001	335,319	100.0%
2002	397,958	100.0%
2003	359,370	109.9%
2004	470,864	100.0%
2005	441,147	111.3%
2006	465,634	106.6%
2007	493,710	105.2%
2008	506,106	103.1%
2009	607,965	105.9%
2010	664,562	103.3%
2011	717,993	101.1%

Schedule of Funding Progress

Measurement Date	(1) Actuarial Value Of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ration (1) / (2)	(4) Unfunded Ration (2) - (1)	(5) Annual Covered Payroll (prior year)	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
December 31, 2001	3,454,329	4,747,723	72.8%	1,293,394	2,937,997	44.0%
December 31,2002	3,527,225	5,279,484	66.8%	1,752,259	3,188,682	55.0%
December 31, 2003	4,183,273	5,530,377	75.6%	1,347,104	3,110,834	43.3%
December 31,2004	4,612,472	6,375,140	72.4%	1,762,668	3,382,675	52.1%
December 31,2005	5,169,751	6,885,186	75.1%	1,715,435	3,400,038	50.5%
December 31,2006	5,833,406	7,015,662	83.1%	1,182,256	3,825,780	30.9%
December 31,2007	6,445,506	7,803,173	82.6%	1,357,667	4,173,328	32.5%
December 31, 2008	6,426,233 *	8,319,554	77.2%	1,893,321	4,180,164	45.3%
December 31, 2009	7,083,237 *	9,190,102	77.1%	2,106,865	4,442,777	47.4%
December 31, 2010	7,700,545 *	9,768,708	78.8%	2,068,163	5,118,025	40.4%
December 31, 2011	8,250,913 *	10,421,208	79.2%	2,170,295	5,266,940	41.2%

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

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

* Reflects change to asset smoothing adopted by the ACCG Pension Plan and Trust Board of Trustees.

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

Valuation Date	January 1, 2011
Actuarial Cost Method:	Projected Unit Credit
Asset Valuation Method:	Market Value
Amortization Method:	Level Percent of Pay (Closed)
Remaining Amortization Period*:	10
Actuarial Assumptions:	
Assumed Rate of Return on Assets	7.75%
Expected Future Salary Increases:	3.5% - 6.0% based on age
Expected Inflation:	3.0%

The pension plan issues a stand-alone financial report. The report can be obtained by requesting it from the following:

Coffee County Commissioners
101 S. Peterson Avenue
Douglas, GA 31533

* Represents the estimated amortization period for all unfunded liabilities combined into one amortization base.

E. Other Postemployment Benefits

Plan Description. The government sponsors a single-employer post-retirement medical plan. The plan provides medical, prescription, and death benefits to eligible retirees and their spouses.

Funding Policy. The government is currently developing it's policy of funding OPEB liabilities on a pay-go basis and to not pre-fun any unfunded annual required contribution as determined under GASB-45.

Annual OPEB Cost and Net OPEB Obligation. The state's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer* (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the government's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the government's net OPEB obligation (dollar amounts in thousands):

Annual required contribution	$62,073
Interest on net OPEB obligation	0
Adjustment to annual required contribution	0
Annual OPEB cost (expense)	$62,073
Contributions made	(55,416)
Increase in net OPEB obligation	$6,657
Net OPEB obligation – beginning of year	$0
Net OPEB obligation – end of year	$6,657

The government's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 is as follows (dollar amounts in thousands):

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2011	$62,073	89.3%	$6,657

Funded Status and Funding Progress. As of January 1, 2011, the most recent actuarial date, the plan was 0% funded. The actuarial accrued liability for benefits was $658,277 and the actuarial value of assets was $0 resulting in an unfunded actuarial accrued liability (UAAL) of $658,277. The covered payroll (annual payroll of active employees covered by the plan) was $5,739,377 and the ratio of the UAAL to the covered payroll was 11.47%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2011 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.5% investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 8% initially, reduced by decrements to an ultimate rate of 5% after three years. The actuarial value of assets was determined using a standard balanced portfolio expectation for retirement plan asset returns. The UAAL is being amortized as a level percentage of payroll on an open basis. The remaining amortization period at January 1, 2011 was 28 years.

F. Interfund Transfers

Individual Major Funds:	
General Fund:	
Transfers to Nonmajor Governmental Funds (To supplment the Fund's Operations)	$ 324,233
Transfers from Nonmajor Governmental Funds	(149,000)
Total Transfers	$ 175,233
Nonmajor Governmental Funds:	
E-911	$ 130,833
Special District #1	193,400
Jail Fund	(149,000)
Total Transfers	$ 175,233

Interfund transfers from the general fund to the Nonmajor Governmental Funds are made to supplement the fund's current operations.

REQUIRED SUPPLEMENTARY INFORMATION

COFFEE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Taxes	$ 10,260,000	$ 10,310,000	$ 10,455,782	$ 145,782
Licenses & Permits	94,000	94,000	99,364	5,364
Intergovernmental	516,700	521,700	521,732	32
Charges for Services	1,180,000	1,410,000	1,497,749	87,749
Fines & Fees	1,205,000	1,177,000	1,233,231	56,231
Investment Income	26,000	26,000	40,344	14,344
Other	66,500	66,500	123,577	57,077
Total Revenues	$ 13,348,200	$ 13,605,200	$ 13,971,779	$ 366,579
EXPENDITURES				
Current:				
General Government	$ 1,737,200	$ 1,819,800	$ 1,818,715	$ 1,085
Judicial	1,681,500	1,706,200	1,654,100	52,100
Public Safety	7,042,100	7,213,100	7,081,741	131,359
Highways & Streets	2,923,700	2,887,000	2,801,163	85,837
Health & Welfare	222,100	225,800	218,046	7,754
Culture & Recreation	65,200	65,200	278,326	(213,126)
Housing and Development	170,100	171,100	168,968	2,132
Capital Outlay (included in current expenditures)				-
Debt Service				
Principal	583,000	500,000	461,605	38,395
Interest		-	37,555	(37,555)
Total Expenditures	$ 14,424,900	$ 14,588,200	$ 14,520,219	$ 67,981
Excess Revenues (Expenditures)	$ (1,076,700)	$ (983,000)	$ (548,440)	$ 434,560
OTHER FINANCING SOURCES (USES)				
Transfers In	$ 150,000	$ 150,000	$ 149,000	$ (1,000)
Transfers Out	(333,400)	(333,400)	(324,233)	9,167
Capital Lease Proceeds	278,000	278,000	270,131	(7,869)
Sale of General Fixed Assets	300,000	535,000	537,426	2,426
Total Other Financing Sources (Uses)	$ 394,600	$ 629,600	$ 632,324	$ 2,724
Net Change In Fund Balances	$ (682,100)	$ (353,400)	$ 83,884	$ 437,284
Fund Balance - Beginning of Year	7,025,751	7,025,751	7,025,751	-
FUND BALANCES - END OF YEAR	$ 6,343,651	$ 6,672,351	$ 7,109,635	$ 437,284

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

I. BUDGETARY BASIS OF ACCOUNTING

The budgetary basis of accounting used in all budgetary comparisons is *current financial resources measurement focus* and the *modified accrual* basis of accounting as required by general accepted accounting principles.

II. EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN GENERAL FUND

The following General Fund department incurred actual expenditures in excess of budgeted amounts for the year ended December 31, 2011:

Department	Appropriations	Expenditures	Excess
General Government:			
County Commission	$ 196,400	$ 196,478	$ (78)
Legal	57,000	72,750	(15,750)
Judicial:			
State Court Solicitor General	113,300	114,754	(1,454)
Juvenile Court	34,100	35,883	(1,783)
Public Defender	189,000	189,673	(673)
Public Safety:			
Fire Department	-	9,407	(9,407)
Culture / Recreation:			
Recreation Department	-	213,126	(213,126)
Housing and Development:			
County Ag Building	43,900	44,240	(340)

III. EXCESSES OF EXPENDITURES OVER APPROPRIATIONS IN INDIVIDUAL FUNDS

The following individual funds incurred actual expenditures in excess of budgeted amounts for the year ended December 31, 2011:

Fund	Appropriations	Expenditures	Excess
Sheriff's PAL	$ 2,000	$ 11,909	$ (9,909)
Country Drug Abuse Treatment and Education Fund	27,200	51,115	(23,915)
Juvenile Service Fund	5,100	7,471	(2,371)

COMBINING AND INDIVIDUAL FUND SCHEDULES

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Law Library Account – to account for the collection and payment of special fees used to maintain the law library.

Sheriff's Narcotic Fund – to account for on a separate basis revenues and expenses related to confiscations of property and cash by the sheriff's department and its related cooperating agencies. These funds are restricted to use in combating illegal drugs.

Sheriff's PAL Fund – to account for funds raised by donations and special projects (activities) and their use in the Police Athletic league.

Count Drug Abuse Treatment & Education Fund – to account for special fines collected by the court to be used by the county solely and exclusively for drug abuse treatment and education programs related to controlled substances and marijuana.

Juvenile Service Fund - to account for supervision fees collected by the Juvenile Court from those placed under supervision and use of these funds to expand service housing, educational services, counseling, mediation, transportation, restitution, and job development.

Sheriff's Commissary Account – to account for the collection from sales of commissary type items in the jail to be used for jail related expenses.

County Jail Fund – to account for penalties imposed on fine cases by courts in the county and the use of these amounts solely and exclusively for constructing, operating, and staffing the county jail.

E-911 Fund – to account for the activities of the County's E-911 system.

D.A.R.E. Fund – to account for funds raised by donation or special projects and their use for drug abuse treatment and education programs primarily directed at school children.

Community Home Investment Program – to account for grant funds to be used to rehabilitate housing units for low to moderate income persons in Coffee County.

Fire Department FEMA - to account for grant funds to be used to purchase needed equipment for the fire department.

Special District #1 Fund – to account for activities related to the County's unincorporated areas. Revenues include the Insurance Premium Tax, licenses, and permits, and expenditures are for the Fire Department and others in unincorporated areas.

Capital Projects Funds

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Senior Citizens Center – to account for construction of a Senior Citizens Center. This project is financed by a CDBG Grant.

COFFEE COUNTY, GEORGIA
COMBINING BALANCE SHEETS
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2011

	Special Revenue							
	Law Library Fund	Sheriff's Narcotics	Sheriff's Pal	County Drug Abuse & Education	Juvenile Service Fund	Sheriff's Commissary	County Jail Fund	Sheriff's K-9
ASSETS								
Cash and Cash Equivalents	$ 74,535	$ 57,061	$ 2,986	$ 22,554	$ 28,618	$ 61,283	$ 773	$ 578
Receivables (Net of Allowance for Uncollectibles)	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	102,298	-	-
Total Assets	$ 74,535	$ 57,061	$ 2,986	$ 22,554	$ 28,618	$ 163,581	$ 773	$ 578
LIABILITIES AND FUND BALANCE								
Liabilities:								
Due to Other Funds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Deferred Revenue	-	-	-	-	-	-	-	-
Total Liabilities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fund Balance:								
Reserved	$ 74,535	$ 57,061	$ 2,986	$ 22,554	$ 28,618	$ 163,581	$ 773	$ 578
Unreserved, Undesignated	-	-	-	-	-	-	-	-
Total Fund Balance	$ 74,535	$ 57,061	$ 2,986	$ 22,554	$ 28,618	$ 163,581	$ 773	$ 578
TOTAL LIABILITIES & FUND BALANCE	$ 74,535	$ 57,061	$ 2,986	$ 22,554	$ 28,618	$ 163,581	$ 773	$ 578

COFFEE COUNTY, GEORGIA
COMBINING BALANCE SHEETS (Continued)
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2011

	Special Revenue					Capital Project	
	E-911 Fund	D.A.R.E Fund	Community Home Investment Programs	Fire Department FEMA Grant	Special District #1 Fund	Senior Center	Total 2011
ASSETS							
Cash and Cash Equivalents	$ 378,211	$ 52	$ -	$ 126	$ 481,796	$ -	$ 1,108,573
Receivables (Net of Allowance for Uncollectibles)	85,974	-	-	-	-	-	85,974
Due from Other Funds	-	-	-	-	-	-	102,298
Total Assets	$ 464,185	$ 52	$ -	$ 126	$ 481,796	$ -	$ 1,296,845
LIABILITIES AND FUND BALANCE							
Liabilities:							
Due to Other Funds	$ 87,782	$ -	$ -	$ -	$ 64,694	$ -	$ 152,476
Deferred Revenue	16,743	-	-	-	-	-	16,743
Total Liabilities	$ 104,525	$ -	$ -	$ -	$ 64,694	$ -	$ 169,219
Fund Balance:							
Reserved	$ 359,660	$ 52	$ -	$ 126	$ 417,102	$ -	$ 1,127,626
Unreserved, Undesignated	-	-	-	-	-	-	-
Total Fund Balance	$ 359,660	$ 52	$ -	$ 126	$ 417,102	$ -	$ 1,127,626
TOTAL LIABILITIES & FUND BALANCE	$ 464,185	$ 52	$ -	$ 126	$ 481,796	$ -	$ 1,296,845

COFFEE COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	Special Revenue							
	Law Library Fund	Sheriff's Narcotics	Sheriff's PAL	County Drug Abuse & Education	Juvenile Service Fund	Sheriff's Commissary	County Jail Fund	Sheriff's K-9
REVENUES								
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Licenses & Permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-
Fines & Other	31,962	133,034	-	33,287	4,872	-	149,238	-
Investment Earnings	-	128	12	127	105	111	54	2
Other	-	1,137	10,175	-	-	149,122	-	-
Total Revenues	$ 31,962	$ 134,299	$ 10,187	$ 33,414	$ 4,977	$ 149,233	$ 149,292	$ 2
EXPENDITURES								
Current								
Judicial	$ 30,538	$ -	$ -	$ -	$ 7,471	$ -	$ -	$ -
Public Safety	-	102,016	-	-	-	105,839	-	245
Community Development	-	-	11,909	51,115	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	25,671	-	-	-	-	-	-
Total Expenditures	$ 30,538	$ 127,687	$ 11,909	$ 51,115	$ 7,471	$ 105,839	$ -	$ 245
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ 1,424	$ 6,612	$ (1,722)	$ (17,701)	$ (2,494)	$ 43,394	$ 149,292	$ (243)
OTHER FINANCING SOURCES (USES)								
Transfers In	$ -	$ -	$ -	$ -	$ -	-	$ -	$ -
Transfers Out	-	-	-	-	-	-	(149,000)	-
Total Other Financing Sources (Uses)	$ -	$ -	$ -	$ -	$ -	$ -	$ (149,000)	$ -
Net Change in Fund Balances	$ 1,424	$ 6,612	$ (1,722)	$ (17,701)	$ (2,494)	$ 43,394	$ 292	$ (243)
Fund Balances Beginning of Year	73,111	50,449	4,708	40,255	31,112	120,187	481	821
FUND BALANCES END OF YEAR	$ 74,535	$ 57,061	$ 2,986	$ 22,554	$ 28,618	$ 163,581	$ 773	$ 578

COFFEE COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2011

	Special Revenue					Capital Project	
	E-911 Fund	D.A.R.E Fund	Community Home Improvement Program	Fire Department FEMA Grant	Special District #1 Fund	Senior Center	Total 2011
REVENUES							
Taxes	$ -	$ -	$ -	$ -	$ 1,104,223	$ -	$ 1,104,223
Licenses and Permits	-	-	-	-	53,919	-	53,919
Intergovernmental	-	-	-	-	-	-	-
Charges for Services	611,217	-	-	-	-	-	611,217
Fines & Other	48,819	-	-	-	-	-	401,212
Investment Earnings	1,483	-	-	-	1,076	-	3,098
Other	-	-	-	-	-	-	160,434
Total Revenues	$ 661,519	$ -	$ -	$ -	$ 1,159,218	$ -	$ 2,334,103
EXPENDITURES							
Current							
Judicial	$ -	$ -	$ -	$ -	$ -	$ -	$ 38,009
Public Safety	840,264	-	-	-	781,772	-	1,830,136
Community Development	-	-	-	-	496,500	-	559,524
Culture and Recreation	-	-	-	-	115,616	-	115,616
Capital Outlay	-	-	-	-	-	-	25,671
Total Expenditures	$ 840,264	$ -	$ -	$ -	$ 1,393,888	$ -	$ 2,568,956
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ (178,745)	$ -	$ -	$ -	$ (234,670)	$ -	$ (234,853)
OTHER FINANCING SOURCES (USES)							
Transfers In	$ 130,833	$ -	$ -	$ -	$ 193,400	$ -	$ 324,233
Transfers Out	-	-	-	-	-	-	(149,000)
Total Other Financing Sources (Uses)	$ 130,833	$ -	$ -	$ -	$ 193,400	$ -	175,233
Net Change in Fund Balances	$ (47,912)	$ -	$ -	$ -	$ (41,270)	$ -	$ (59,620)
Fund Balances - Beginning of Year	407,572	52	-	126	458,372	-	1,187,246
FUND BALANCES END OF YEAR	$ 359,660	$ 52	$ -	$ 126	$ 417,102	$ -	$ 1,127,626

COFFEE COUNTY, GEORGIA
LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET & ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Revenues:			
Fines & Forfeitures	$ 40,000	$ 31,962	$ (8,038)
Investment Earnings	3,000	-	(3,000)
Total Revenues	$ 43,000	$ 31,962	$ (11,038)
Expenditures:			
Program Expenditures	$ 53,000	$ 30,538	$ 22,462
Total Expenditures	$ 53,000	$ 30,538	$ 22,462
Excess of Revenues Over (Under) Expenditures	$ (10,000)	$ 1,424	$ 11,424
Fund Balance - January 1	73,111	73,111	-
Fund Balance - December 31	$ 63,111	$ 74,535	$ 11,424

COFFEE COUNTY, GEORGIA
SHERIFF'S NARCOTICS FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET & ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Revenues:			
Fines and Forfeitures	$ 70,000	$ 133,034	$ 63,034
Investment Earnings	100	128	28
Intergovernmental	-	-	-
Other Miscellaneous	-	1,137	1,137
Total Revenues	$ 70,100	$ 134,299	$ 64,199
Expenditures:			
Public Safety	$ 80,100	$ 102,016	$ (21,916)
Capital Outlay	-	25,671	(25,671)
Total Expenditures	$ 80,100	$ 127,687	$ (47,587)
Excess of Revenues Over (Under) Expenditures	$ (10,000)	$ 6,612	$ 16,612
Other Financing Sources (Uses):			
Operating Transfers Out	-	-	-
Excess of Revenues Over (Under) Expenditures & Other Financing Sources (Uses)	$ (10,000)	$ 6,612	$ 16,612
Fund Balance - January 1	50,449	50,449	-
Fund Balance - December 31	$ 40,449	$ 57,061	$ 16,612

COFFEE COUNTY, GEORGIA
SHERIFF'S PAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET & ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Revenues:			
Donations	$ 2,000	$ 10,175	$ 8,175
Investment Earnings	-	12	12
Total Revenues	$ 2,000	$ 10,187	$ 8,187
Expenditures:			
Community Development	$ 2,000	$ 11,909	$ (9,909)
Total Expenditures	$ 2,000	$ 11,909	$ (9,909)
Excess of Revenues Over (Under) Expenditures	$ -	$ (1,722)	$ (1,722)
Fund Balance - January 1	4,708	4,708	-
Fund Balance - December 31	$ 4,708	$ 2,986	$ (1,722)

COFFEE COUNTY, GEORGIA
COUNTY DRUG ABUSE TREATMENT AND EDUCATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET & ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Revenues:			
Fines	$ 27,000	$ 33,287	$ 6,287
Investment Earnings	200	127	(73)
Total Revenues	$ 27,200	$ 33,414	$ 6,214
Expenditures:			
Program	$ 27,200	$ 51,115	$ (23,915)
Total Expenditures	$ 27,200	$ 51,115	$ (23,915)
Excess of Revenues Over (Under) Expenditures	$ -	$ (17,701)	$ 17,701
Other Financing Sources (Uses):			
Operating Transfers In (Out)			
General Fund	$ -	$ -	$ -
Excess of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	$ -	$ (17,701)	$ 17,701
Fund Balance - January 1	40,255	40,255	-
Fund Balance - December 31	$ 40,255	$ 22,554	$ 17,701

COFFEE COUNTY, GEORGIA
JUVENILE SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET & ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Revenues:			
Supervision Fees	$ 5,000	$ 4,872	$ (128)
Investment Earnings	100	105	5
Total Revenues	$ 5,100	$ 4,977	$ (123)
Expenditures:			
Judicial	$ 5,100	$ 7,471	$ (2,371)
Total Expenditures	$ 5,100	$ 7,471	$ (2,371)
Excess of Revenues Over (Under) Expenditures	$ -	$ (2,494)	$ (2,494)
Fund Balance - January 1	31,112	31,112	-
Fund Balance - December 31	$ 31,112	$ 28,618	$ (2,494)

COFFEE COUNTY, GEORGIA
SHERIFF'S COMMISSARY ACCOUNT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET & ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	ORIGINAL AND BUDGET BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Revenues:			
Sales	$ 100,000	$ 149,122	$ 49,122
Investment Earnings	100	111	11
Total Revenues	$ 100,100	$ 149,233	$ 49,133
Expenditures:			
Public Safety	$ 150,100	$ 105,839	$ 44,261
Capital Outlay	-	-	-
Total Expenditures	$ 150,100	$ 105,839	$ 44,261
Excess of Revenues Over (Under) Expenditures	$ (50,000)	$ 43,394	$ (6,606)
Fund Balance - January 1	120,187	120,187	-
Fund Balance - December 31	$ 70,187	$ 163,581	$ (6,606)

COFFEE COUNTY, GEORGIA
COUNTY JAIL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET & ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Revenues:			
Fines	$ 149,000	$ 149,238	$ 238
Investment Earnings	1,000	54	(946)
Total Revenues	$ 150,000	$ 149,292	$ (708)
Expenditures:			
Public Safety	$ -	$ -	$ -
Total Expenditures	$ -	$ -	$ -
Excess of Revenues Over (Under) Expenditures	$ 150,000	$ 149,292	$ (708)
Other Financing Sources (Uses):			
Operating Transfers Out	(150,000)	(149,000)	1,000
Excess of Revenues Over (Under) Expenditures & Other Financing Sources (Uses)	$ -	$ 292	$ 292
Fund Balance - January 1	481	481	-
Fund Balance - December 31	$ 481	$ 773	$ 292

COFFEE COUNTY, GEORGIA
E-911 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET & ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Revenues:			
Charges for Services	$ 682,000	$ 660,036	$ (21,964)
Investment Earnings	2,000	1,483	(517)
Total Revenues	$ 684,000	$ 661,519	$ (22,481)
Expenditures:			
Public Safety	$ 864,300	$ 840,264	$ 24,036
Capital Outlay	-	-	-
Total Expenditures	$ 864,300	$ 840,264	$ 24,036
Excess of Revenues Over (Under) Expenditures	$ (180,300)	$ (178,745)	$ (46,517)
Other Financing Sources (Uses):			
Operating Transfers In	140,000	130,833	9,167
Excess of Revenues Over (Under) Expenditures & Other Financing Sources (Uses)	$ (40,300)	$ (47,912)	$ (37,350)
Fund Balance - January 1	407,572	407,572	-
Fund Balance - December 31	$ 367,272	$ 359,660	$ (37,350)

COFFEE COUNTY, GEORGIA
D.A.R.E. FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET & ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Revenues:			
Projects & Donations	$ -	$ -	$ -
Total Revenues	$ -	$ -	$ -
Expenditures:			
Office		$ -	$ -
Program	100	-	100
Total Expenditures	$ 100	$ -	$ 100
Excess of Revenues Over (Under) Expenditures	$ (100)	$ -	$ 100
Fund Balance - January 1	52	52	-
Fund Balance - December 31	$ (48)	$ 52	$ 100

COFFEE COUNTY, GEORGIA
FIRE DEPARTMENT
FEMA GRANT EMW-2004-FG-17777
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET & ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Revenues:			
Grant Funds	$ -	$ -	$ -
Donations		-	-
Total Revenues	$ -	$ -	$ -
Expenditures:			
Public Safety	$ 100	$ -	$ 100
Total Expenditures	$ 100	$ -	$ 100
Excess of Revenues Over (Under) Expenditures	$ (100)	$ -	$ 100
Fund Balance - January 1	126	126	-
Fund Balance - December 31	$ 26	$ 126	$ 100

COFFEE COUNTY, GEORGIA
SPECIAL DISTRICT FUND #1
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET & ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2011

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Revenues:				
Insurance Premium Tax	$ 1,103,600	$ 1,103,600	$ 1,104,223	$ 623
Licenses & Permits	60,000	57,000	53,919	(3,081)
Intergovernmental Revenue	-	-	-	-
Investment Earnings	1,500	1,500	1,076	(424)
Other	-	-	-	-
Total Revenues	$ 1,165,100	$ 1,162,100	$ 1,159,218	$ (2,882)
Expenditures:				
Current				
Public Safety	$ 745,700	$ 792,300	$ 781,772	$ 10,528
Culture and Recreation	496,500	496,500	496,500	-
Community Development	116,300	119,300	115,616	3,684
Capital Outlay	-	-	-	-
Total Expenditures	$ 1,358,500	$ 1,408,100	$ 1,393,888	$ 14,212
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ (193,400)	$ (246,000)	$ (234,670)	$ 11,330
Other Financing Sources (Uses):				
Transfer In	193,400	193,400	193,400	-
Transfer Out	-	-	-	-
Total Other Financing Sources (Uses)	$ 193,400	$ 193,400	$ 193,400	$ -
Net Change in Fund Balance	$ -	$ (52,600)	$ (41,270)	$ 11,330
Fund Balance - January 1	458,372	458,372	458,372	-
Fund Balance - December 31	$ 458,372	$ 405,772	$ 417,102	$ 11,330

AGENCY FUNDS

Clerk of Court – to account for the collection of various fees and other amounts to be distributed to other parties.

Magistrate Court – to account for the collection of various warrants which are distributed to other parties.

Probate Judge – to account for the collection of various fees which are disbursed to other parties.

Sheriff – to account for the collection of various fees to be distributed to other parties.

Inmate Trust – to account for the collection of monies deposited on behalf of inmates to be disbursed to other parties.

Crime Victim's Assistance – to account for the collection of various fees to be disbursed to other parties.

Tax Commissioner – to account for the collection of property taxes, motor vehicle tax and title fees, fees for the recording of intangibles, etc. which are disbursed to various taxing agencies.

Property Tax Escrow – to account for the collection of excess funds on property tax sales to be disbursed to other parties.

COFFEE COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2011

	January 1, 2011	Additions	Deductions	December 31, 2011
Clerk of Court				
	ASSETS			
Cash	$ 315,542	$ 2,984,232	$ 2,983,143	$ 316,631
Total Assets	$ 315,542	$ 2,984,232	$ 2,983,143	$ 316,631
	LIABILITIES			
Due to Others	$ 315,542	$ 2,984,232	$ 2,983,143	$ 316,631
Total Liabilities	$ 315,542	$ 2,984,232	$ 2,983,143	$ 316,631
Magistrate Court				
	ASSETS			
Cash	$ 66,960	$ 683,046	$ 677,284	$ 72,722
Total Assets	$ 66,960	$ 683,046	$ 677,284	$ 72,722
	LIABILITIES			
Due to Others	$ 66,960	$ 683,046	$ 677,284	$ 72,722
Total Liabilities	$ 66,960	$ 683,046	$ 677,284	$ 72,722
Probate Judge				
	ASSETS			
Cash	$ 7,647	$ 100,113	$ 100,773	$ 6,987
Total Assets	$ 7,647	$ 100,113	$ 100,773	$ 6,987
	LIABILITIES			
Due to Others	$ 7,647	$ 100,113	$ 100,773	$ 6,987
Total Liabilities	$ 7,647	$ 100,113	$ 100,773	$ 6,987
Sheriff				
	ASSETS			
Cash	$ 330,701	$ 1,684,097	$ 1,364,012	$ 650,786
Total Assets	$ 330,701	$ 1,684,097	$ 1,364,012	$ 650,786
	LIABILITIES			
Due to Others	$ 330,701	$ 1,684,097	$ 1,364,012	$ 650,786
Total Liabilities	$ 330,701	$ 1,684,097	$ 1,364,012	$ 650,786

COFFEE COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS - (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2011

	January 1, 2011	Additions	Deductions	December 31, 2011
Inmate				
	ASSETS			
Cash	$ 42,678	$ 425,535	$ 419,908	$ 48,305
Total Assets	$ 42,678	$ 425,535	$ 419,908	$ 48,305
	LIABILITIES			
Due to Others	$ 42,678	$ 425,535	$ 419,908	$ 48,305
Total Liabilities	$ 42,678	$ 425,535	$ 419,908	$ 48,305
Crime Victim's Assistance				
	ASSETS			
Cash	$ 321,855	$ 66,090	$ 114,972	$ 272,973
Total Assets	$ 321,855	$ 66,090	$ 114,972	$ 272,973
	LIABILITIES			
Due to Others	$ 321,855	$ 66,090	$ 114,972	$ 272,973
Total Liabilities	$ 321,855	$ 66,090	$ 114,972	$ 272,973
Tax Commissioner				
	ASSETS			
Cash	$ (3,341)	$ 25,779,943	$ 25,776,463	$ 139
Total Assets	$ (3,341)	$ 25,779,943	$ 25,776,463	$ 139
	LIABILITIES			
Due to Others	$ (3,341)	$ 25,779,943	$ 25,776,463	$ 139
Total Liabilities	$ (3,341)	$ 25,779,943	$ 25,776,463	$ 139
Property Tax Escrow				
	ASSETS			
Cash	$ 144,331	$ 17,465	$ 17,922	$ 143,874
Total Assets	$ 144,331	$ 17,465	$ 17,922	$ 143,874
	LIABILITIES			
Due to Others	$ 144,331	$ 17,465	$ 17,922	$ 143,874
Total Liabilities	$ 144,331	$ 17,465	$ 17,922	$ 143,874
TOTALS				
	ASSETS			
Cash	$ 1,226,373	$ 31,740,521	$ 31,454,477	$ 1,512,417
Total Assets	$ 1,226,373	$ 31,740,521	$ 31,454,477	$ 1,512,417
	LIABILITIES			
Due to Others	$ 1,226,373	$ 31,740,521	$ 31,454,477	$ 1,512,417
Total Liabilities	$ 1,226,373	$ 31,740,521	$ 31,454,477	$ 1,512,417

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

COFFEE COUNTY, GEORGIA
CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULES BY SOURCE
DECEMBER 31, 2011 AND 2010

	2011	2010
Governmental funds capital assets:		
Land	$ 7,158,843	$ 7,153,843
Buildings	46,000,151	45,835,852
Machinery and Equipment	10,900,546	10,479,056
Infrastructure	105,903,783	104,093,364
Construction in Progress	35,408	1,084,469
Total Governmental Funds Capital Assets	$ 169,998,731	$ 168,646,584
Investments in Governmental Funds Capital Assets by Source:		
General Fund	$ 107,223,689	$ 107,090,581
Special Revenue Fund	18,551,124	18,551,124
Capital Projects Funds	44,223,918	43,004,879
Total Governmental Funds Capital Assets	$ 169,998,731	$ 168,646,584

COFFEE COUNTY, GEORGIA
CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
DECEMBER 31, 2011

Function and Activity	Land	Buildings	Machinery and Equipment	Infrastructure	Construction in Progress and Other	Total
General Government:						
General Multipurpose	$ 150,000	$ 3,999,730	$ 719,585	$ -	$ -	$ 4,869,315
Finance Director	-	-	18,916	-	-	18,916
Elections	3,160	8,057	43,581	-	-	54,798
Tax Commissioner	-	-	8,078	-	-	8,078
Tax Assessor	-	57,463	170,903	-	-	228,366
Held for Sale	-	-		-	-	-
Total General Government	$ 153,160	$ 4,065,250	$ 961,063	$ -	$ -	$ 5,179,473
Judicial						
Clerk of Court	$ -	$ -	$ 19,311	$ -	$ -	$ 19,311
Magistrate Courts	-	-	20,000	-	-	20,000
Total Judicial	$ -	$ -	$ 39,311	$ -	$ -	$ 39,311
Public Safety						
Sheriff	$ 26,965	$ 62,642	$ 2,378,919	$ -	$ -	$ 2,468,526
Jail	264,349	35,285,884	262,192	-	-	35,812,425
Fire	77,547	651,516	2,209,017	43,816	-	2,981,896
EMA	-	5,560	73,919	-	-	79,479
GSP	150,000	737,155		-	-	887,155
E-911	50,000	329,303	588,595	-	-	967,898
Victims Advocate	-	-	11,441	-	-	11,441
Total Public Safety	$ 568,861	$ 37,072,060	$ 5,524,083	$ 43,816	$ -	$ 43,208,820
Highways and Streets	$ 5,914,490	$ 197,880	$ 4,264,155	$ 105,699,921	$ 35,408	$ 116,111,854
Health and Welfare						
General Health	$ 36,000	$ 583,288	$ -	$ -	$ -	$ 619,288
Mental Health	50,000	1,041,732	-	-	-	1,091,732
Head Start	-	653,031	-	-	-	653,031
Senior Center	366,093	650,267	20,766	-	-	1,037,126
Recreation	-	653,504	-	160,046	-	813,550
Social Service	35,157	276,839	17,369	-	-	329,365
Total Health and Welfare	$ 487,250	$ 3,858,661	$ 38,135	$ 160,046	$ -	$ 4,544,092
Community Development						
County Ag Complex	$ 35,082	$ 806,300	$ -	$ -	$ -	$ 841,382
County Agent	-	-	62,632	-	-	62,632
Building Inspector	-	-	11,167	-	-	11,167
Total Community Development	$ 35,082	$ 806,300	$ 73,799	$ -	$ -	$ 915,181
Total Governmental Funds Capital Assets	$ 7,158,843	$ 46,000,151	$ 10,900,546	$ 105,903,783	$ 35,408	$ 169,998,731

COFFEE COUNTY, GEORGIA
CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
FOR YEAR ENDED DECEMBER 31, 2011

Function and Activity	Governmental Funds Capital Assets January 1, 2011	Prior Year Adjustment	Addition	Deduction	Governmental Funds Capital Assets Dec. 31, 2011
General Government:					
General Multipurpose	$ 4,694,702	$ -	$ 174,613	$ -	$ 4,869,315
Finance Director	18,916	-	-	-	18,916
Elections	48,741	-	6,057	-	54,798
Tax Commissioner	8,078	-	-	-	8,078
Tax Assessor	228,366	-	-	-	228,366
Total General Government	$ 4,998,803	$ -	$ 180,670	$ -	$ 5,179,473
Judicial					
Clerk of Court	$ 19,311	$ -	$ -	$ -	$ 19,311
Magistrate Courts	20,000	-	-	-	20,000
Total Judicial	$ 39,311	$ -	$ -	$ -	$ 39,311
Public Safety					
Sheriff	$ 2,447,347	$ -	$ 163,703	$ 142,524	$ 2,468,526
Jail	35,788,631	-	23,794	-	35,812,425
Fire	2,716,274	-	336,309	70,687	2,981,896
EMA	25,066	-	54,413	-	79,479
GSP	874,510	-	12,645	-	887,155
E-911	967,898	-		-	967,898
Victims Advocate	11,441	-	-	-	11,441
Total Public Safety	$ 42,831,167	$ -	$ 590,864	$ 213,211	$ 43,208,820
Highways and Streets	$ 115,318,030	$ -	$ 2,284,064	$ 1,490,240	$ 116,111,854
Health and Welfare					
General Health	$ 619,288	$ -	$ -	$ -	$ 619,288
Head Start Facility	653,031	-	-	-	653,031
Mental Health	1,091,732	-	-	-	1,091,732
Senior Center	1,037,126	-	-	-	1,037,126
Recreation	813,550	-	-	-	813,550
Social Service	329,365	-	-	-	329,365
Total Health and Welfare	$ 4,544,092	$ -	$ -	$ -	$ 4,544,092
Community Development					
County Ag Complex	$ 841,382	$ -	$ -	$ -	$ 841,382
County Agent	62,632	-	-	-	62,632
Building Inspector	11,167	-	-	-	11,167
Total Community Development	$ 915,181	$ -	$ -	$ -	$ 915,181
Total Governmental Funds Capital Assets	$ 168,646,584	$ -	$ 3,055,598	$ 1,703,451	$ 169,998,731

SPECIAL REPORTS SECTION

Section I	**Reporting on Compliance and Internal Controls over Financial Reporting based on an Audit of Financial Statements performed in accordance with *GOVERNMENT AUDITING STANDARDS***
Section II	**Report on Special County Sales and Use Tax**
Section III	**Report on E-911 Fund Collections and Expenditures**
Section IV	**Other Reports**

H&H Hurst & Hurst, CPA's, LLC

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ROBERT W. HURST, CPA - RETIRED

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards (No Material Weaknesses Identified, No Significant Deficiencies Identified, No Reportable Instances of Noncompliance or Other Matters Identified)

The Honorable Board of County Commissioners
Coffee County Courthouse
Douglas, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Coffee County, Georgia as of and for the year ended December 31, 2011, which collectively comprise Coffee County, Georgia's basic financial statements and have issued our report thereon dated June 20, 2012. We did not audit the financial statements of Coffee County Health Department which is a component unit. 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 Coffee County Health Department, is based on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Coffee County, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Coffee County, Georgia in a separate letter dated June 20, 2012.

This report is intended solely for the information and use of the audit committee, management, others within the organization, County Commission, 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.

Hurst & Hurst

Hurst and Hurst, CPAs
Douglas, Georgia
June 20, 2012

REPORT ON SPECIAL COUNTY SALES AND USE TAX

H&H Hurst & Hurst, CPA's, LLC

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Independent Auditor's Report on Special County One Percent Sales and Use Tax

To the Honorable Board of County Commissioners
Coffee County Courthouse
Douglas, Georgia

We have audited the accompanying Schedules of Special Purpose Local Option Sales Tax for the Coffee County, Georgia, for the year ended December 31, 2011. This schedule is the responsibility of the Coffee County, Georgia's management. Our responsibility is to express an opinion on the Schedules of Special Purpose Local Option Sales Tax based on our audit.

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 Schedules of Special Purpose Local Option Sale Tax is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedules of Special Purpose Local Option Sales Tax. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Schedules of Special Purpose Local Option Sales Tax. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Schedules of Special Purpose Local Option Sales Tax was prepared for the purpose of complying with the Official Code of Georgia Annotated, 48-8-121 on the accrual basis of accounting used as described in Note 1(C) and is not intended to be a complete presentation of Coffee County, Georgia's revenues and expenditures.

In our opinion, the Schedules of Special Purpose Local Option Sales Tax referred to above presents fairly, in all material respects, the original estimated cost, the current estimated cost, and the current and prior year expenditures for each project in Coffee County, Georgia's resolution or ordinance calling for the tax for the year ended December 31, 2011, in conformity with accounting principles generally accepted in the United States of America.

Hurst & Hurst

Hurst and Hurst, CPAs
Douglas, Georgia
June 20, 2012

COFFEE COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL SALES TAX PROCEEDS
PROJECT III
YEAR ENDED DECEMBER 31, 2011

PROJECT	ORIGINAL ESTIMATED COST	AMENDED ESTIMATED COST	EXPENDITURES			ESTIMATED PERCENTAGE OF COMPLETION
			CURRENT YEAR	PRIOR YEARS	TOTAL	
COFFEE COUNTY						
1. Roads, Bridges & Streets	$ 17,675,640	$ 13,215,230	$ 821,391	$ 12,307,911	$ 13,129,302	99.3%
2. Public Safety Equipment	852,360	1,289,240	134,972	114,204	249,176	19.3%
3. Public Safety Facilities	200,000	536,765	64,022	504,838	568,860	106.0%
4. Courthouse and Various Administration Improvements	849,000	523,801	43,336	514,824	558,160	106.6%
5. Coffee County Jail	62,500	49,755		46,798	46,798	94.1%
6. Library Improvements	62,500	49,775	49,755	-	49,755	100.0%
7. Election Equipment	29,600	43,743		43,581	43,581	99.6%
8. Industrial Park Development	1,000,000	745,072		777,238	777,238	104.3%
Totals	$ 20,731,600	$ 16,453,381	$ 1,113,476	$ 14,309,394	$ 15,422,870	93.7%
CITY OF DOUGLAS	$ 10,800,000	$ 9,053,998	$ 574,833	$ 7,888,243	$ 8,463,076	93.5%
CITY OF BROXTON	$ 1,196,000	$ 891,114	$ -	$ 891,114	$ 891,114	100.0%
CITY OF NICHOLLS	$ 1,082,000	$ 806,160	$ 97,468	$ 708,691	$ 806,159	100.0%
CITY OF AMBROSE	$ 190,400	$ 141,862	$ -	$ 140,000	$ 140,000	98.7%
ADMINISTRATIVE COST	$ -	$ -	$ 18,053	$ 255,831	$ 273,884	
TOTAL	$ 34,000,000	$ 27,346,515	$ 1,803,830	$ 24,193,273	$ 25,997,103	95.1%

COFFEE COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL SALES TAX PROCEEDS
PROJECT III
YEAR ENDED DECEMBER 31, 2011

Reconciliation to Statement of Revenues, Expenditures, & Changes in Fund Balance Governmental Funds			
Add: Intergovernmental Revenues	$ 472,195	$ 274,123	$ 746,318
Total Expenditures	$ 2,276,025	$ 24,467,396	$ 26,743,421

COFFEE COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL SALES TAX PROCEEDS
PROJECT IV
YEAR ENDED DECEMBER 31, 2011

PROJECT	ORIGINAL ESTIMATED COST	AMENDED ESTIMATED COST	EXPENDITURES			ESTIMATED PERCENTAGE OF COMPLETION
			CURRENT YEAR	PRIOR YEARS	TOTAL	
COFFEE COUNTY						
1. Detention Center (1)	$ 20,000,000	$ 32,400,000	$ 157,898	$ 34,242,111	$ 34,400,009	106.2%
2. Recreation Center Outlay and Facility Improvements	500,000	32,000	-	653,504	653,504	N/A
3. Airport Improvements	200,000	13,000	-	-	-	0.0%
4. Industrial Park Development	400,000	26,000	-	-	-	0.0%
5. Road Street and Bridge Projects	9,075,000	585,000	-	28,737	28,737	4.9%
6. Public Safety Capital Outlay and Facility Improvements	600,000	39,000	-	53,600	53,600	137.4%
7. Renovation and Improvement to County Buildings	235,500	15,000	3,550	-	3,550	23.7%
Totals	$ 31,010,500	$ 33,110,000	$ 161,448	$ 34,977,952	$ 35,139,400	106.1%
CITY OF DOUGLAS	$ 7,620,000	$ 495,000	$ 6,992	$ 39,619	$ 46,611	0.6%
CITY OF BROXTON	$ 741,000	$ 48,200	$ -	$ 484	$ 484	0.1%
CITY OF NICHOLLS	$ 1,053,000	$ 68,500	$ -	$ 688	$ 688	0.1%
CITY OF AMBROSE	$ 175,500	$ 11,500	$ -	$ 115	$ 115	0.1%
ADMINISTRATIVE COST	$ -	$ -	$ 3,574	$ 20,003	$ 23,577	
TOTAL	$ 40,600,000	$ 33,733,200	$ 172,014	$ 35,038,861	$ 35,210,875	104.4%

COFFEE COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL SALES TAX PROCEEDS
PROJECT IV
YEAR ENDED DECEMBER 31, 2011

Reconciliation to Statement of Revenues, Expenditures, & Changes in fund Balance Governmental Funds			
Add: Bond Principal Payment	$ 3,741,812	$ -	$ 3,741,812
Total Expenditures	$ 3,913,826	$ 35,038,861	$ 38,952,687

(1) Detention Center is tier 1 project; Intergovernmental agreement provides that it is funded prior to any other items.

COFFEE COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL SALES TAX PROCEEDS
PROJECT V
YEAR ENDED DECEMBER 31, 2011

PROJECT	ORIGINAL ESTIMATED COST	EXPENDITURES CURRENT YEAR	EXPENDITURES PRIOR YEARS	EXPENDITURES TOTAL	ESTIMATED PERCENTAGE OF COMPLETION
COFFEE COUNTY					
1. Public Safety Capital Outlay and Facility Improvements	$ 3,460,000	$ 124,853	$ -	$ 124,853	3.6%
2. Renovation and Improvements to County Buildings	352,000	-	-	-	0.0%
3. Road, Street, and Bridge	5,765,662	-	-	-	0.0%
4. Technology Equipment	375,000	160,370	-	160,370	42.8%
5. Water System Capital Outlay and Improvements	75,000	-	-	-	0.0%
Totals	$ 10,027,662	$ 285,223	$ -	$ 285,223	2.8%
CITY OF DOUGLAS	$ 21,117,561	$ 3,837	$ -	$ 3,837	0.0%
CITY OF BROXTON	$ 596,323	$ 109	$ -	$ 109	0.0%
CITY OF NICHOLLS	$ 1,125,220	$ 204	$ -	$ 204	0.0%
CITY OF AMBROSE	$ 133,234	$ 24	$ -	$ 24	0.0%
ADMINISTRATIVE COST	$ -	$ 1,822	$ -	$ 1,822	
TOTAL	$ 33,000,000	$ 291,219	$ -	$ 291,219	0.9%

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Independent Accountant's Report

We have examined management's assertion included in the accompanying Annual Report of 9-1-1 Collections and Expenditures about Coffee County, Georgia's compliance during the fiscal year ended December 31, 2011 with the requirement to expend 9-1-1 funds in compliance with the expenditure requirements of the Official code of Georgia Annotated, Section 46-5-134. Management is responsible for Coffee County, Georgia's compliance with this requirement. Our responsibility is to express an opinion on management's assertion about Coffee County, Georgia's compliance based on our examination.

Our examination was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a text basis, evidence about Coffee County, Georgia's compliance with this requirement and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination of Coffee County, Georgia's compliance with the specified requirement.

In our opinion, management's assertion that Coffee County, Georgia complied with the aforementioned requirement during the fiscal year ended December 31, 2011 is fairly stated, in all material respects.

This report is intended solely for the information and use of management and the Georgia Department of Audits and Accounts and is not intended to be and should not be used by anyone other than the specified parties.

Hurst & Hurst

Hurst and Hurst, CPAs
Douglas, Georgia
June 20, 2012

Coffee County, Georgia

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended 12/31/11

Line No.		O.C.G.A. Reference		
1	Indicate UCOA Fund Type Used to Account for 9-1-1 Activity (choose one):			
	_X_ Special Revenue Fund _____ Enterprise Fund			
2	Monthly 9-1-1 charge billed to each exchange access facility subscriber:	46-5-134(a)(1)	$ 1.50	
3	Total revenue from exchange access facility subscribers:			$ 207,108.00
4	Does 9-1-1 system provide automatic number identification of a wireless telecommunications connection? (choose one)			
	_____ Yes _____ No			
5	If the answer to Line 4 is "yes", indicate below which of the following apply (choose one)			
	_____ System provides location of base station or cell site	46-5-134(a)(2)(A)		
	_____ System provides automatic location identification	46-5-134(a)(2)(B)		
6	If the answer to Line 4 is "yes", identify the monthly 9-1-1 charge billed to each wireless telecommunications connection subscriber:	46-5-134(a)(2)	$	
7	Total revenue from wireless telecommunications connection subscribers:			$ 361,811.00
8	Total Line 3 plus Line 7 (should equal UCOA Revenue Source 34.2500)			$ 568,919.00
9	Additional revenue sources:			
9a	Federal (UCOA Revenue Source 33.1000) Identify each funding agency individually. Attach list, if necessary.	46-5-134(j)		
	_____			$ _____
	_____			$ _____
9b	State (UCOA Revenue Source 33.4000) Identify each funding agency individually. Attach list, if necessary.	46-5-134(j)		
	_____			$ _____
	_____			$ _____
9c	Local (UCOA Revenue Source 33.6000) Identify each unit of local government individually. Attach list, if necessary.	46-5-134(j)		
	City of Douglas			$ 36,500.00
	City of Nicholls			$ 7,021.00
	City of Broxton			$ 5,298.00
9d	Private (UCOA Revenue Source 37.1000) Identify each private source individually. Attach list, if necessary.	46-5-134(j)		
	_____			$ _____
	_____			$ _____

Coffee County, Georgia

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended 12/31/11

Line No.		OCGA Reference	
10	Investment Income (UCOA Revenue Source 36.1000 through 36.3000)		$ 1,483.00
11	Other revenue sources not included above. Identify each source individually. Transfers from other funds of the local government should be reported on Line 25 and not included here.		
	Charges for Record Checks		$ 42,298.00
			$
			$
			$
			$
			$
			$
			$
12	Total Revenues (total of all amounts reported on Lines 8 through 11)		$ 661,519.00
	Expenditures (UCOA Activity 3800)		
13	Wireless service supplier cost recovery charges (identify each supplier individually on lines below - attach list, if necessary)	46-5-134(e)	
			$
			$
			$
14	Emergency telephone equipment, including necessary computer hardware, software, and data base provisioning, addressing, and nonrecurring costs of establishing a 9-1-1 system:		
14a	Lease costs	46-5-134(f)(1)	$
14b	Purchase costs	46-5-134(f)(1)	$
14c	Maintenance costs	46-5-134(f)(1)	$ 227.00
15	Rates associated with the service suppliers 9-1-1 service and other service suppliers recurring charges	46-5-134(f)(2)	$
16	Employees hired by the local government solely for the operation and maintenance of the emergency 9-1-1 system: Number of employees classified as: Full time 25 Part time		
16a	Salaries and wages	46-5-134(f)(3)	$ 459,405.00
16b	Employee benefits	46-5-134(f)(3)	$ 184,815.00

Coffee County, Georgia

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended 12/31/11

Line No.		O.C.G.A. Reference	
17	Cost of training of employees who work as dispatchers	46-5-134(f)(3)	$ 580.00
18	Office supplies of the public safety answering points used directly in providing emergency 9-1-1 system services	46-5-134(f)(4)	$ 9,734.00
19a	Building used as a public safety answering point:		
19a1	Lease costs	46-5-134(f)(5)	$
19a2	Purchase costs	46-5-134(f)(5)	$
19b	Has the local government completed its street addressing plan? (choose one)	46-5-134(f)(5)	$
	_X_ Yes _____ No		
20	Computer hardware and software used at a public safety answering point, including computer assisted dispatch systems:		
20a	Lease costs	46-5-134(f)(6)	$
20b	Purchase costs	46-5-134(f)(6)	$ 1,050.00
20c	Maintenance costs	46-5-134(f)(6)	$ 22,978.00
21	Supplies directly related to providing emergency 9-1-1 system services, including the cost of printing emergency 9-1-1 public education materials	46-5-134(f)(7)	$
22	Logging recorders used at a public safety answering point to record telephone and radio traffic:		
22a	Lease costs	46-5-134(f)(8)	$
22b	Purchase costs	46-5-134(f)(8)	$
22c	Maintenance costs	46-5-134(f)(8)	$
23	Other expenditures not included in Lines 13 through 22 above. Identify by object and purpose. Transfers to other funds of the local government should be reported on Line 26 and not included here.		
	Other Miscellaneous Supplies		$ 1,005.00
	Utilities		$ 128,836.00
	Insurance		$ 16,000.00
	Dues, Fees, & Misc		$ 1,120.00
	Repairs & Maintenance- Building/Vehicle		$ 11,228.00
	Travel		$ 1,068.00
	Diesel/Gas		$ 2,218.00
			$
24	Total Expenditures (total of all amounts reported on Lines 13 through 23 above)		$ 840,264.00

Coffee County, Georgia

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended 12/31/11

Line No.		OCGA Reference:	
25	Transfers From Other Funds (identify by fund)		
	General Fund		$ 130,833.00
			$
26	Transfers To Other Funds (identify by fund)		
			$
			$
27	Proceeds from Capital Lease (identify by asset class and, if equipment, purpose)		
			$
			$
28	Net Change in Fund Balance (Line 12 - Line 24 + Line 25 - Line 26 + Line 27)		$ (47,912.00)
29	Fund Balance - Beginning of Year		$ 407,572.00
30	Fund Balance - End of Year		$ 359,660.00

31a Do amounts on Lines 12, 24, 28, 29, and 30 agree to amounts reported in the government's audited financial statements submitted to the Georgia Department of Audits and Accounts?

X Yes ____ No

31b If the answer to Line 31a is "no", provide explanation (including amounts) to reconcile each line item specified in Line 31a above to government's audited financial statements. Reconciliation should be attached to this report.

Certification of Local Government Officials

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

Signature of Chief Elected Official Tom Rice Date 6-25-12

Print Name of Chief Elected Official Tom Rice

Title of Chief Elected Official Chairman

Signature of Chief Financial Officer [signature] Date 6-25-12

Print Name of Chief Financial Officer Wesley Vickers

OTHER REPORTS

COFFEE COUNTY, GEORGIA
VOCA GRANT - #2009-SU-B9-0003
SOURCE & APPLICATION OF FUNDS SCHEDULE
FROM INCEPTION THROUGH DECEMBER 31, 2011

	Original Fund Allocation	Amended Fund Allocation
Total Program Funds Allocated to Recipient	$ 42,178	$ 42,062
Less: Total Program Funds Drawn by Recipient	(42,061)	(42,062)
Funds Still Available from Program Resources	$ 117	$ -
Total Program Funds Drawn and Received by Recipient	$ 42,061	$ 42,062
Less: Funds Applied and Expended to Program Costs	(42,061)	(42,062)
Total Program Funds Held by Recipient	$ -	$ -

BUDGET CATEGORY	ORIGINAL BUDGET	AMENDED BUDGET	COST TO DATE	AVAILABLE BALANCE
Personal Services	$ 38,178	$ 38,145	$ (38,145)	$ -
Other	4,000	3,917	(3,917)	-
Total	$ 42,178	$ 42,062	$ (42,062)	$ -

COFFEE COUNTY, GEORGIA
COMMUNITY DEVELOPMENT BLOCK GRANT # R-09-CR-5103
SOURCE & APPLICATION OF FUNDS SCHEDULE
FROM INCEPTION THROUGH DECEMBER 31, 2011

Total Program Funds Allocated to Recipient	$ 500,000
Less: Total Program Funds Drawn by Recipient	(500,000)
Funds Still Available from Program Resources	$ -
Total Program Funds Drawn and Received by Recipient	$ 500,000
Less: Funds Applied and Expended to Program Costs	(500,000)
Total Program Funds Held by Recipient	$ -

BUDGET CATEGORY	NUMBER	BUDGET	COST TO DATE	AVAILABLE BALANCE
Contingencies	C-022-00	$ 21,182	$ -	$ 21,182
Street Improvements	P-03K-01	201,538	(201,538)	-
Flood and Drainage Facilities	P-03K-02	252,280	(273,462)	(21,182)
Administration	A-21A-00	25,000	(25,000)	-
Total		$ 500,000	$ (500,000)	$ -

COFFEE COUNTY, GEORGIA
COMMUNITY DEVELOPMENT BLOCK GRANT # 09-Y-034-1-5172
SOURCE & APPLICATION OF FUNDS SCHEDULE
FROM INCEPTION THROUGH DECEMBER 31, 2010

Total Program Funds Allocated to Recipient	$ 500,000
Less: Total Program Funds Drawn by Recipient	(500,000)
Funds Still Available from Program Resources	$ -
Total Program Funds Drawn and Received by Recipient	$ 500,000
Less: Funds Applied and Expended to Program Costs	(500,000)
Total Program Funds Held by Recipient	$ -

BUDGET CATEGORY	NUMBER	BUDGET	COST TO DATE	AVAILABLE BALANCE
Contingencies	C-022-00	$ 32,140	$ (32,140)	$ -
Street Improvements	P-03K-01	141,728	(141,728)	-
Flood and Drainage Facilities	P-03K-02	296,132	(296,132)	-
Administration	A-21A-00	30,000	(30,000)	-
Total		$ 500,000	$ (500,000)	$ -

COFFEE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES-BUDGET & ACTUAL
BUDGETARY CLASSIFICATION
FOR THE YEAR ENDED DECEMBER 31, 2011

	2011			
	Budget	Actual	Variance Positive (Negative)	2010 Actual
CURRENT				
GENERAL GOVERNMENT:				
Legislative:				
County Commission	$ 196,400	$ 196,478	$ (78)	$ 201,420
Executive:				
County Administrator	-	-	-	-
County Clerk:	83,200	83,140	60	84,640
Elections:	110,000	105,118	4,882	150,955
General Administration:				
Financial Administration	332,100	331,278	822	336,569
Legal	57,000	72,750	(15,750)	87,330
Tax Commissioner	406,100	403,284	2,816	389,258
Tax Assessors	423,700	419,224	4,476	413,687
Board of Tax Equalization	4,000	2,828	1,172	2,378
General Government Building and Plant	207,200	204,615	2,585	223,620
Total General Government	$ 1,819,700	$ 1,818,715	$ 985	$ 1,889,857
JUDICIAL:				
Superior Court Expenses	$ 86,800	$ 70,974	$ 15,826	$ 82,715
Superior Court Judge	21,200	20,876	324	21,478
Clerk of Court	502,000	467,551	34,449	526,370
District Attorney	153,300	153,241	59	136,964
Victim's Assistance Program	53,500	52,882	618	53,188
State Court Expenses	20,400	20,200	200	17,951
State Court Judge	84,400	83,825	575	83,334
State Court Solicitor General	113,300	114,754	(1,454)	113,275
Magistrate Court	304,300	303,435	865	312,753
Probate Court	135,600	134,900	700	133,740
Juvenile Court	34,100	35,883	(1,783)	31,149
Grand Jury Expenses	8,300	5,906	2,394	9,989
Public Defender	189,000	189,673	(673)	185,320
Total Judicial	$ 1,706,200	$ 1,654,100	$ 52,100	$ 1,708,226
PUBLIC SAFETY:				
Sheriff Department	$ 2,343,800	$ 2,276,604	$ 67,196	$ 2,520,999
Sheriff - COPS	391,800	381,231	10,569	374,517
Sheriff - Drug Squad	361,000	355,028	5,972	385,142
Sheriff - DARE	69,700	65,477	4,223	62,489
Sheriff - Resource Officer	271,100	269,863	1,237	248,731
Sheriff - Victim's Advocate	55,400	48,004	7,396	58,725

COFFEE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES-BUDGET & ACTUAL (Continued)
BUDGETARY CLASSIFICATION
FOR THE YEAR ENDED DECEMBER 31, 2011

	2011			
	Budget	Actual	Variance Positive (Negative)	2010 Actual
PUBLIC SAFETY: (Continued)				
Jail	$ 3,633,600	$ 3,592,774	$ 40,826	$ 3,596,410
Emergency Medical Service	-	-	-	250,000
Coroner Medical Examiner	39,500	37,899	1,601	29,343
Fire Department	-	9,407	(9,407)	-
Emergency Management Agency	47,200	45,455	1,745	31,667
National Guard Armory	-	-	-	-
Area Drug Task Force	-	-	-	-
E-911 (Transfers Out)	140,000	130,833	9,167	180,000
Total Public Safety	$ 7,353,100	$ 7,212,575	$ 140,525	$ 7,738,023
PUBLIC WORKS:				
Highway and Streets	$ 2,887,000	$ 2,801,163	$ 85,837	$ 3,144,201
Total Public Works	$ 2,887,000	$ 2,801,163	$ 85,837	$ 3,144,201
HEALTH AND WELFARE:				
General Health	$ 90,000	$ 88,000	$ 2,000	$ 95,000
Mental Health and Alcohol Rehab	20,000	20,000	-	20,000
Mental Retardation Center	-	-	-	-
Welfare	15,000	9,438	5,562	8,765
Senior Citizens Center	100,800	100,607	193	99,670
Total Health and Welfare	$ 225,800	$ 218,045	$ 7,755	$ 223,435
CULTURE / RECREATION:				
Library	$ 65,200	$ 65,200	$ -	$ 68,600
Recreation Department	-	213,126	(213,126)	-
Total Culture/Recreation	$ 65,200	$ 278,326	$ (213,126)	$ 68,600
HOUSING AND DEVELOPMENT:				
Conservation:				
County Ag Building	$ 43,900	$ 44,240	$ (340)	$ 47,095
County Extension Services	73,200	70,861	2,339	68,410
Economic Development:				
Industrial Authority	-	-	-	-
Southeast Georgia RDC	37,500	37,367	133	36,546
Chamber of Commerce	1,500	1,500	-	1,500
Main Street Program	15,000	15,000	-	15,000
Total Housing And Development	$ 171,100	$ 168,968	$ 2,132	$ 168,551
TOTAL CURRENT EXPENDITURES	$ 14,228,100	$ 14,151,892	$ 76,208	$ 14,940,893

COFFEE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES-BUDGET & ACTUAL (Continued)
BUDGETARY CLASSIFICATION
FOR THE YEAR ENDED DECEMBER 31, 2011

	2011			
	Budget	Actual	Variance Positive (Negative)	2010 Actual
DEBT SERVICES:				
Principal	$ 500,000	$ 461,605	$ 38,395	$ 787,713
Interest	-	37,555	(37,555)	-
Total Debt Services	$ 500,000	$ 499,160	$ 840	$ 787,713
OTHER FINANCING USES:				
Transfers Out	$ 193,400	$ 193,400	$ -	$ 230,000
Total Other Financing Uses	$ 193,400	$ 193,400	$ -	$ 230,000
TOTAL EXPENDITURES	$ 14,921,500	$ 14,844,452	$ 77,048	$ 15,958,606