COWETA COUNTY

Comprehensive Annual Financial Report

Fiscal Year Ended September 30, 2011

Coweta County, Georgia

Prepared By:
The Office of Financial Management and Budget

COWETA COUNTY, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED September 30, 2011

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COWETA COUNTY

INTRODUCTORY SECTION

Letter of Transmittal
Certificate of Achievement for Excellence in Financial Reporting
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Officials of Coweta County, Georgia

COWETA COUNTY
BOARD OF COMMISSIONERS

Chairman, Rodney Brooks, District 4
Paul Poole, District 1
Tim Lassetter, District 2
Bob Blackburn, District 3
Al Smith, District 5
L. Theron Gay, County Administrator

March 30, 2012

Coweta County Board of Commissioners and Citizens of Coweta County, Georgia,

A full accounting of the operations and financial position of government is vital to a strong republic. This Comprehensive Annual Financial Report (CAFR) for Coweta County, Georgia (the "County") is submitted for the fiscal year ended September 30, 2011, to fulfill that need and also to meet the requirements of the State of Georgia and Coweta County.

This CAFR is management's representation of the finances of the County and County management assumes full responsibility for the completeness of the information presented. The information provided has been compiled within a comprehensive framework of internal controls to provide reasonable assurance that the financial statements are free from material misstatement. To further provide assurance, the financial statements have been independently audited by Bates, Carter & Co. LLP and the independent auditor's report is included in this CAFR.

This report has eight major sections. After the introductory section, is the Financial Section which includes Management's Discussion and Analysis (MD&A). The MD&A is a more complete discussion of the county's financial activities, financial position and different fund and financial issues. The MD&A assists the reader in understanding significant issues specific to Coweta County. Next are the Basic Financial Statements, featuring government-wide statements, fund and component unit statements, and notes to support and clarify those financial statements. The next three sections cover Required Supplementary information, along with Non-major Governmental Funds, Fiduciary Funds, and Component Unit reports. The last section is for Supplemental Information including statistical information and compliance and internal control reports.

Profile of the Government

Coweta County is just southwest of the City of Atlanta and is bordered by Fulton, Fayette, Meriwether, Spalding, Troup, Heard and Carroll counties and bordered on the northwest corner by the Chattahoochee River. U.S. Interstate 85 bisects the county and seven other U.S. and Georgia highways cross Coweta. The estimated population of Coweta is 127,317, making it the 17th most populous county in the state (out of 159 counties.) Newnan serves as the County Seat for Coweta, which is also home to seven other municipalities – Grantville, Haralson, Moreland, Palmetto, Senoia, Sharpsburg, and Turin.



L-R Coweta County Board of Commissioners – Tim Lassetter, Bob Blackburn, Rodney Brooks, Paul Poole and Al Smith

Coweta County has a five member Board of Commissioners (the Board), each elected to four year terms and representing a single commission district. The district lines are determined by population and are adjusted based on census figures. Commissioners are part time and terms are overlapping, with at least two seats up for re-election every two years. The Board elects a chairman and vice chairman for two year terms. Rodney Brooks is the current Chairman, and Al Smith is the current Vice Chairman of the Board of Commissioners. The Board hires an administrator to handle the day to day functions of county government. The administrator implements the Board's policies, administers county government, appoints department heads and supervises approximately 850 county employees.

In addition to the five commissioners, every four years county residents also elect the constitutional offices of sheriff, clerk of superior court, tax commissioner, and probate court judge along with other county or district wide elected positions including magistrate court judge, superior court judges, state court judges, solicitor general, coroner and district attorney.

The County provides a full range of services to Coweta citizens. These include (unless noted services are provided to all Coweta citizens):

*Fire Department, 15 stations serving unincorporated Coweta and six of the municipalities by agreement (Newnan and Palmetto provide their own fire services)
*Ambulance Service
*Emergency Management Agency
*911 call center and dispatching
*Sheriff's Office – covers all of Coweta County, but supplemented in Newnan, Senoia and Grantville by city police forces.
*Building Inspection
*Development and Engineering
*Planning and Zoning
*Environmental Management – recycling and refuse management services
*Parks and Recreation
*Judicial and Court Services
*Road Department
*Prison & Work Release
*Animal Control

The County has also established authorities and partnered with other entities to provide some services. These include:
*Public Library System
*Health Department, Physical and Environmental
*Water and Sewer
*Newnan-Coweta Airport
*Development Authorities
*Georgia State Patrol Outpost
*Georgia Driver's License Location
*Convention and Visitors Bureau

Governmental Units

The Coweta County School System is fiscally independent of the County Board of Commissioners with school board members being elected from throughout the county. Consequently, its financial statements are issued separately and not included in this CAFR.

There are five governmental units that are included in the County's CAFR as discretely presented component units. The Coweta County Department of Public Health is charged with determining the health needs and resources of its jurisdiction, developing programs, activities, and facilities responsive to those needs, and enforcing all laws related to health matters unless they fall under the jurisdiction of other agencies. The Coweta County Board of Commissioners appoints four members of a seven member Board of Health. The County Board of Commissioners provides an annual subsidy for operations.

The Coweta County Public Library System serves all citizens of Coweta County through a centrally located library headquarters and three branch facilities. It is governed by a Board of Trustees, appointed by the Coweta County Board of Commissioners. The Library System receives funding from the County Board of Commissioners for operations.

The Coweta County Airport Authority has responsibility over all activities related to the airport in Coweta County. The Airport Authority is governed by a five member board appointed by the Coweta County Board of Commissioners. The Airport Authority receives most of its operating revenues from rental income and fuel sales.

The Coweta County Development Authority is charged with aiding economic development within Coweta County. It is governed by a five member board appointed by the Coweta County Board of Commissioners. The Development Authority receives funding from the County Board of Commissioners for operations.

The Coweta County Water and Sewerage Authority manages the water and sewer system of Coweta County. It is governed by a three member board appointed by the Coweta County Board of Commissioners. The Water and Sewerage Authority is financially independent of the County, except that the County is obligated to make revenue bond debt service payments on certain debt issuances in the event of default by the Water and Sewerage Authority.

Budget Process

Coweta County's fiscal year runs from October 1 – September 30. Annual budget planning begins in June and budget requests are reviewed line by line by county management and ultimately by the Board. The County maintains budgetary controls to ensure compliance with state law and local policies. Budgetary control is at the department/fund level, so expenditures may not exceed the total budget for any department within a fund. Transfers of appropriations within a department require approval of the Finance Director while transfers between or among departments or funds or an increase requested for a department or fund requires the approval of the Board.

Annual budgets are adopted consistent with generally accepted accounting principles for the general and special revenues funds and are integrated into the general ledgers of such funds. The General Fund represents the revenues and expenses required to run the day to day functions of county government. The General Fund receives the vast majority of its revenue from property taxes, sales tax, fines/forfeitures/court fees, charges for services, licenses/permits and other taxes. Special Revenue funds are for funds legally restricted to use for particular purposes and are accounted for separately. These include the Fire District Fund, the E-911 Service fund, Hotel/Motel Tax, the law library and the Sheriff's law enforcement fund. Project length budgets are adopted for Capital Projects Funds, including Impact Fees Fund, Community Development Block Grants (CDBG), the Capital Expenditures Fund, Transportation Fund, and the Special Purpose Local Option Sales Tax Fund.

Economic Condition

Coweta County has not been immune to the economic challenges that have affected Georgia and the U.S. Declining property values, increasing employee healthcare costs and rising fuel costs are some of the factors we continue to face. However, even with those challenges, Coweta has fared better than most counties. The County digest lost about 4% of its value from 2010-2011 and sales tax revenues have been flat, but even with those challenges the Board has held millage rates steady. This was achieved through close and regular review of budgets and priorities by county management.

Even with the challenges faced by Coweta citizens, business and county government, our amenities and high quality of life continue to be noticed by others. Bloomberg/Business Week named Coweta County the Best Affordable Place in Georgia for 2011, based on a combination of the cost of living and quality of life factors. In addition, we are on the path to being a healthcare destination through the addition of two new hospitals. Newnan Piedmont Hospital will open a new replacement facility in 2012, with state of the art resources and the ability to serve a broader and bigger population than the current facility. In addition, Cancer Treatment Centers of America (CTCA) chose Newnan and Coweta County as home to its new southeastern location. With more than two-thirds of its patients expected to come from outside Georgia, CTCA is expected to add greatly to the economic vitality of Coweta County. The facility will ultimately generate about 500 new jobs and $500 million in economic activity. The CTCA facility will open in 2012.

With all aspects of the community considered, the future looks promising for Coweta to continue to rebound quicker and stronger than many areas. The county's economy regularly outpaces other counties in the area and the state as a whole. With the medical sector growth mentioned above and the unified approach to economic development in the county, along with the benefits of Coweta's geography, the county has the tools, the manpower and the resources to be on the leading edge of the recovery.

Financial Planning and Policies

Cash Management

Temporarily idle cash earns interest through certificates of deposit or other investments that conform to Georgia code. The General Fund, Fire Fund, E911 Fund, and Development Authority funds have cash invested in other than money market accounts at September 30, 2011. These funds are typically invested in time lengths of 3, 6, 9, or 12 months, and the average rate of return is currently less than 0.5%. Funds in money market accounts typically earn 0.12% due to the state of the economy and the banking industry.

Debt Management

The County has $42 million in primary government debt, with $37 million in general obligation bonds, and approximately $4 million in capital leases as of the fiscal year end. The County's legal debt limit is $424 million. Coweta County has $42 million in total direct debt all of which is applicable to the County. The Coweta County Water and Sewerage Authority has $100 million in debt, which would be classified as guaranteed debt and $53 million, or 53% is guaranteed by the County. The Coweta County Water Authority financial statements are as of year ending June 30, 2011. The Coweta County School District has $25 million in debt and the City of Newnan has $150 million in debt for a total of $175 million in overlapping debt to the County, of which none of this debt is guaranteed by the County.

Credit Rating

Coweta County's credit rating from Moody's is Aa2, and with Standard & Poor's it continues to be AA. Additionally, in May 2010 Fitch's updated the Coweta Water & Sewer Authority credit rating from AA- to AA, for which the County has some debt guarantee responsibility.

Risk Management

The County purchases full coverage comprehensive insurance policies at group rates covering the risk exposures for general and automobile liability, property and casualty coverage, and workers compensation insurance. These policies are bid out annually by J. Smith Lanier, a general insurance agency. The County is self-insured with stop loss provisions for health insurance and workers compensation. The County pays a portion of the group insurance coverage for employees and Northwestern Benefit Corporation of Georgia manages the Group Health plan through the Blue Cross/Blue Shield Network.

Pension and Post-Employment Benefits

The County has both a defined benefit and deferred compensation plan. The defined benefit plan is managed by a Third Party Administrator, Griffith Financial Services, and is closed to any new participants. The deferred compensation plan is available to all new employees as of 2006. Employees may also participate in a voluntary Section 457 Deferred Compensation Plan. Details of these various plans may be found in Note 8. The County works closely with its actuaries to ensure that the pension plans are financially sound. Both plans allow for retiree healthcare coverage. These Other Post-Employment Benefits (OPEB) are detailed in the financial statements per GASB 45. Additional information can be found in the notes to the financial statements.

Major Projects Completed in 2011

A new Health Department building was completed to serve Coweta residents for many years to come – with no local tax funds. The $2.4 million facility was funded with $1.5 million from the Hospital Authority Trust Fund, $500,000 from the American Recovery and Reinvestment Act (ARRA) through a Community Development Block Grant, and approximately $468,000 from the United States Department of Agriculture through the Women, Infants, and Children program. The Hospital Authority Trust Fund was established many years ago when the local community hospital was sold. Its purpose is to help provide healthcare to the indigent of Coweta County.

The County broke ground for Coweta's fourth library branch in Senoia (photo on cover) and added two new lighted soccer fields at Central Park with an expansion also planned for Central. Also a new state park opened in the northwest corner of the county. Chattahoochee Bend State Park is a 3,000 acre state facility, but the county helped with engineering assistance, road building, parking lot paving and temporary funding for staff.

The County regularly maintains 900+ miles of roadways in Coweta, including completing 14 miles of full depth reclamation in 2011. Bridge replacements funded with 2007 SPLOST dollars were completed at Luther Bailey Road over Double Branch Creek (shown before and after below), Moore Road over White Oak Tributary and a culvert replacement over Little White Oak Creek. The most significant transportation project underway in 2011 was the preliminary engineering for the Poplar Road/I-85 interchange. The preliminary engineering was funded through impact fees.





Several projects were completed that were financed with the 2009 General Obligation bonds, including a new fire station headquarters and a new 700 megahertz radio system. Fire Station #1 (photo on cover) expands the capabilities of the headquarters building, providing room to consolidate the management team of the fire department and room to house apparatus that would not fit in the old headquarters building. The new radio system features two new 345 foot towers and new equipment and digital radios. Coverage is better and the quality and clarity of the radios is drastically better than before. The Sheriff's office also added new radios as part of this expansion funded through seized assets forfeiture funds. The county's membership in the Western Area Regional Radio System (WARRS) provides continued coverage for public safety personnel across the county and into surrounding counties.

Major initiatives upcoming

Transportation will be a major focus in the coming years with Coweta citizens voting to continue the Special Purpose Local Option Sales Tax (SPLOST) on March 6, 2012. Eighty-two percent of Coweta's portion of revenue projected to come through this SPLOST will be used for Coweta transportation projects. Citizens will also vote on the regional Transportation Infrastructure Act (TIA), an additional 1% sales tax, on July 31, 2012 which will be exclusively used for transportation.

With the passage of SPLOST, improving and maintaining our local transportation infrastructure will be the major initiative over the next 7-10 years. While a significant portion of these funds are dedicated to road maintenance and rehabilitation, local funds for the building of the new interstate interchange at Poplar Road are also included. We have already begun the preliminary engineering for the interchange funded with Impact fees.

In 2012, negotiations with Coweta municipalities will occur with respect to the Local Option Sales Tax. This 1% sales tax goes into the general fund and can be used for general government needs, including maintenance and operations of county facilities. It is split between the county and the municipalities based on several criteria.

An expansion at Animal Control will be completed in 2012. This expansion, which is partially funded through a grant from the Holland M. Ware Charitable Foundation, will provide an intake facility for the animals. This provides a separate location for new animals to be placed for their holding period, until they can be examined by the vet and determined to be healthy. This allows us to formalize the process for new animals brought in and to keep them separate until they are available for adoption.

A large remodeling project at the Sheriff's office will enhance and expand the investigation division and will provide more flexibility in the jail. This almost $2 million project is funded through Impact Fees and current SPLOST.

Recreation opportunities for citizens will expand in 2012 with the completion of the expansion at Andrew Bailey Baseball Park, continued work on Central Soccer Park, and the first phase of construction of Brown's Mill Battlefield, including an entrance drive, parking and surrounding trails. (Battlefield marker shown here.)



Awards and Acknowledgements

Coweta County was honored by the Georgia Trust for Historic Preservation for the restoration and rehabilitation work at the historic Coweta County Courthouse. The 1904 Courthouse is the focus of downtown and now houses the Probate Court and the County's Convention and Visitors Bureau.

Coweta County Finance department was recognized with the highest possible award for the 2010 CAFR from the Government Finance officers Association.

Vince Meadows, Coweta County Sheriff's deputy and school resource officer, was selected Georgia School Resource Officer of the Year.

And the county was selected by Bloomberg/Business Week Magazine as the Best Affordable Place in Georgia, recognizing the county's low cost of living and high quality of life.

This CAFR represents a significant cooperative effort between the County's Finance Department and our independent auditor, Bates Carter and Co., LLP CPAs. Many thanks go to the County Department heads for their assistance and cooperation in contributing to this CAFR. In addition, our sincerest appreciation goes to the Finance Department Staff for their dedication and support in completing this report. Finally, our thanks go to the Board of Commissioners for their unfailing support, for maintaining the highest professional expectations and for directing the fiscal affairs of the County in a progressive and responsible manner.

Respectfully submitted,

L. Theron Gay
County Administrator

Hans Wilson
County Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Coweta County Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2010

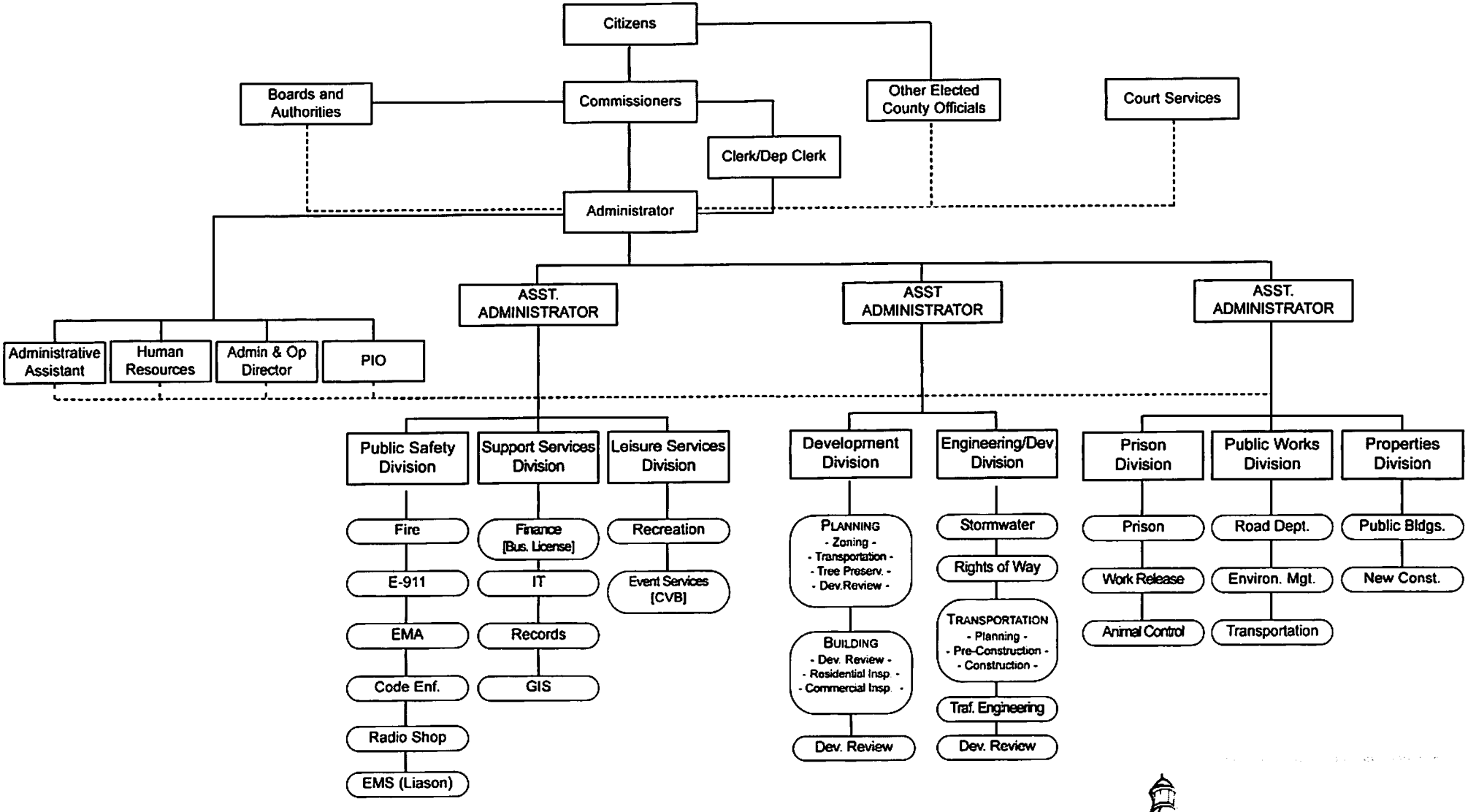
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Davidson

President

Executive Director



x

COWETA COUNTY

Officials of Coweta County, Georgia

Legislative Branch

BOARD OF COMMISSIONERS

Paul Poole, Commissioner – District 1
Tim Lassetter, Commissioner - District 2
Bob Blackburn, Commissioner - District 3
Rodney Brooks, Chairman - District 4
Al Smith, Commissioner - District 5

COMMISSION STAFF

Deborah Pike, Clerk
Shannon Zerangue, Deputy Clerk

Executive Branch

ADMINISTRATION

County Administrator	Theron Gay
Assistant County Administrator	Edward Whitlock
Assistant County Administrator	Kelly Mickle

DIRECTORS

Administrative & Operations Director	Tom Corker
Public Affairs Director	Patricia Palmer
Personnel Director	Rick Watson
Leisure Services Division Director	Carl McKnight
Planning & Development Division Director	Robert Tolleson
Engineering & Development Division Director	Wayne Kennedy
Prison Division Director	Bill McKenzie
Public Works Division Director	Bill Cawthorne
Properties Division Director	Tom Little

COWETA COUNTY

FINANCIAL SECTION

Independent Auditors' Report
Management's Discussion and Analysis

BatesCarter
Exceeding expectations. Always.

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INDEPENDENT AUDITORS' REPORT

March 30, 2012

Board of Commissioners
COWETA COUNTY, GEORGIA
Newnan, GA 30263

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of COWETA COUNTY, GEORGIA, as of, and for the year ended September 30, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Board of Commissioners of COWETA COUNTY, GEORGIA. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Coweta County Health Department or Coweta County Water and Sewerage Authority, component units of the County, as of and for the year then ended June 30, 2011 which statements reflected total assets of $438,422 and $165,134,053 respectively, and total revenues of $1,498,931 and $18,244,713, for the year then ended. Those financial statements were audited by other auditors whose reports have been furnished to us and our opinion on the basic financial statements, insofar as it relates to the amounts included for the Coweta County Health Department and Coweta County Water and Sewerage Authority, 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of COWETA COUNTY, GEORGIA, as of September 30, 2011, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated March 30, 2012, on our consideration of COWETA COUNTY, GEORGIA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of

internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Pension Funding Progress, Schedule of Employer Contributions, Budgetary Comparison Schedule-General Fund and Budgetary Comparison Schedule-Fire District be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during the audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively compromise COWETA COUNTY, GEORGIA's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, supplemental budgetary comparison schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The accompanying schedule of projects constructed with Special Sales Tax Proceeds is presented for purposes of additional analysis as required by Official Code of Georgia 48-8-12. The combining and individual nonmajor fund financial statements, supplemental budgetary comparison schedules, schedule of projects constructed with Special Sales Tax Proceeds, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Bates, Carter & Co., LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis is a narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2011, provided to the readers of Coweta County's financial statements. This discussion's intention is to: (1) assist the reader in understanding significant financial issues; (2) provide an overview of the County's financial activities; (3) identify changes in the County's financial position; (4) identify material deviations from the original budget; and (5) identify individual fund issues.xiv

OVERVIEW OF THE FINANCIAL STATEMENTS

The County's basic audited financial statements are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information, in addition to, the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements, presented on pages 1 and 2, provide a broad overview of Coweta County's finances in a manner similar to that of private-sector businesses. The statements include:

- Statement of Net Assets presents the County's assets and liabilities, with the difference between the two reported as net assets. Over time, the change in net assets is an indicator of the improvement (an increase) or deterioration (a decrease) in the County's financial condition.

- Statement of Activities presents the revenues and expenses of the County. The difference between these is the change in net assets for the year. This format is intended to portray the extent to which governmental activities are funded by taxes and the extent to which business-type activities are supported by the revenues they generate.

Both of the government wide financial statements identify the various functions of Coweta County that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of Coweta County, Georgia, include general government, judicial, public health and welfare, public safety, public works, recreation and culture, and housing and development. The business type activities of Coweta County, Georgia, include solid waste.

The government wide financial statements include not only Coweta County, Georgia, itself (known as the primary government), but also a legally separate Health Department, Airport Authority, Development Authority, Water and Sewer Authority, and Coweta County Public Library System for which Coweta County, Georgia, is financially accountable. Financial information for these component units is reported separately from financial information presented for the primary government itself.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Coweta County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the

long-term impact of the County's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains separate governmental funds to account for the following activities: General; Special Revenue (Fire District, Emergency Telephone System, Hotel Motel Tax, Law Library, and Sheriff's Programs); Capital Projects (SPLOST, Transportation, Capital Expenditures, Impact Fees, and CDBG). Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Fire District, and SPLOST, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non major governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual budget for its general fund and special revenue funds. It adopts an annual budget for capital project funds to facilitate fiscal control and accounting of activities. However, capital projects may expand over multiple years requiring project length budgets, which are adopted for the duration of the project. A budgetary comparison schedule has been provided for the general fund and special revenue funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 3-6 of this report.

Proprietary funds. Coweta County has one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities on the government-wide financial statements. The County uses an enterprise fund to account for the Solid Waste disposal activities.

The basic proprietary fund financial statements can be found on pages 7-9 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 10-11 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 14-53 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information on pages 54-58 concerning the County's schedule of budgetary comparisons and progress in funding its obligation to provide pension benefits to its employees. Combining and individual fund statements and schedules can be found on pages 59-77 of this report.

- Coweta County's assets exceeded its liabilities at September 30, 2011, by $412,721,211 (net assets). Of this amount, $350,315,935 represents capital assets (i.e. land, buildings and improvements, infrastructure, machinery & equipment) net of depreciation and related debt. The government's ongoing obligations to the citizens of Coweta County and creditors will be met with the balance of $62,405,276.

- As of September 30, 2011, the County's governmental funds reported combined ending fund balance of $88,249,317. Of this amount, $29,599,355 remains in the various funds as unassigned.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Coweta County, on an entity-wide basis, had a decrease in net assets during 2011 of $(12) million, which is the combination of a $(12) million decrease in governmental activities and $- decrease in business-type activities. Current Assets and Long Term Assets decreased $(13) million and $(5) million respectively, while Current Liabilities and Long Term Liabilities decreased $(2) million and $(4) million respectively. The decrease in

governmental activities net assets is primarily the result of depreciation expense, required recognition of OPEB obligation, and an increase in both the health care plan supplement and pension funding. The increase in net assets in business type activities is due to an operating grant of $170 thousand in the Solid Waste fund.

COWETA COUNTY, GEORGIA
Comparative Schedule of Net Assets
September 30
($ in thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Current and other assets	$ 97,655	$ 110,867	$ 790	$ 564	$ 98,445	$ 111,431
Capital assets (net of depreciation)	382,871	387,805	708	754	383,579	388,559
Total assets	480,526	498,672	1,498	1,318	482,024	499,990
Long-term liabilities outstanding	62,276	66,441	709	659	62,985	67,100
Other liabilities	6,257	7,979	60	70	6,317	8,049
Total liabilities	68,533	74,420	769	729	69,302	75,149
Net assets						
Invested in capital assets, net of related debt	349,608	354,329	708	754	350,316	355,083
Restricted	44,547	38,555	-	-	44,547	38,555
Unrestricted	17,838	31,368	21	(166)	17,859	31,202
Total net assets	$411,993	$424,252	$ 729	$ 588	$412,722	$424,840

At September 30, 2011, the County had $350,315,935 invested in capital assets, net of debt and accumulated depreciation, which represents the largest portion of the County's net assets (84.9%). This reflects the County's investment in capital assets (e.g., land, buildings, machinery and equipment) less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently these assets are not available for future spending. Assets exceed liabilities by $413 million and $425 million for 2011 and 2010, respectively.

COWETA COUNTY, GEORGIA
Comparative Schedule of Changes in Net Assets
September 30
($ in thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program revenues						
Charges for services	$ 15,779	$ 19,880	$ 678	$ 741	$ 16,457	$ 20,621
Operating grants and contributions	751	316	170	-	921	316
Capital grants and contributions	3,600	8,754	-	-	3,600	8,754
General revenue						
Property taxes	38,339	41,345	-	-	38,339	41,345
Sales taxes	32,920	32,679	-	-	32,920	32,679
Other taxes	6,188	5,679	-	-	6,188	5,679
Gain on sale of assets	81	93	-	-	81	93
Unrestricted investment earnings	390	599	-	-	390	599
Total revenue	98,048	109,345	848	741	98,896	110,086
Expenses:						
General government	13,633	16,292	-	-	13,633	16,292
Judicial	8,396	6,703	-	-	8,396	6,703
Public safety	45,167	40,590	-	-	45,167	40,590
Public works	31,883	34,839	-	-	31,883	34,839
Public health and welfare	376	389	-	-	376	389
Recreation and culture	5,840	6,116	-	-	5,840	6,116
Housing and development	2,878	2,846	-	-	2,878	2,846
Interest and paying fees	1,588	2,277	-	-	1,588	2,277
Solid waste	-	-	1,253	1,263	1,253	1,263
Total expenses	109,761	110,052	1,253	1,263	111,014	111,315
Increase in net assets before transfers	(11,713)	(707)	(405)	(522)	(12,118)	(1,229)
Transfers	(546)	(497)	546	497	-	-
Increase (Decrease) in net assets	(12,259)	(1,204)	141	(25)	(12,118)	(1,229)
Net assets, beginning of year	424,252	425,456	588	613	424,840	426,069
Net assets, end of year	$411,993	$424,252	$ 729	$ 588	$412,722	$424,840

The comparative schedule of changes in net assets denotes a decrease of $12.1 million in assets. The primary contributor to this decrease was decreases in revenues for Charges for services, Capital grants and contributions, and Property taxes.

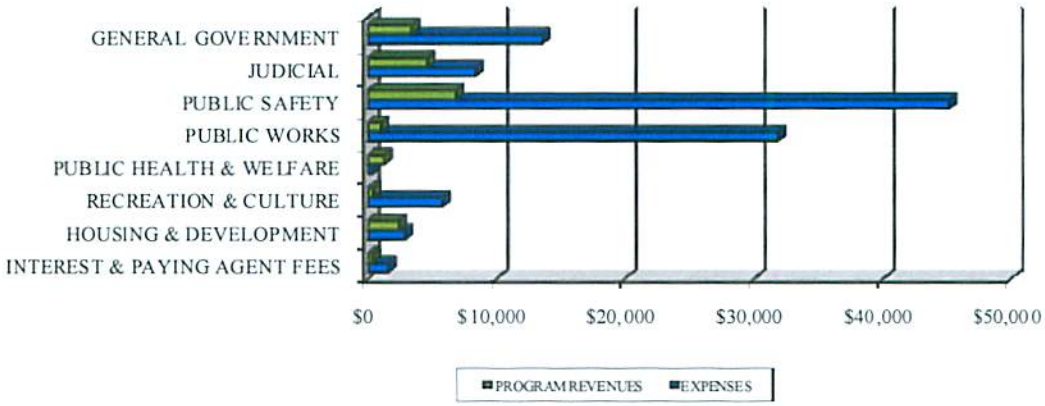
Revenue changed by $(11) million. Primary contributors to the changes are decreases in property tax collections ($3.0 million), license and permits ($0.4 million),and fines and forfeitures ($0.9 million). There were several large public safety grants and seized monies included in the FY 2010 totals that were not received in FY 2011 causing the decrease between years.

Governmental Activities:

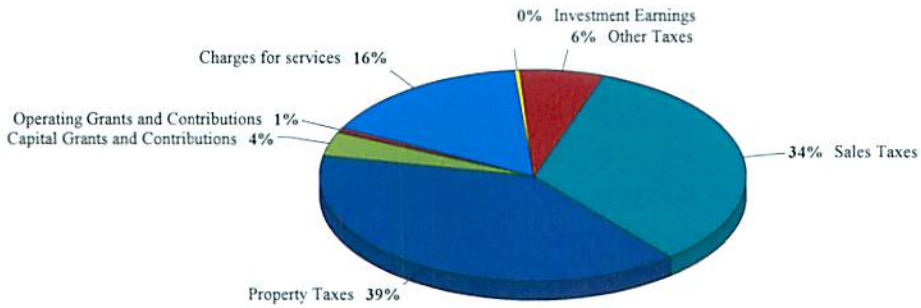
Most areas were essentially the same as the previous year, except for Sales Tax increasing from 30% to 34%, as a result of increases in Local Option Sales Tax and Insurance Premium Tax increases. Charges for services decreased from 18% to 16% due to fewer fines, forfeitures, and fees as compared to the prior year. Capital Grants and Contributions decreased from 8% to 4% due to fewer Federal and State grants being awarded. Investment returns continue to decline from about .5% - 1% to the approximately the money market rate of .12% to .25%.

The following charts show activities by function:

Expenses and Program Revenues - Governmental Activities
FY 2011
(in $ thousands)



Revenues by Sources - Governmental Activities
FY 2011



* Zero Data, Other

Chart shows all sources of revenue collected for governmental activities not limited to program revenue.

Business-Type Activities:

Business–type assets increased County's net assets by $141.0 thousand. The increase is primarily the result of State Operating Grant Income. The Solid Waste Fund had an operating loss of $(406) thousand before taking into account the County Appropriation of $546 thousand, which resulted in a Change in Net Assets of $140 thousand.

Coweta County Government's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The business-type activities of the Solid Waste Disposal Facility had revenues that increased by $107 thousand from the prior year, while expenses decreased by $10 thousand from the prior year.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of $88,249,317, a decrease of $9,174,117 in comparison with the prior year. Approximately 34% of the total ending fund balance, $29,599,355, constitutes unassigned fund balance, which is available for spending at the government's discretion within the legal parameters of each fund. See the Governmental Funds Balance Sheet on page 3 for further details.

Governmental Fund Revenue and Expenditure Comparison
($ in thousands)

	2011	2010	Inc/Dec	%Inc/Dec		2011	2010	Inc/Dec	%Inc/Dec
Revenue					Expenditures				
Taxes	$ 79,869	$ 78,552	$ 1,317	1.7 %	General Government	$ 11,699	$ 13,532	$ (1,833)	(14)%
License and Permits	2,654	3,327	(673)	(20.2)%	Judicial	6,860	6,397	463	7 %
Intergovernmental	3,656	2,584	1,072	41.5 %	Public Health and Welfare	376	389	(13)	(3)%
Fines and Forfeitures	4,927	8,302	(3,375)	(40.7)%	Public Safety	37,247	36,215	1,032	3 %
Charges for Services	7,967	7,811	156	2.0 %	Public Works	9,620	8,195	1,425	17 %
Interest income	443	660	(217)	(32.9)%	Recreation and Culture	4,246	4,520	(274)	(6)%
Miscellaneous	939	274	665	242.7 %	Housing and Development	2,624	2,662	(38)	(1)%
					Intergovernmental	6,751	5,820	931	16 %
					Capital Outlay	17,308	20,274	(2,966)	(15)%
					Debt Service	12,653	12,679	(26)	- %
Total Revenues	$ 100,455	$ 101,510	$ (1,055)	(1.0)%	Total Expenditures	$ 109,384	$ 110,683	$ (1,299)	4 %

The County had an overall decrease in revenue of approximately $(1.1) million. Total tax revenues increased by $1.3M over the prior year. This was primarily due to overall Property Tax revenues increased $800 thousand and the Insurance Premium Tax revenues increased $400 thousand as compared to FY 2010. Intergovernmental revenues increased $1.1 million primarily as a result of GEMA and GEFA grants received in the Fire Fund. Miscellaneous revenues were up nearly $700 thousand due to insurance claims, while Charges for Services revenues was essentially the same versus prior year. Fines and forfeitures collections from various courts and the Sheriff's office decreased $(3.4) million. License and Permits revenue and Interest Income revenue decreased $(700) thousand and $(200) thousand respectively due to the current economic conditions.

Total expenditures decreased by $(1.3) million. Capital outlay decreased by $(3.0) million due to completion of prior year delayed projects. General government expenditures decreased $(1.8) million due to improvements in overall County Healthcare costs. Recreation and Culture expenditures decreased nearly $(300) thousand as compared to FY 2010 as a result projects funded by SPLOST and Impact Fees were completed. Public Works expenditures were up $1.4 million over the prior year due to increased spending related to transportation projects funded by SPLOST and Impact Fees. Public safety expenditures rose by $1.0 million due primarily to increased inmate

medical expenditures. Intergovernmental and Judicial expenditures increased $900 thousand and $500 thousand respectively, due to the Western Area Regional Radio System intergovernmental expenditures in the Fire Fund, and judicial expenditures increased in several of the Courts departments primarily bailiff and witness costs.

The general fund is the chief operating fund of the County. At the end of the current fiscal year, total fund balance was $31,319,610 with unassigned fund balance of $29,599,355. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures and transfers out. Fund balance represents 50.2% of total fund expenditures with unassigned representing 47.4 %.

The fire district fund is the principal operating fund for County fire and rescue operations. At the end of the fiscal year, its fund balance was $11,652,067, a decrease of $7.2 million from that of fiscal year 2010. This decrease is primarily due to capital outlay from bond proceeds. The portion of this fund balance not restricted by bond funds for capital outlay is $5,609,589. This portion of the fund balance represents 29.1% of total fund expenditures.

The changes in fund balances for the Governmental Funds are as shown below:

Coweta County Governmental Funds
Comparison of Fund Balance from Year to Year
($ in thousands)

	2011	2010	Incr/(Decr)	% Incr/-Decr
General Fund	$ 31,320	$ 30,246	$ 1,074	3.6 %
Fire District	11,652	18,896	(7,244)	(38.3)%
SPLOST	33,982	37,567	(3,585)	(9.5)%
Non-Major Funds	11,295	10,714	581	5.4 %
Total Fund Balance	$ 88,249	$ 97,423	$ (9,174)	(9.4)%

The other major fund consist of the special local options sales tax fund (SPLOST). This fund provides the capital funding for various projects approved via referendum of the voters of Coweta County. The fund balance is restricted to current and future projects. The SPLOST decrease in fund balance is due to a debt service payment.

Proprietary Funds. The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Coweta County Proprietary Funds
Comparison of Net Assets from Year to Year
($ in thousands)

	2011	2010	Incr/(Decr)	% Incr/-Decr
Solid Waste Disposal	$ 729	$ 588	$ 141	24.0 %
Total Fund Balance	$ 729	$ 588	$ 141	24.0 %

Total net assets of the proprietary funds at the end of the year amounted to $728,505.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget difference by function:

General Fund
For the Year Ended September 30, 2011

	Budget			Variance of
	Original	Final	Actual	Final Budget
General Government	$ 12,849,462	$ 13,000,538	$ 11,990,448	$ 1,010,090
Judicial	6,812,829	6,959,783	6,832,903	107,235
Public Safety	22,945,000	23,922,690	23,741,666	181,024
Public Works	9,357,478	7,009,583	6,724,044	285,539
Public Health and Welfare	378,500	378,500	375,529	2,971
Recreation and Culture	3,991,329	4,303,379	4,214,208	89,171
Housing and Development	2,699,074	2,724,224	2,525,292	198,932
Transfers	1,615,452	6,015,452	6,012,612	2,840
Total Charges to Appropriations	$ 60,649,124	$ 64,314,149	$ 62,416,702	$ 1,877,802

The variance to final amended budget is the result of a focus on cost cutting across all departments and agencies. There were no cost of living adjustments to salary in Fiscal Year 2011 and many key openings were filled through promotion and other positions were not filled.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The County's investment in capital assets for its government and business-type activities as of September 30, 2011, was $384 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery and equipment, park facilities, roads and bridges.

Coweta County's Capital Assets
(Net of depreciation)
($ in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Land and Improvements	$ 15,008	$ 14,423	$ 674	$ 690	$ 15,682	$ 15,113
Construction in Progress	12,771	21,640	-	-	12,771	21,640
Buildings	97,525	84,500	34	64	97,559	84,564
Machinery & Equipment	5,228	5,396	-	-	5,228	5,396
Vehicles	8,789	8,417	-	-	8,789	8,417
Infrastructure	243,551	253,429	-	-	243,551	253,429
Total Assets	$ 382,872	$ 387,805	$ 708	$ 754	$ 383,580	$ 388,559

Governmental assets moved from construction in progress to the asset records during the year totaled approximately $22 million. Major projects consisted of the following:

- Various road improvement projects/expansions - $7.4 million
- Construction and renovation projects - $391 thousand

Additional information on the County's capital assets can be found in Note 6 of this report.

Long-Term Debt. At the end of the current fiscal year, the County had total long-term indebtedness of $62,985,168. The General Obligation bonds were for various road projects, construction of a new Justice Center, State Patrol Headquarters, Central Library and most recently new and upgraded Fire Stations and Equipment.

Coweta County's Outstanding Debt
Bonds Payable, Capital Leases, Notes Payable, Claims, and Other Debts
($ in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2011	2010	2011	2010	2011	2010
Bonds Payable	$ 38,215	$ 47,529	$ -	$ -	$ 38,215	$ 47,529
Certificate of Participation	2,738	4,025	-	-	2,738	4,025
Capital Leases	1,614	1,881	-	-	1,614	1,881
Landfill Closure/Postclosure	634	702	683	635	1,317	1,337
Compensated Absences	2,112	2,014	26	24	2,138	2,038
Net Pension Obligation	696	727	-	-	696	727
Net OPEB Obligation	16,269	9,561	-	-	16,269	9,561
Totals	$ 62,278	$ 66,439	$ 709	$ 659	$ 62,987	$ 67,098

The operating revenues for governmental activities have been sufficient to meet these obligations and sufficient reserves are available to meet the obligations of claims payable and compensated absences. The obligations related to business-type activities have chiefly related to the landfill/solid waste activities of the County. Additional information regarding Coweta County's long-term debt can be found in Note 7 of this report.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limitation for the County is $460,791,297.

ECONOMIC OUTLOOK

The economic outlook for Coweta County in fiscal year 2012:

- The unemployment rate in Coweta County is at 9.3%, which is lower than the State of Georgia at 10.3% and slightly higher than the United States at 9.0% as of September 30, 2011. As of the date of this report, these rates have improved approximately 0.7% with each indicator.

- LOST and SPLOST revenues for fiscal year 2011 represented a 1% increase over the prior year. LOST revenues were above budget by approximately 1% in fiscal year 2011. For fiscal year 2012 year to date, SPLOST and LOST revenues are up 10% on a fiscal year to date basis. If this trend holds then it will be the best year since fiscal year 2008. The County budgets for LOST in its General Fund, and the budget is based on prior year actual results and trends. The County is monitoring collections on a monthly basis.

- The real property tax digest valuation decreased by 4.5% from 2010 to 2011 per the new State law requiring annual revaluations. However, it appears that through a combination of growth and increased collections, the effects of the new valuations did not affect the County overall. Housing and commercial development was up in fiscal year 2011 compared to the prior year, but continues to be well below activity in prime years over the previous decade due to the economy.

- The housing market continues to slowly improve. Housing starts by month in Fiscal Year 2011 outpaced the prior year. For Fiscal Year 2012, the Northgate Preserve Subdivision development has been approved and preliminary construction started. This is significant in that it is the first approved subdivision since Fiscal Year 2007. It will be over 400 acres with over 188 acres of open space. There will be seven phases with a total of 184 lots developed. The community will have sidewalks throughout it and a future greenway trail is planned.

- The County continues to experience steady growth with respect to commercial development. The Fischer Crossings development opened in 2011 with Sam's Club and NCG Movie Theaters. More commercial tenants are expected build at the location in the near future including TJ Maxx, Home Goods Store, and Michaels. There are plans for additional retail in the Thomas Crossroads and other commercial districts of the County. A new auto dealership, car wash, and office buildings are planned near International Park Drive. West Georgia Technical College continued work on its campus in the central part of the County. Most significantly, Coweta County will increasingly become a major healthcare industry location.

- Piedmont Newnan Hospital held its grand opening of its new state of the art facility on March 24, 2012. The Hospital is located on Poplar Road near I 85, and has 9 floors and 364,000 sq. ft. The Hospital has 136 inpatient rooms and 23 emergency room beds. All rooms will be private and have large windows allowing for an abundance of natural light. The building is LEED (Leadership in Energy and Environmental Design) certified, and is designed for improved patient access, operating efficiencies, and flexibility. It also features a public mall area, numerous green space, and walking areas. A large medical office building with over 110,000 square feet is also planned for the campus. Cancer Treatment Centers of America Hospital is under construction in the Ashley Park commercial development. This facility will bring 500 new jobs to the area and potentially $500 million in economic activity over a ten year period. In addition to these two facilities, other medical offices were completed in 2011 or planned for 2012, making Coweta County a future center for the healthcare industry.

- During Fiscal Year 2011, several industrial projects were completed or begun. Yamaha Motor Manufacturing Corporation relocated its ATV and Side by Side utility vehicles production to its Newnan facility from Japan. The Newnan facility employs over 1,000 people and produces golf carts and Waverunners personal watercraft. Chromalloy in Shenandoah Industrial Park also expanded its manufacturing plant to perform gas turbine engine service adding 125 new jobs. MBM Foodservice announced it would relocate to Coweta County and create 108 jobs. MBM is a strategic supplier to Chick-fil-a and other restaurants. Coweta County also continues to be a hub for the movie and television industry. There have been several movies and television show episodes filmed in the county over the past couple of years.

- Coweta County Government continues to implement cost saving measures to provide a lean and efficient local government. Management continues to assess the personnel and departments staffing levels to meet changing workloads, without hiring new full or part time employees. In some cases, departments are being merged or restructured to meet the current and future needs of the government. This has allowed the County not to layoff or furlough employees, while at the same time maintaining property tax rates. In addition to personnel savings, the County has changed its health insurance third party administrator and network. These changes cut operating expenses significantly in FY 2011. In FY 2012, management has changed its health insurance deductibles and pharmacy co-pays, and as of the date of this report, has experience even more cost savings compared to the prior year. Management will continue to pay close attention to these areas to ensure that the citizens of the County are getting the most efficient government provided while maintaining the level of services expected.

In closing, Coweta County's economy looks bright for 2012 and beyond. Of course, our area is linked to the state, national and international economies. Any major issues in these areas will have some effect on the local economy. While the overall economy appears to be improving, Coweta County maintains adequate fund balances in the event the economy quickly contracts or other significant event was to impact the County financially. Overall, Coweta County is positioned well for significant growth and a healthy future.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all interested in the government's financials. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, Coweta County, 22 East Broad St. , Newnan, Georgia 30263.

COWETA COUNTY

BASIC FINANCIAL STATEMENTS

COWETA COUNTY, GEORGIA
STATEMENT OF NET ASSETS
September 30, 2011

	PRIMARY GOVERNMENT			
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
ASSETS				
Cash	$ 50,518,756	$ 709,632	$ 51,228,388	$ 4,292,666
Investments	17,546,621	10,000	17,556,621	250,227
Receivables (net of allowance for uncollectibles)	12,776,595	58,033	12,834,628	1,611,187
Internal balances	(12,280)	12,280	-	-
Due from primary government	-	-	-	1,547
Due from component units	1,532,043	-	1,532,043	-
Inventories	410,089	-	410,089	614,034
Prepaid items	276,743	21	276,764	17,158
Restricted assets:				
Cash	14,261,759	-	14,261,759	19,983,999
Investments	19,494	-	19,494	-
Non-current assets:				
Deferred charges	324,975	-	324,975	2,319,180
Capital assets:				
Capital assets not being depreciated	27,778,164	-	27,778,164	10,380,375
Capital assets being depreciated	617,670,359	3,002,485	620,672,844	176,763,756
Less: accumulated depreciation	(262,577,634)	(2,294,501)	(264,872,135)	(38,981,755)
Capital assets, net of depreciation	382,870,889	707,984	383,578,873	148,162,376
TOTAL ASSETS	480,525,684	1,497,950	482,023,634	177,252,374
LIABILITIES				
Accounts payable	3,385,048	48,493	3,433,541	764,679
Accrued interest payable	164,781	-	164,781	385,716
Other accrued items	2,197,616	12,171	2,209,787	600,581
Due to other governments	507,599	-	507,599	-
Due to primary government	-	-	-	1,532,043
Due to component units	1,547	-	1,547	-
Unearned revenue	-	-	-	101,406
Amounts held in trust	-	-	-	1,851
Noncurrent liabilities				
Due within one year				
Compensated absences payable	1,478,201	26,252	1,504,453	121,067
Accrued landfill closure / postclosure	45,000	45,000	90,000	-
Notes payable	-	-	-	63,615
Capital leases payable	279,204	-	279,204	-
Certificates of participation	1,341,373	-	1,341,373	-
General obligation bonds payable	9,709,760	-	9,709,760	-
Revenue bonds payable	-	-	-	265,000
Due in more than one year				
Compensated absences payable	633,515	-	633,515	404,617
Net OPEB obligation	16,268,526	-	16,268,526	-
Net pension obligation	695,792	-	695,792	-
Accrued landfill closure / postclosure	589,340	637,529	1,226,869	-
Notes payable	-	-	-	463,349
Capital leases payable	1,334,324	-	1,334,324	-
Certificates of participation	1,396,373	-	1,396,373	-
General obligation bonds payable	28,504,979	-	28,504,979	-
Revenue bonds payable	-	-	-	97,731,975
Deposits payable	-	-	-	1,235,661
TOTAL LIABILITIES	68,532,978	769,445	69,302,423	103,671,560
NET ASSETS				
Invested in capital assets, net of related debt	349,607,951	707,984	350,315,935	49,620,366
Restricted for:				
Debt service	6,083,530		6,083,530	19,983,999
Capital outlay projects	21,988,508	-	21,988,508	-
Impact fee projects	4,769,606	-	4,769,606	-
Judicial programs	494,515	-	494,515	-
Public safety programs	10,983,012	-	10,983,012	-
Health and welfare programs	204,201	-	204,201	263,791
Housing and development programs	23,249	-	23,249	-
Unrestricted	17,838,134	20,521	17,858,655	3,712,658
TOTAL NET ASSETS	$ 411,992,706	$ 728,505	$ 412,721,211	$ 73,580,814

The accompanying notes are an integral part of this statement.

COWETA COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2011

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) AND CHANGES IN NET ASSETS: PRIMARY GOVERNMENT: GOVERNMENTAL ACTIVITIES	PRIMARY GOVERNMENT: BUSINESS-TYPE ACTIVITIES	PRIMARY GOVERNMENT: TOTAL	COMPONENT UNITS
PRIMARY GOVERNMENT								
GOVERNMENTAL ACTIVITIES								
General government	$ 13,633,094	$ 2,833,101	$ 589,853	$ -	$ (10,210,140)	$ -	$ (10,210,140)	$ -
Judicial	8,396,403	4,619,402	-	-	(3,777,001)	-	(3,777,001)	-
Public safety	45,166,786	5,371,877	161,733	1,358,733	(38,274,443)	-	(38,274,443)	-
Public works	31,883,119	112,375	-	940,688	(30,830,056)	-	(30,830,056)	-
Public health and welfare	375,839	-	-	1,300,353	924,514	-	924,514	-
Recreation and culture	5,839,791	448,156	-	-	(5,391,635)	-	(5,391,635)	-
Housing and development	2,877,914	2,393,803	-	-	(484,111)	-	(484,111)	-
Interest	1,588,379	-	-	-	(1,588,379)	-	(1,588,379)	-
Total Governmental Activities	109,761,325	15,778,714	751,586	3,599,774	(89,631,251)	-	(89,631,251)	-
BUSINESS-TYPE ACTIVITIES								
Solid waste/recycling	1,253,851	677,920	169,855	-	-	(406,076)	(406,076)	-
Total Business-Type Activities	1,253,851	677,920	169,855	-	-	(406,076)	(406,076)	-
TOTAL PRIMARY GOVERNMENT	$ 111,015,176	$ 16,456,634	$ 921,441	$ 3,599,774	(89,631,251)	(406,076)	(90,037,327)	-
COMPONENT UNITS								
Health Department	$ 1,673,316	$ 757,554	$ 741,223	$ -	-	-	-	(174,539)
Library System	3,019,531	42,601	361,817	55,103	-	-	-	(2,560,010)
Water and Sewerage Authority	16,764,161	18,223,536	-	-	-	-	-	1,459,375
Airport Authority	1,285,758	1,019,068	4,114	117,512	-	-	-	(145,064)
Development Authority	2,105,472	88,125	244,092	-	-	-	-	(1,773,255)
TOTAL COMPONENT UNITS	$ 24,848,238	$ 20,130,884	$ 1,351,246	$ 172,615	-	-	-	(3,193,493)
GENERAL REVENUES								
Property taxes					38,339,081	-	38,339,081	-
Sales taxes					32,919,868	-	32,919,868	-
Insurance premium taxes					3,616,163	-	3,616,163	-
Real estate recording taxes					915,729	-	915,729	-
Other taxes					1,656,239	-	1,656,239	-
Total taxes					77,447,080	-	77,447,080	-
Unrestricted investment earnings					390,006	-	390,006	20,020
Grants and contributions not restricted to a specific program					-	-	-	1,988,182
Gain on sale of capital assets					80,958	-	80,958	-
TRANSFERS					(546,128)	546,128	-	-
TOTAL GENERAL REVENUES					77,371,916	546,128	77,918,044	2,008,202
CHANGES IN NET ASSETS					(12,259,335)	140,052	(12,119,283)	(1,185,291)
NET ASSETS, Beginning					424,252,041	588,453	424,840,494	74,766,105
NET ASSETS, Ending					$ 411,992,706	$ 728,505	$ 412,721,211	$ 73,580,814

The accompanying notes are an integral part of this statement.

COWETA COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2011

	GENERAL	FIRE DISTRICT	SPLOST	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash	$ 5,834,653	$ 6,955,387	$ 26,629,008	$ 11,099,709	$ 50,518,757
Investments	14,011,276	2,000,000	-	1,535,344	17,546,620
Receivables (net of allowance for uncollectibles)	8,687,356	475,016	1,700,952	1,913,271	12,776,595
Due from other funds	5,595,077	633,115	226,637	954,993	7,409,822
Due from component units	1,527,459	3,119	734	731	1,532,043
Prepaid items	276,151	469	-	123	276,743
Inventories	410,089	-	-	-	410,089
Restricted assets:					
Cash	1,034,015	6,022,515	7,205,229	-	14,261,759
Investments	-	19,494	-	-	19,494
TOTAL ASSETS	$ 37,376,076	$ 16,109,115	$ 35,762,560	$ 15,504,171	$ 104,751,922
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ 782,441	$ 313,511	$ 1,085,425	$ 1,203,670	$ 3,385,047
Other accrued items	1,857,798	274,909	-	64,909	2,197,616
Due to other governments	-	-	507,599	-	507,599
Due to other funds	854,084	3,441,250	186,544	2,940,224	7,422,102
Due to component units	344	483	720	-	1,547
Deferred revenue	2,561,799	426,895	-	-	2,988,694
TOTAL LIABILITIES	6,056,466	4,457,048	1,780,288	4,208,803	16,502,605
FUND BALANCES					
Nonspendable:					
Prepaid expenditure	276,151	469	-	123	276,743
Inventories	410,089	-	-	-	410,089
Restricted:					
Debt service	-	-	6,083,530	-	6,083,530
Capital outlay projects	-	6,042,009	27,898,742	14,692	33,955,443
Impact fee projects	-	-	-	4,769,607	4,769,607
Judicial programs	401,700	-	-	92,815	494,515
Public safety programs	428,114	5,609,589	-	4,945,310	10,983,013
Health and welfare programs	204,201	-	-	-	204,201
Housing and development programs	-	-	-	23,249	23,249
Assigned:					
Capital equipment and infrastructure	-	-	-	1,449,572	1,449,572
Unassigned:	29,599,355	-	-	-	29,599,355
TOTAL FUND BALANCES	31,319,610	11,652,067	33,982,272	11,295,368	88,249,317
TOTAL LIABILITIES AND FUND BALANCES	$ 37,376,076	$ 16,109,115	$ 35,762,560	$ 15,504,171	$ 104,751,922

The accompanying notes are an integral part of this statement.

COWETA COUNTY, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS
September 30, 2011

Total Fund Balances for Governmental Funds (page 3)		$ 88,249,317
Total net assets reported for governmental activities in the statement of net assets is different because:		
Capital assets used in the governmental activities are not financial resources and therefore are not reported in the funds.		382,870,889
Some assets are not available in the current period and therefore are not reported in the funds.		
Deferred charge for issuance cost		324,975
Revenues in the statement of activities that do not provide current financial resources are reported as deferred revenues in the funds.		
Property Taxes	2,714,144	
Fines	274,550	
		2,988,694
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds, net of premium and discounts	(38,214,739)	
Accrued interest	(164,781)	
Capital leases	(1,613,528)	
Certificate of participation	(2,737,746)	
Accrued landfill closure / postclosure	(634,340)	
Compensated absences	(2,111,716)	
Net pension obligation	(695,792)	
Net OPEB obligation	(16,268,526)	
		(62,441,168)
Rounding		(1)
Total net assets of governmental activities (page 1)		$ 411,992,706

The accompanying notes are an integral part of this statement.

COWETA COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2011

	GENERAL	FIRE DISTRICT	SPLOST	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES					
Taxes	$ 50,119,658	$ 10,508,397	$ 19,056,800	$ 183,678	$ 79,868,533
Licenses and permits	1,875,778	-	-	777,909	2,653,687
Intergovernmental	329,581	1,183,668	-	2,143,023	3,656,272
Fines and forfeitures	4,605,714	-	-	321,667	4,927,381
Charges for services	5,535,674	-	-	2,430,860	7,966,534
Contributions and donations	287,037	1,340	45,084	285,393	618,854
Interest income	159,979	219,270	52,934	10,755	442,938
Miscellaneous	258,300	14,948	-	46,327	319,575
TOTAL REVENUES	63,171,721	11,927,623	19,154,818	6,199,612	100,453,774
EXPENDITURES					
Current Expenditures					
General government	11,593,652	-	2,859	102,564	11,699,075
Judicial	6,826,299	-	-	34,137	6,860,436
Public safety	23,741,667	10,577,987	189,029	2,737,928	37,246,611
Public works	6,619,311	-	1,941,640	1,059,492	9,620,443
Public health and welfare	375,528	-	-	-	375,528
Recreation and culture	4,214,207	-	31,953	-	4,246,160
Housing and development	2,525,292	-	-	98,530	2,623,822
Intergovernmental	-	964,380	5,786,991	-	6,751,371
Capital outlay	163,819	6,446,360	3,741,903	6,955,957	17,308,039
Debt service					
Principal	267,821	465,000	9,800,000	-	10,532,821
Interest	76,489	799,133	1,244,783	-	2,120,405
TOTAL EXPENDITURES	56,404,085	19,252,860	22,739,158	10,988,608	109,384,711
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER) EXPENDITURES	6,767,636	(7,325,237)	(3,584,340)	(4,788,996)	(8,930,937)
OTHER FINANCING SOURCES (USES)					
Sale of county property	208,430	81,018	-	13,500	302,948
Transfers in	109,928	-	-	5,466,484	5,576,412
Transfers out	(6,012,612)	-	-	(109,928)	(6,122,540)
TOTAL OTHER FINANCING SOURCES (USES)	(5,694,254)	81,018	-	5,370,056	(243,180)
NET CHANGE IN FUND BALANCES	1,073,382	(7,244,219)	(3,584,340)	581,060	(9,174,117)
FUND BALANCES, Beginning of year	30,246,228	18,896,286	37,566,612	10,714,308	97,423,434
FUND BALANCES, End of year	$ 31,319,610	$ 11,652,067	$ 33,982,272	$ 11,295,368	$ 88,249,317

The accompanying notes are an integral part of this statement.

COWETA COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2011

Net change in fund balances (page 5)		$ (9,174,117)
Amounts reported for governmental activities in the statement of activities are different because:		
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.		
Capital outlays	17,308,039	
Depreciation expense	(22,043,482)	
		(4,735,443)
In the statement of activities, only the gain/loss on the sale of various equipment is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the net book value of the equipment sold.		
Net book value of equipment sold	(221,989)	
		(221,989)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	2,714,144	
Donated assets	23,300	
Fines	274,550	
		3,011,994
Revenues reported in the funds that relate to prior years are not reported as revenue in the statement of activities.		
Property taxes	(5,135,596)	
Fines	(363,012)	
		(5,498,608)
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, where as these amounts are deferred and amortized in the statement of activities. This adjustment combines the net change of two balances.		
Principal payments on long-term debt	10,532,821	
Amortization of bond premium, discounts and issuance cost	267,070	
Arbitrage	208,267	
Landfill closure/postclosure	68,035	
Accrued interest on bonds, prior year	221,471	
Accrued interest on bonds, current year	(164,781)	
		11,132,883
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.		
Compensated absences, prior year	2,014,236	
Compensated absences, current year	(2,111,716)	
		(97,480)
Net pension obligation is not available during the current period and therefore is not reported in the funds		
Beginning of year	726,746	
End of year	(695,792)	
		30,954
Net OPEB obligation is not available during the current period and therefore is not reported in the funds.		
Net Beginning of year	9,561,000	
End of year	(16,268,526)	
		(6,707,526)
Rounding		(3)
Changes in net assets of governmental activities (page 2)		$ (12,259,335)

The accompanying notes are an integral part of this statement.

COWETA COUNTY, GEORGIA
STATEMENT OF NET ASSETS
PROPRIETARY FUND
September 30, 2011

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS SOLID WASTE DISPOSAL FACILITY
ASSETS	
Current Assets	
Cash	$ 709,632
Investments	10,000
Receivables (net of allowance for uncollectibles)	58,033
Due from other funds	45,310
Prepaid items	21
TOTAL CURRENT ASSETS	822,996
Noncurrent Assets	
Capital assets	
Capital assets being depreciated	3,002,485
Less: accumulated depreciation	(2,294,501)
TOTAL CAPITAL ASSETS (NET OF ACCUMULATED DEPRECIATION)	707,984
TOTAL NONCURRENT ASSETS	707,984
TOTAL ASSETS	1,530,980
LIABILITIES	
Current Liabilities	
Accounts payable	48,493
Other accrued items	12,171
Due to other funds	33,030
Compensated absences payable	26,252
Accrued landfill closure/postclosure	45,000
TOTAL CURRENT LIABILITIES	164,946
Noncurrent Liabilities	
Accrued landfill closure/postclosure	637,529
TOTAL NONCURRENT LIABILITIES	637,529
TOTAL LIABILITIES	802,475
NET ASSETS	
Invested in capital assets	707,984
Unrestricted	20,521
TOTAL NET ASSETS	$ 728,505

The accompanying notes are an integral part of this statement.

COWETA COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the Year Ended September 30, 2011

	BUSINESS-TYPE ACTIVITIES- ENTERPRISE FUNDS
	SOLID WASTE DISPOSAL FACILITY
OPERATING REVENUES	
Recycling and transfer fees	$ 677,920
Reimbursement from State Hazardous Waste Trust Fund	169,855
Total Operating Revenues	847,775
OPERATING EXPENSES	
Salaries and benefits	417,484
Supplies	20,616
Other services and charges	655,242
Landfill closure/postclosure costs	56,855
Depreciation	51,293
Professional fees	3,162
Repairs and maintenance	49,199
Total Operating Expenses	1,253,851
OPERATING INCOME (LOSS)	(406,076)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(406,076)
Transfer in	546,128
CHANGE IN NET ASSETS	140,052
TOTAL NET ASSETS, Beginning of year	588,453
TOTAL NET ASSETS, End of year	$ 728,505

The accompanying notes are an integral part of this statement.

COWETA COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2011

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS SOLID WASTE DISPOSAL FACILITY
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customer	$ 816,532
Payments to suppliers	(822,768)
Payments to employees	(413,619)
Net cash provided by (used in) operating activities	(419,855)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Transfers in	546,128
Net Cash provided (used) by non-capital financing activities	546,128
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition and construction of capital assets	(5,238)
Net cash provided (used) by capital and related financing activities	(5,238)
Net increase (decrease) in cash and cash equivalents	121,035
CASH, Beginning of year	588,597
CASH, End of year	$ 709,632
DISPLAYED AS:	
Cash	$ 709,632
TOTAL CASH	$ 709,632
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	$ (406,076)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities	
Depreciation	51,293
(Increase) decrease in:	
Accounts receivable	(1,318)
Due from other governments	(29,925)
Prepaid expenses	225
Increase (decrease) in:	
Accounts payable	(11,289)
Compensated absences	2,151
Accrued landfill costs	47,520
Other accrued items	1,714
Due to other funds	(74,150)
Net cash provided by (used in) operating activities	$ (419,855)

The accompanying notes are an integral part of this statement.

COWETA COUNTY, GEORGIA
STATEMENT OF NET ASSETS
FIDUCIARY FUNDS
September 30, 2011

	PENSION TRUST FUNDS	AGENCY FUNDS
ASSETS		
Cash	$ -	$ 1,610,065
Investments:		
Guaranteed investment contract	38,973,041	-
TOTAL ASSETS	38,973,041	1,610,065
LIABILITIES		
Funds held for others	-	1,610,065
TOTAL LIABILITIES	-	1,610,065
NET ASSETS		
Held in trust for:		
Employees' pension benefits (See Schedule of Funding Progress on page 54)	38,973,041	-
TOTAL NET ASSETS	$ 38,973,041	$ -

The accompanying notes are an integral part of this statement.

COWETA COUNTY, GEORGIA
STATEMENT OF CHANGES IN NET ASSETS
FIDUCIARY FUNDS
For the Year Ended September 30, 2011

	PENSION TRUST FUND
ADDITIONS	
Investment earnings	$ 1,515,489
Employer contributions	3,224,058
Employee contributions	456,031
TOTAL ADDITIONS	5,195,578
DEDUCTIONS	
Benefits	1,561,486
TOTAL DEDUCTIONS	1,561,486
CHANGE IN NET ASSETS	3,634,092
NET ASSETS, Beginning of year	35,338,949
NET ASSETS, End of year	$ 38,973,041

Net investment expense and administrative expenses are not paid from the County's pension plan. The plan's administrator invests proceeds received from the plan at a higher rate of interest than what the County receives as interest compensation. This difference is considered to be the investment expense and administrative expense charged by the plan's administrator.

The accompanying notes are an integral part of this statement.

COWETA COUNTY, GEORGIA
COMPONENT UNITS
COMBINING STATEMENT OF NET ASSETS
September 30, 2011

ASSETS	HEALTH DEPARTMENT	LIBRARY SYSTEM	WATER AND SEWERAGE AUTHORITY	AIRPORT AUTHORITY	DEVELOPMENT AUTHORITY	TOTAL
Cash	$ 288,508	$ 231,135	$ 3,681,195	$ 55,852	$ 35,976	$ 4,292,666
Investments	-	-	-	-	250,227	250,227
Receivables (net of allowance for uncollectibles)	149,046	7,503	1,410,859	42,174	1,605	1,611,187
Due from primary government	-	720	-	827	-	1,547
Inventories	-	-	545,927	68,107	-	614,034
Prepaid items	-	17,140	-	11	7	17,158
Restricted assets:						
Cash	-	-	19,983,999	-	-	19,983,999
Non-current assets:						
Deferred charges	-	-	2,319,180	-	-	2,319,180
Capital assets:						
Capital assets not being depreciated	-	-	7,358,388	2,832,837	189,150	10,380,375
Capital assets being depreciated	178,831	3,782,879	163,443,918	9,344,967	13,161	176,763,756
Less: accumulated depreciation	(177,963)	(2,426,962)	(33,609,413)	(2,762,225)	(5,192)	(38,981,755)
Capital assets, net of depreciation	868	1,355,917	137,192,893	9,415,579	197,119	148,162,376
TOTAL ASSETS	438,422	1,612,415	165,134,053	9,582,550	484,934	177,252,374
LIABILITIES						
Accounts payable	43,094	32,010	637,378	50,264	1,933	764,679
Accrued interest payable	-	-	385,716	-	-	385,716
Other accrued items	-	44,032	539,397	10,529	6,623	600,581
Due to primary government	-	46,650	-	1,482,674	2,719	1,532,043
Unearned revenue	-	-	-	101,406	-	101,406
Amounts held in trust	-	-	-	1,851	-	1,851
Noncurrent liabilities:						
Due within one year						
Compensated absences payable	45,095	48,007	-	19,631	8,334	121,067
Notes payable	-	-	-	63,615	-	63,615
Revenue bonds payable	-	-	265,000	-	-	265,000
Due in more than one year						
Compensated absences payable	85,574	-	319,043	-	-	404,617
Notes payable	-	-	-	463,349	-	463,349
Revenue bonds payable	-	-	97,731,975	-	-	97,731,975
Deposits payable	-	-	1,235,661	-	-	1,235,661
TOTAL LIABILITIES	173,763	170,699	101,114,170	2,193,319	19,609	103,671,560
NET ASSETS						
Invested in capital assets, net of related debt	868	1,355,917	39,195,918	8,870,544	197,119	49,620,366
Restricted for:						
Debt service	-	-	19,983,999	-	-	19,983,999
Public health and welfare	263,791	-	-	-	-	263,791
Unrestricted	-	85,799	4,839,966	(1,481,313)	268,206	3,712,658
TOTAL NET ASSETS	$ 264,659	$ 1,441,716	$ 64,019,883	$ 7,389,231	$ 465,325	$ 73,580,814

The accompanying notes are an integral part of this statement.

COWETA COUNTY, GEORGIA
COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2011

FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	HEALTH DEPARTMENT	LIBRARY SYSTEM	WATER AND SEWERAGE AUTHORITY	AIRPORT AUTHORITY	DEVELOPMENT AUTHORITY	TOTAL
	.....PROGRAM REVENUES.....				....NET (EXPENSE) AND CHANGES IN NET ASSETS....					
COMPONENT UNITS										
GOVERNMENTAL ACTIVITIES										
Health Department	$ 1,673,316	$ 757,554	$ 741,223	$ -	$ (174,539)	$ -	$ -	$ -	$ -	$ (174,539)
Library System	3,019,531	42,601	361,817	55,103	-	(2,560,010)	-	-	-	(2,560,010)
BUSINESS-TYPE ACTIVITIES										
Water and Sewerage Authority	16,764,161	18,223,536	-	-	-	-	1,459,375	-	-	1,459,375
Airport Authority	1,285,758	1,019,068	4,114	117,512	-	-	-	(145,064)	-	(145,064)
Development Authority	2,105,472	88,125	244,092	-	-	-	-	-	(1,773,255)	(1,773,255)
TOTAL COMPONENT UNITS	$ 24,848,238	$ 20,130,884	$ 1,351,246	$ 172,615	(174,539)	(2,560,010)	1,459,375	(145,064)	(1,773,255)	(3,193,493)
GENERAL REVENUES										
Unrestricted investment earnings					154	41	21,177	180	(1,532)	20,020
Grants and contributions not restricted to a specific program					-	1,988,182	-	-	-	1,988,182
TOTAL GENERAL REVENUES AND TRANSFERS					154	1,988,223	21,177	180	(1,532)	2,008,202
CHANGES IN NET ASSETS					(174,385)	(571,787)	1,480,552	(144,884)	(1,774,787)	(1,185,291)
NET ASSETS, Beginning					439,044	2,013,503	62,539,331	7,534,115	2,240,112	74,766,105
NET ASSETS, Ending					$ 264,659	$ 1,441,716	$ 64,019,883	$ 7,389,231	$ 465,325	$ 73,580,814

The accompanying notes are an integral part of this statement.

COWETA COUNTY

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(A) REPORTING ENTITY

The government is a political subdivision of the State of Georgia governed by an elected five-member commission. In addition, there are four Constitutional Officers; the Tax Commissioner, Probate Court Judge, Sheriff, and Clerk of Superior Court. The Constitutional Officers are elected county wide. The Board of County Commissioners budgets and approves all funding used by the separate Constitutional Officers. As required by generally accepted accounting principles, these financial statements present the government and its component units. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

The component unit columns in the combined financial statements include the financial data of the county's component units, which meet the criteria established by Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*. They are reported in separate columns to emphasize it is legally separate from the government.

Brief descriptions of discretely presented component units follow:

COWETA COUNTY DEPARTMENT OF PUBLIC HEALTH (Health Department): The Health Department is charged with determining the health needs and resources of its jurisdiction, developing programs, activities, and facilities responsive to those needs, and enforcing all laws related to health matters unless they fall under the jurisdiction of other agencies The Health Department is managed by seven member board, four of which are appointed by the Coweta County Board of Commissioners. The Health Department is presented as a governmental fund type with a June 30 year end. As of June 30 2011, the Health Department received $197,500 from the County Board of Commissioners to subsidize annual operations. As of September 30, 2011, the County paid $197,500 to the Health Department to subsidize annual operations.

COWETA COUNTY PUBLIC LIBRARY SYSTEM (Library) serves all citizens of Coweta County through library headquarters in Newnan, Georgia and three branch facilities. The Library is governed by a nine member board of Trustees appointed by the County Board of Commissioners. The County provides the majority of funding for the Library. The Library is presented as a governmental fund type with a September 30 year end. During 2011, the County supplemented the Library's budget in the amount of $2,020,135 of which $1,988,182 was to subsidize the operating budget and $31,953 was for capital expenditures.

COWETA COUNTY WATER AND SEWERAGE AUTHORITY (Water and Sewerage Authority): The purpose of the water and sewerage authority is to manage water and sewer system of Coweta County, Georgia and they are empowered to do all things necessary to accomplish this purpose. The Water and Sewerage Authority is presented as an enterprise fund type with a June 30 year end.

A financial burden or benefit relationship exists between the entities. The County appoints all board members of the water and sewerage authority. The Water and Sewerage Authority and Coweta County have entered into an intergovernmental agreement whereby the County is obligated to make Revenue Bond debt service payments in the event of default by the water and sewerage authority on some of these bond issues. The agreement represents a general obligation of the County to which its full faith and credit are pledged.

COWETA COUNTY AIRPORT AUTHORITY (Airport Authority): The Airport Authority has responsibility over all activities related to the airport in Coweta County, Georgia. The Airport Authority is governed by a five member board appointed by the Coweta County Board of Commissioners. The County guarantees the debt of the Authority. The Airport Authority receives most of its operating revenues from rental income and fuel sales. The Airport Authority receives the rest of the funding from local and state government sources and must comply with the requirements of these funding entities. The Airport Authority is reported as an enterprise fund with a September 30 year end.

COWETA COUNTY DEVELOPMENT AUTHORITY (Development Authority): The Development Authority is charged with aiding economic development within Coweta County, Georgia. It is governed by a twelve member board of which five are appointed by the Coweta County Board of Commissioners. The operations of the Development Authority are backed by the full faith and credit of the County. The Development Authority is reported as an enterprise fund with a September 30 year end. During fiscal year 2011, the Development Authority received $244,092 from the County Board of Commissioners to subsidize annual operations.

Complete financial statements for the Coweta County Department of Public Health and the Coweta County Water and Sewerage Authority may be obtained directly from their respective administrative offices at the following locations:

COWETA COUNTY DEPARTMENT
OF PUBLIC HEALTH
70 Hospital Road
Newnan, Georgia 30263

COWETA COUNTY WATER &
SEWERAGE AUTHORITY
545 Corinth Road
Newnan, Georgia 30263

The Coweta County Library System, Airport Authority, and the Coweta County Development Authority do not prepare separate financial statements.

(B) GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the 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 are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, 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

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

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 statement. Agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of 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 property taxes as available if they are collected within 60 days after year end. Fines are considered available if they are collected within 60 days of the end of the current fiscal period for which they are levied. Other revenues susceptible to accrual are considered available if they are collected within 90 days of the end of the current fiscal period for which they are imposed. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales tax, franchise taxes, fines, charges for services, grants earned, 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. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

The *Fire District Special Revenue Fund* accounts for the monies received from a specific property tax levy and the operation of the fire departments within the County.

The *SPLOST Capital Projects Fund* accounts for proceeds of a 1% local options sales tax for construction of various capital projects throughout the County.

The government reports the following major proprietary funds:

The *Solid Waste Disposal Facility Fund* accounts for the activities of the County's solid waste disposal and recycling programs.

Additionally, the government reports the following fund types:

The *Pension Trust Fund* is accounted for in essentially the same manner as the proprietary funds, using the same measurement focus and basis of accounting. The pension trust fund accounts for the activities of the Employee Retirement System, which accumulates resources for pension benefit payments to qualified governmental employees.

The *Agency Funds* are custodial in nature and do not represent results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the Tax Commissioner, Clerk of Superior Court, Probate Court, Magistrate Court, Clerk of State Court, and the Sheriff are holding for others in an agency capacity. See the fiduciary funds divider page for a detailed description of the County's agency funds.

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 the 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. Exceptions to this general rule are interfund services provided and used are not eliminated in the process of consolidation. Elimination of these charges would distort the direct costs and program revenues for the various functions concerned.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. 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 for the Water and Sewage Authority component unit enterprise fund, Solid Waste Disposal Facility enterprise fund are charges to customers for sales and services. The Water and Sewerage Authority also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating

expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as 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 NET ASSETS OR EQUITY

1. Deposits and Investments

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

Investments are recorded as fair value based on quoted market prices as of the balance sheet date. Increases or decreases in fair value during the year are recognized as part of investment income.

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 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."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

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

Property taxes attach as an enforceable lien on property as of January 1. Taxes are normally levied by October 1 of each year and are normally payable by December 1 of each year. Interest and penalties may be assessed on taxes not paid by this date.

The County bills and collects its own property taxes and also those for the School Board and the State. Only the County's tax levy is recognized as revenue when levied and uncollected taxes are recorded as deferred revenue in the general and special revenue funds.

3. Inventories and Prepaid Items

Inventories, consisting of expendable supplies, not held for resale are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Restricted Assets

Certain assets of the general fund are classified as restricted because their use is completely restricted by grant agreements or contractual agreements.

Certain proceeds of the County's general obligation bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, culverts, 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 County as assets with an initial, individual cost of $5,000 and an estimated useful life in excess of three years. In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the government chose to include all such items regardless of their acquisition date or amount. 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. Infrastructure assets acquired subsequent to July 1, 1980 are reported at historical cost or at an estimated historical cost where no historical record exists.

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.

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

Assets	Years
Buildings	50
Machinery and equipment	5-20
Vehicles	5
Furniture and fixtures	5
Infrastructure	25-50

6. *Compensated Absences*

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Employees hired prior to February 2000 can accumulate up to 960 hours of sick leave. Employees hired after February 2000 can accumulate up to 480 hours of sick leave. Upon separation, those employees who have been employed by the County for at least ten years are entitled to receive $50 for each unused day of sick leave. Those employees who have been in the County's employ for less than ten years forfeit unused sick leave upon separation. All vacation and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements within 60 days of year end.

7. *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, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

8. *Fund Equity/Net Assets*

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net assets."

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

Nonspendable - Fund balances are reported as nonspendable when the amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash like inventories and prepaid items) or (b) legally or contractually required to be maintained intact.
Restricted - Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
Committed - Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners through the adoption of a resolution prior to the end of the fiscal year. In order to modify or rescind the commitment, the Board of Commissioners must adopt another resolution.
Assigned - Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board of Commissioners has authorized the County's finance director to assign fund balances.
Unassigned - Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all other governmental funds.

Net Assets - Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any debt used for the acquisition, construction, or improvement of those assets. In determining the outstanding balance of any borrowing, proceeds of that debt which has not been spent is deducted. Accounts payable for costs related to acquisition, construction, or improvement of those capital assets is considered debt for this calculation. Net assets are reported as restricted as described in the fund balance section above. All other net assets are reported as unrestricted.

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

9. Invested in Capital Assets, Net of Related Debt

The "invested in capital assets, net of related debt" reported on the government-wide statement of net assets as of September 30, 2011 are as follows:

Invested in capital assets, net of related debt:	Governmental Activities	Component Unit Airport Authority
Cost of capital assets	$ 645,448,523	$ 12,177,804
Less accumulated depreciation	(262,577,634)	(2,762,225)
Book value	382,870,889	9,415,579
Plus construction proceeds	11,966,935	-
Less capital related debt	(42,566,013)	(526,964)
Accounts payable related to capital assets	(2,663,860)	(18,071)
Invested in capital assets, net of related debt	$ 349,607,951	$ 8,870,544

10. Management Estimates

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

NOTE 2 - FUND BALANCE/NET ASSETS

The government-wide statement of net assets for governmental activities reports $44,546,621 of restricted net assets, of which $10,379,664 is restricted by enabling legislation.

Additional details related to fund balances at the governmental fund level are presented below:

Restricted:

General Fund	
Judicial programs - For unspent funds from various judicial programs restricted by state law.	$ 401,700
Public safety programs - For unspent funds from various public safety programs restricted by state law.	428,114
Public health and welfare programs - For funds received from the Council on Aging to be used for the Senior Center.	204,201
Fire District Fund	
Capital outlay projects - For funds received from issuance of bonds that has not been spent	6,042,009
Public safety programs - For funds restricted for fire services from a separate tax levy.	5,609,589

SPLOST Fund	
Debt service - For unspent funds from bond issues and funds paid into bond sinking funds for future debt payments restricted by creditors	6,083,530
Capital outlay projects - For funds received from the imposition of the Special Purpose Local Option Sales Tax (SPLOST) restricted by the voter approved referendum	27,898,742
Nonmajor Special Revenue Funds	
Capital Outlay Programs-	
CDBG Fund - For funds received from grants restricted by grantor for capital outlay.	14,692
Impact Fee Programs -	
Impact Fee Fund - For funds received from impact fees that are restricted for certain capital projects	4,769,607
Judicial Programs -	
Law Library - Used to account for surcharges on fines and forfeitures which are for the operation of the County Law Library and other expenditures as restricted by the OCGA-36-15	92,815
Public Safety Programs -	
Emergency E911 Telephone Services Fund - For fund to operate the E911 center as restricted by the OCGA-46-5	2,432,815
Sheriff's Programs Fund - to account for funds from seizures to be used for law enforcement activities	2,512,495
Housing and Development Programs -	
Hotel/Motel Tax Fund - To account for taxes charged on rental of hotel/motel rooms to be used for promotion of tourism, conventions and trade shows as restricted by OCGA-48-13	23,249
Total Restricted Fund Balance	$ 56,513,558
Assigned:	
Nonmajor Capital Projects Funds	
Transportation Fund	
Appropriated as a resource for road projects	1,449,572
Total Assigned Fund Balance	$ 1,449,572

NOTE 3 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

(A) BUDGETARY INFORMATION

An annual budget is legally adopted by the County Commissioners each fiscal year for the General Fund and the Special Revenue Funds. Annual operating budgets are prepared for the Enterprise Fund for planning, control, cost allocation, and evaluation purposes. Project-length budgets are adopted for the Capital Projects Funds.

The County follows these procedures in establishing the budgetary data reflected in the financial statements.

On or about June 1 of each year, all agencies of the County submit requests for appropriation to the County's administrator so that a budget may be prepared. The budget is prepared by fund, function and department, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

Then the proposed budget is presented to the government's Board of Commissioners for review. The government's Board of Commissioners holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the government's administrator or the revenue estimates must be changed by an affirmative vote of a majority of the government's Board of Commissioners.

Expenditures may not legally exceed budgeted appropriations at the department level, which constitutes the legal level of control.

During the year, the Commissioners are authorized to make amendments to the budget to include appropriations for some activities that were not originally budgeted and to reclassify certain character and functional expenditures.

Annual appropriated budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund and all special revenue funds.

Encumbrance accounting is not used by the County.

NOTE 4 - DEPOSITS AND INVESTMENTS

Primary Government

Custodial credit risk - deposits. In case of deposits, this is the risk that in the event of a bank failure, the government's deposits (in excess of FDIC insurance) may not be returned. The county does not have a deposit policy for custodial credit risk.

State statutes require collateral pledged in the amount of 110% of deposits. Depositories may secure deposits of public funds using the dedicated method or the pooled method as described below.

- Under the dedicated method, a depository shall secure the deposits of each of its public depositors separately.
- Under the pooled method, a depository shall secure deposits of public bodies which have deposits with it through a pool of collateral established by the depository with a custodian for the benefit of public bodies having deposits with such depository as set forth in code Section 45-8-13.1.

The goal of the county in investing is to obtain a reasonable return on investments with a minimum exposure to potential loss of capital due to market fluctuations.

Interest rate risk. Interest rate risk is the risk that changes in interest rates may adversely affect an investment's fair value. Since the price of a bond fluctuates with market interest rates, the risk that an investor faces is that the price of a bond held in a portfolio will decline if market interest rates rise. The county does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.The County only invests in certificates of deposits with local banks.

Credit Risk. State statutes authorize the government to invest in obligations of the U.S. Treasury and of its agencies and instrumentalities; bonds or certificates of indebtedness of this state and of its agencies and instrumentalities; certificates of deposits of banks insured by FDIC; the State of Georgia Local Government Investment Pool; repurchase agreements; bonds, debentures, notes or other evidence of indebtedness of any solvent corporation subject to certain conditions. The County has no investment policy that would further limit its investment choices.

Cash per Statement of Net Assets (page 1)	
Cash	$ 51,228,388
Restricted cash	14,261,759
plus investments that are cash equivalents	17,576,115
Cash held by Fiduciary Funds (page 10)	1,610,065
Deposits	$ 84,676,327
Investments per Statement of Net Assets (page 1)	
Investments	$ 17,556,621
Restricted Investments	19,494
Investments included in cash equivalents	(17,576,115)
Investments subject to credit risk	$ -

Concentration of credit risk. The county places no limit on the amount it may invest in any one issuer.

Fiduciary Fund (Pension Trust Fund)

Custodial Credit Risk-Guaranteed Investment Contract. Since this is a guaranteed investment contract that provides for a guaranteed return on principal over a specific period, it is not exposed to custodial credit risk because it is a direct contractual investment and is not a security.
Interest rate risk. The County has a contract with an insurance company that provides principal preservation and a specified rate of return over a set period of time, regardless of the performance of the underlying invested assets. The invested assets are owned by the insurance company and held within the insurer's general account.

Credit Risk. As the market perception of potential issuer default increases, the value of the debt securities decreases. If an issuer defaults, the investments may return significantly less than the original investments. At September 30, 2011, the ratings of its investments are shown below.

Investment Type	Fair Value	Rating	Agency	Maturity (Years)
Minnesota Life- Insurance Contract	$38,973,041	A+	Standard & Poor's	n/a

Concentration of credit risk. The county places no limit on the amount it may invest in any one issuer.

Discretely Presented Component Units

Library

Custodial credit risk - deposits. In case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned. The Library 's policies permit it to exceed the FDIC insured limit in making deposits in commercial banks and savings and loans institutions if the funds are otherwise adequately secured. As of September 30, 2011, all deposits of the library were adequately insured or collateralized.

Development Authority

Custodial credit risk - deposits. In case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned. The Authority does not have a deposit policy for custodial credit risk. As of September 30, 2011 the Development Authority's deposits and investments were properly collateralized with the depository financial institution.

Custodial credit risk - investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments collateral securities that are in the possession of an outside party.

Interest Rate Risk. The Authority does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the Authority's current investments are all short-term in nature.

As of September 30, 2011, the Development Authority had the following investments:

Investment Type	Fair Value	Maturity
Certificate of deposit	$ 250,227	Various

Airport Authority

Custodial credit risk - deposits. In case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned. The Airport Authority does not have a deposit policy for custodial credit risk. As of September 30, 2011 the Airport Authority's deposits were properly collateralized with the depository financial institution.

NOTE 5 - RECEIVABLES

Primary Government

Receivables as of year-end for the County's individual major funds and nonmajor governmental Funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

Governmental Activities:	General Fund	Fire District	SPLOST	Nonmajor Governmental
Receivables:				
Property Taxes	$ 2,400,167	$ 468,439	$ -	$ -
Fines	2,866,160	-	-	-
Accounts	505,327	6,577	13,078	380,363
Intergovernmental	5,395,536	-	1,687,874	1,532,908
Total Gross Receivables	11,167,190	475,016	1,700,952	1,913,271
Less: Allowance for Uncollectibles	(2,479,834)	-	-	-
Total Net Receivables	$ 8,687,356	$ 475,016	$ 1,700,952	$ 1,913,271

Receivables as of year-end for the County's enterprise funds, including the applicable allowances for uncollectible accounts, are as follows:

Business-type Activities:	Solid Waste Disposal Facility
Receivables:	
Accounts	$ 28,108
Intergovernmental	29,925
Total Gross Receivables	58,033
Total Net Receivables	$ 58,033

Property taxes receivable at September 30, 2011, consist of the following:

DIGEST YEAR	GENERAL FUND	FIRE DISTRICT
2011[1]	$ 10,685	$ 3,206
2010	1,317,322	283,061
2009	507,612	102,315
2008	198,454	29,707
2007	139,168	19,553
2006	96,999	12,938
2005	68,878	9,444
2004	41,079	5,076
2003	7,492	851
2002	4,700	979
2001 and prior	7,778	1,309
Total	$ 2,400,167	$ 468,439

[1] 2011 only consists of taxes due on mobile homes. Taxes on real and personal property are not levied until after fiscal year end. Therefore, they are not included.

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)	$ 2,287,249	$ -
Delinquent property taxes receivable (Fire District Fund)	426,895	-
Probation fines (General Fund)	274,550	-
Total deferred/ unearned revenue for governmental funds	$ 2,988,694	$ -

Discretely Presented Component Units

	Health Department	Library System	Water & Sewerage Authority	Airport Authority	Development Authority
Receivables:					
Accounts	$ -	$ 140,843	$ 1,793,463	$ 42,174	$ 1,605
Intergovernmental	149,046	-	-	-	-
Total Gross Receivables	149,046	140,843	1,793,463	42,174	1,605
Less: Allowance for Uncollectibles	-	(133,340)	(382,604)	-	-
Total Net Receivables	$ 149,046	$ 7,503	$ 1,410,859	$ 42,174	$ 1,605

NOTE 6 - CAPITAL ASSETS

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

Governmental Activities:	Beginning Balance	Prior Period Adjustment	Adjusted Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Non-Depreciable Assets:							
Land and improvements	$ 14,422,926	$ -	$ 14,422,926	$ 404,095	$ -	$ 180,538	$ 15,007,559
Construction in progress	21,639,507	-	21,639,507	13,433,269	(74,046)	(22,228,125)	12,770,605
Total non-depreciable capital assets	36,062,433	-	36,062,433	13,837,364	(74,046)	(22,047,587)	27,778,164
Depreciable Assets:							
Buildings and improvements	110,090,031	-	110,090,031	-	(61,600)	16,512,401	126,540,832
Machinery and equipment	17,124,628	-	17,124,628	1,345,345	(55,448)	2	18,414,527
Vehicles	17,600,899	-	17,600,899	2,148,630	(1,648,771)	114,349	18,215,107
Infrastructure	518,655,101	(62,443,859)	456,211,242	-	(7,246,535)	5,535,186	454,499,893
Total depreciable capital assets	663,470,659	(62,443,859)	601,026,800	3,493,975	(9,012,354)	22,161,938	617,670,359
Less Accumulated Depreciation for:							
Buildings and improvements	(25,590,036)	-	(25,590,036)	(3,470,140)	44,581	-	(29,015,595)
Machinery and equipment	(11,728,466)	-	(11,728,466)	(1,511,020)	52,776	-	(13,186,710)
Vehicles	(9,183,958)	-	(9,183,958)	(1,648,575)	1,520,519	(114,349)	(9,426,363)
Infrastructure	(265,225,611)	62,443,859	(202,781,752)	(15,413,747)	7,246,535	(2)	(210,948,966)
Total accumulated depreciation	(311,728,071)	62,443,859	(249,284,212)	(22,043,482)	8,864,411	(114,351)	(262,577,634)
Total depreciable capital assets, net	351,742,588	-	351,742,588	(18,549,507)	(147,943)	22,047,587	355,092,725
Governmental activities capital assets, net	$ 387,805,021	$ -	$ 387,805,021	$ (4,712,143)	$ (221,989)	$ -	$ 382,870,889

As of September 30, 2010, bridge and culvert assets and accumulated depreciation were overstated by $62,443,859. The adjustment had no effect on beginning net assets as of September 30, 2010.

Additions to governmental activities capital assets for fiscal year ending September 30, 2011 consist of the following:

Capital Outlay	$ 17,308,039
Infrastructure, donated	11,000
Donated vehicles	12,300
Total	$ 17,331,339

Non-depreciable capital assets additions	$ 13,837,364
Depreciable capital assets additions	3,493,975
Total	$ 17,331,339

Business-type Activities:	Beginning Balance	Additions	Retirements	Ending Balance
Depreciable Assets:				
Buildings and improvements	$ 1,058,301	$ 5,237	$ -	$ 1,063,538
Machinery and equipment	1,860,237	-	-	1,860,237
Vehicles	78,710	-	-	78,710
Total depreciable capital assets	2,997,248	5,237	-	3,002,485
Less Accumulated Depreciation for:				
Buildings and improvements	(368,310)	(21,240)	-	(389,550)
Machinery and equipment	(1,796,188)	(30,053)	-	(1,826,241)
Vehicles	(78,710)	-	-	(78,710)
Total accumulated depreciation	(2,243,208)	(51,293)	-	(2,294,501)
Total depreciable capital assets, net	754,040	(46,056)	-	707,984
Business-type activities capital assets, net	$ 754,040	$ (46,056)	$ -	$ 707,984

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

Governmental Activities:	
General Government	$ 1,115,116
Judicial	932,065
Public Safety	2,689,292
Public Works	15,822,905
Public Health and Welfare	311
Recreation and Culture	1,456,182
Housing and Development	27,611
Total depreciation expense-governmental activities	$ 22,043,482

Business-type Activities:	
Solid Waste	$ 51,293
Total depreciation expense-business-type activities	$ 51,293

The County has authorized construction projects. The remaining costs are split between the portion of the contracts that have been entered into for which the work had not been done prior to September 30, 2011 and the remainder of the authorized project expenditure for which contracts have not been entered into as of year end. The source of financing for the remaining project cost is noted below:

	Expended To Date	Remaining Commitment	Source
Governmental Activities:			
Road projects	$ 6,520,789	$ 2,984,689	SPLOST / Operations / Impact Fees
Sheriff projects	513,286	728,740	Grant
Fire Stations	701,337	-	Bonds / SPLOST
Radio System	3,031,017	2,968,983	SPLOST / Grant
Libraries	651,363	753,090	SPLOST / Grant
Andrew Bailey Park	631,821	1,869,356	SPLOST
Other recreation projects	286,162	-	SPLOST
Various Other Projects	434,830	-	SPLOST / Operations / Bonds / Impact Fees
	$ 12,770,605	$ 9,304,858	

Discretely Presented Component Units

Activity for the Health Department for the year ended June 30, 2011, was as follows:

	Beginning Balance	Additions	Ending Balance
Governmental Activities:			
Depreciable Assets:			
Machinery and Equipment	$ 178,831	$ -	$ 178,831
Less Accumulated Depreciation	(172,385)	(5,578)	(177,963)
Capital Assets, net	$ 6,446	$ (5,578)	$ 868

Activity for the Library for the year ended, was as follows:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Governmental Activities:					
Construction in progress	$ 19,664	$ -	$ (19,664)	$ -	$ -
Total non-depreciable capital assets	19,664	-	(19,664)	-	-

Depreciable Assets:					
Machinery and equipment	$ 461,414	$ -	$ -	$ (1)	$ 461,413
Books and collections	3,288,359	191,695	(158,588)	-	3,321,466
Total depreciable capital assets	3,749,773	191,695	(158,588)	(1)	3,782,879
Less Accumulated Depreciation for:					
Machinery and equipment	(192,126)	(74,429)	-	-	(266,555)
Books and collections	(1,993,773)	(325,222)	158,588	-	(2,160,407)
Total accumulated depreciation	(2,185,899)	(399,651)	158,588	-	(2,426,962)
Total depreciable capital assets, net	1,563,874	(207,956)	-	(1)	1,355,917
Capital Assets, net	$ 1,583,538	$ (207,956)	$ (19,664)	$ (1)	$ 1,355,917

The Library uses the composite method of depreciation for its books and collections. Under this method a full year of depreciation is taken in the year of acquisition and any asset disposed is considered to be fully depreciated.

Activity for the Water and Sewerage Authority for the year ended June 30, 2011, was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Business-type Activities:				
Land and land improvements	$ 7,098,472	$ -	$ -	$ 7,098,472
Construction in progress	4,374,559	2,446,058	(6,560,701)	259,916
Total non-depreciable capital assets	11,473,031	2,446,058	(6,560,701)	7,358,388
Depreciable Assets:				
Site improvements	2,111,425	61,596	-	2,173,021
Infrastructure	116,535,185	4,568,176	-	121,103,361
Buildings	35,113,103	1,630,195	-	36,743,298
Machinery and equipment	1,470,476	296,118	-	1,766,594
Furniture and fixtures	165,023	141,389	-	306,412
Vehicles	965,689	16,285	-	981,974
Capitalized interest	369,258	-	-	369,258
Total depreciable capital assets	156,730,159	6,713,759	-	163,443,918
Less Accumulated Depreciation for:				
Site improvements	(929,549)	(160,139)	-	(1,089,688)
Infrastructure	(24,570,043)	(2,350,459)	-	(26,920,502)
Buildings	(2,498,448)	(798,190)	-	(3,296,638)
Machinery and equipment	(959,532)	(202,850)	-	(1,162,382)
Furniture and fixtures	(88,627)	(43,502)	-	(132,129)
Vehicles	(820,898)	(65,321)	-	(886,219)
Capitalized interest	(114,470)	(7,385)	-	(121,855)
Total accumulated depreciation	(29,981,567)	(3,627,846)	-	(33,609,413)
Total depreciable capital assets, net	126,748,592	3,085,913	-	129,834,505
Capital Assets, net	$ 138,221,623	$ 5,531,971	$ (6,560,701)	$ 137,192,893

Activity for the Airport Authority for the year ended September 30, 2011, was as follows:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Business-type Activities:					
Non-depreciable assets					
Land and improvements	$ 1,012,498	$ -	$ -	$ 2	$ 1,012,500
Construction in progress	1,676,733	143,604	-	-	1,820,337
Total non-depreciable capital assets	2,689,231	143,604	-	2	2,832,837
Depreciable Assets:					
Buildings and improvements	9,208,817	-	-	(2)	9,208,815
Machinery and Equipment	126,574	9,578	-	-	136,152
Total depreciable capital assets	9,335,391	9,578	-	(2)	9,344,967
Less Accumulated Depreciation for:					
Building and improvements	(2,496,624)	(188,228)	-	-	(2,684,851)
Machinery and Equipment	(74,859)	(2,449)	(66)	-	(77,374)
Total accumulated depreciation	(2,571,483)	(190,677)	(66)	-	(2,762,225)
Total depreciable capital assets, net	6,763,908	(181,099)	(66)	(2)	6,582,742
Capital Assets, net	$ 9,453,139	$ (37,495)	$ (66)	$ -	$ 9,415,579

Activity for the Development Authority for the year ended September 30, 2011, was as follows:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Business-type Activities:					
Non-depreciable assets					
Land and land improvements	$ 1,496,595	$ -	$ (1,307,445)	$ -	$ 189,150
Total non-depreciable capital assets	1,496,595	-	(1,307,445)	-	189,150
Depreciable Assets:					
Machinery and equipment	18,388	-	(13,292)	-	5,096
Buildings and improvements	594,311	8,065	(594,311)	-	8,065
Total depreciable capital assets	612,699	8,065	(607,603)	-	13,161
Less Accumulated Depreciation for:					
Machinery and equipment	(18,388)	(96)	13,292	-	(5,192)
Buildings and improvements	(28,308)	(11,469)	39,777	-	-
Total accumulated depreciation	(46,696)	(11,565)	53,069	-	(5,192)
Total depreciable capital assets, net	566,003	(3,500)	(554,534)	-	7,969
Capital Assets, net	$ 2,062,598	$ (3,500)	$ (1,861,979)	$ -	$ 197,119

NOTE 7 - LONG-TERM DEBT

Long-term liability activity for the year ended September 30, 2011 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due After One Year
Governmental Activities:						
Bonds payable	$ 46,360,000	$ -	$ (9,045,000)	$ 37,315,000	$ 9,440,000	$ 27,875,000
Plus: original issue premium	1,169,500	-	(269,761)	899,739	269,760	629,979
Total general obligation bonds	47,529,500	-	(9,314,761)	38,214,739	9,709,760	28,504,979
Certificates of participation	3,825,000	-	(1,220,000)	2,605,000	1,275,000	1,330,000
Plus: original issue premium	199,119	-	(66,373)	132,746	66,373	66,373
Total certificates of participation	4,024,119	-	(1,286,373)	2,737,746	1,341,373	1,396,373
Capital leases	1,881,349	-	(267,821)	1,613,528	279,204	1,334,324
Net OPEB obligation	9,561,000	6,707,526	-	16,268,526	-	16,268,526
Net pension obligation	726,746	-	(30,954)	695,792	-	695,792
Compensated absences	2,014,236	2,111,716	(2,014,236)	2,111,716	1,478,201	633,515
Landfill closure/post-closure cost	702,375	-	(68,035)	634,340	45,000	589,340
Governmental activities long-term liabilities	$ 66,439,325	$ 8,819,242	$ (12,982,180)	$ 62,276,387	$ 12,853,538	$ 49,422,849
Business-type Activities:						
Compensated absences	$ 24,101	$ 24,101	$ (38,819)	$ 26,252	$ 26,252	$ -
Landfill closure/postclosure	635,009	56,855	(9,335)	682,529	45,000	637,529
Business-type activities long-term liabilities	$ 659,110	$ 80,956	$ (48,154)	$ 708,781	$ 71,252	$ 637,529

Compensated absences, the net pension obligation, and the net OPEB obligation are generally liquidated by the general fund. Other funds contribute a portion of these costs based on the salary expense in their funds.

General Obligation Bonds

The County issued general obligation bonds, Series 2006, to provide funds for the acquisition and construction of major capital projects. General obligation bonds have been issued for governmental activities and are paid from the special local option sales tax fund. The original amount of the general obligation bonds was $35,000,000. The bonds carry an interest rate of 3.9% per annum and mature on September 30, 2013.

The County issued general obligation bonds, Series 2009, to provide funds to finance fire protection facilities and equipment. The Bonds are direct and general obligation of the County payable from an ad valorem tax, unlimited as to rate or amount, to be levied upon all taxable property within the fire bond district. The original amount of the general obligation bonds was $20,000,000. The bonds carry interest rates between 2.0-4.4% per annum and mature on September 30, 2029.

Bond debt service requirements are as follows:

September 30,	Principal	Interest	Total
2012	$ 9,440,000	$ 1,461,364	$ 10,901,364
2013	9,865,000	994,483	10,859,483
2014	700,000	736,283	1,436,283
2015	775,000	711,533	1,486,533
2016	815,000	683,608	1,498,608
2017 - 2021	4,795,000	2,846,727	7,641,727
2022 - 2026	6,270,000	1,667,293	7,937,293
2027 - 2030	4,655,000	311,063	4,966,063
	$ 37,315,000	$ 9,412,354	$ 46,727,354

The County has pledged future Special Purpose Local Option sales tax proceeds (SPLOST) to repay an original debt of $35,000,000 related to the 2006 general obligation bonds. The total principal and interest remaining to be paid is $19,051,969 and is payable through 2013. Interest payments in the amount of $1,102,563 were paid during 2011 which was approximately 5.80% of SPLOST revenues.

Certificates of Participation

The County annually renews Certificates of Participation, original amount $6,170,000, under a lease with the Association County Commissioners of Georgia. Through this, the County has financed construction of the Juvenile Justice Center. These lease agreements are being repaid through the SPLOST fund. These 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 assets acquired through certificates of participation are as follows:

	Governmental Activities
Buildings	$ 6,170,000
Less accumulated depreciation	(607,677)
	$ 5,562,323

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2011, were as follows:

September 30,	Principal
2012	$ 1,358,619
2013	1,358,263
Total minimum lease payments	2,716,882
Less: amount representing interest @ 3.50%	(111,882)
Present value of minimum lease payments	$ 2,605,000

Capital Leases

The County has entered into capital leases, original amount $2,621,062, for the purpose of financing energy efficiency improvements to various County facilities. The leases are being repaid through the Capital Projects fund.

The assets acquired through capital leases are as follows:

	Governmental Activities
Building renovations	$ 2,730,173
Less accumulated depreciation	(561,202)
	$ 2,168,971

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2011, were as follows:

September 30,	Principal
2012	$ 344,313
2013	344,312
2014	344,312
2015	344,313
2016	344,313
2017	95,702
Total minimum lease payments	1,817,265
Less: amount representing interest at 4.35%	(203,737)
Present value of minimum lease payments	$ 1,613,528

Discretely Presented Component Units

During the year September 30, 2011, the following changes occurred in liabilities reported in long-term debt of the Development Authority, the Airport Authority, the Department of Public Health and the Water and Sewerage Authority component units:

Component Units	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due After One Year
Health Department						
Compensated absences	$ 132,614	$ 43,150	$ (45,095)	$ 130,669	$ 45,095	$ 85,574
Development Authority						
Compensated absences	-	8,334	-	8,334	8,334	-
Total Development Authority	$ -	$ 8,334	$ -	$ 8,334	$ 8,334	$ -
Airport Authority						
Notes Payable	$ 586,926	$ -	$ (59,962)	$ 526,964	$ 63,615	$ 463,349
Compensated absences	18,163	19,631	(18,163)	19,631	19,631	-
Total Airport Authority	$ 605,089	$ 19,631	$ (78,125)	$ 546,595	$ 83,246	$ 463,349

Component Units	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due After One Year
Water and Sewerage Authority						
Revenue Bonds	$ 76,050,000	$46,960,000	$(23,040,000)	$ 99,970,000	$ 265,000	$ 99,705,000
Less: Loss on Refunding	(2,453,914)	(2,623,032)	273,072	(4,803,874)	-	(4,803,874)
Plus: Original Issue Premium	3,246,176	-	(415,327)	2,830,849	-	2,830,849
Total Revenue Bonds	76,842,262	44,336,968	(23,182,255)	97,996,975	265,000	97,731,975
Notes Payable	3,938,419	-	(3,938,419)	-	-	-
Capital Leases	1,503,881	-	(1,503,881)	-	-	-
Deposits	1,272,967	-	(37,306)	1,235,661	-	1,235,661
Compensated Absences	276,604	42,439	-	319,043	-	319,043
Total Water and Sewerage Authority	$83,834,133	$44,379,407	$(28,661,861)	$ 99,551,679	$ 265,000	$ 99,286,679
Library System						
Compensated absences	-	48,007	-	48,007	48,007	-
Total Library System	$ -	$ 48,007	$ -	$ 48,007	$ 48,007	$ -

Revenue Bonds

The Water and Sewerage Authority, a discretely presented component unit of the County, issues revenue bonds to construct and maintain the water and sewerage system of Coweta County. Income derived from the acquired or constructed assets are pledged to pay debt service. The original amount of revenue bonds issued in current and prior years is $131,000,000.

The total principal and interest remaining to be paid is $182,390,680. Principal and interest payments for the year ended June 30, 2011, excluding the principal deceased, was $5,455,548 which was approximately 30.8% of revenues.

The Water and Sewerage Authority issued revenue bonds currently outstanding at June 30, 2011 are:

Series 2001 Revenue Bonds – The Water and Sewerage Authority issued revenue bonds to be used for acquisition of water and sewerage systems and the refunding of revenue bonds. The bonds bear interest at rates from 3.00% to 5.50%.

Series 2005 Refunding Revenue Bonds - The Water and Sewerage Authority issued revenue bonds to be used for the partial refunding of the 2001 bond issue. The bonds bear interest at rates from 2.70% to 5.00%.

Series 2007 Revenue Bonds - The Water and Sewerage Authority issued revenue bonds to be used for acquisition of water and sewerage systems and the addition and improvement of the water and sewerage system. The bonds bear interest at rates from 4.00% to 5.00%.

Series 2010A Revenue Bonds - The Water and Sewerage Authority issued revenue bonds to be used for acquisition of water and sewerage systems and the addition and improvement of the water and sewerage system and the refunding of the 2005 bond issue.

The bonds bear interest at rates from 4.25% to 4.50%.

Series 2010C Revenue Bonds - The Water and Sewerage Authority issued revenue bonds to be used for the partial refunding of the 2005 bond refunding issue. The bonds bear interest at rates from 3.00% to 5.00%.

The advance refundings increased total debt service payments over the next 29 years by $12.59 million. This results in an economic loss (difference between the present values of the debt service payments on the old and new debt) of $1.39 million.

The Authority's management evaluated a number of factors in determining the feasibility of the advance refunding including: 1. the need for additional capital funding, 2. the need to repay other debts, and 3. the need to smooth future debt service payments.

Revenue bond debt service requirements to maturity are as follows:

June 30,	Principal	Interest	Total
2012	$ 265,000	$ 4,628,595	$ 4,893,595
2013	300,000	4,616,595	4,916,595
2014	330,000	4,603,095	4,933,095
2015	465,000	4,587,958	5,052,958
2016	2,695,000	4,567,295	7,262,295
2017 - 2021	15,615,000	20,860,774	36,475,774
2022 - 2026	20,645,000	16,660,557	37,305,557
2027 - 2031	17,130,000	11,995,426	29,125,426
2032 - 2036	21,520,000	7,605,077	29,125,077
2037 - 2040	21,005,000	2,295,308	23,300,308
	$ 99,970,000	$82,420,680	$ 182,390,680

Notes Payable

The Airport Authority issued a note payable to provide funds for improvements to the Newnan-Coweta Airport. The note payable with an original balance of $652,300, bears interest of 5.83%, matures September 1, 2018. Payment requirements to maturity are as follows:

September 30,	Principal	Interest	Total
2012	$ 63,615	$ 29,100	$ 92,715
2013	67,508	25,206	92,714
2014	71,551	21,164	92,715
2015	75,835	16,879	92,714
2016	80,340	12,375	92,715
2017 - 2019	168,115	9,952	178,067
	$ 526,964	$ 114,676	$ 641,640

Conduit Debt

From time to time, the Development Authority, a discretely presented component unit, has issued Revenue Bonds to provide financial assistance to both private and public sector entities for the acquisition and construction of industrial and commercial facilities deemed to be of public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying leases. Upon repayment on the bonds, ownership of the acquired facilities transfers to the private or public sector entity served by the bond issuance. Neither the Development Authority, the County, State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. There were two series of Revenue Bonds issued in Fiscal Year 2011 totaling $250,000,000. The total amount of those bonds outstanding as of September 30, 2011 was $250,000,000.

NOTE 8 - INTERFUND BALANCES AND ACTIVITY

The composition of interfund balances as of September 30, 2011, is as follows:

	Due From					
Due To	General Fund	Fire District	SPLOST	Other nonmajor governmental funds	Solid Waste	Total
General Fund	$ -	$ 3,440,500	$ 1,862	$ 2,119,685	$ 33,030	$ 5,595,077
Fire District	-	-	99,828	533,287	-	633,115
SPLOST	1,250	750	75,931	148,706	-	226,637
Other nonmajor governmental funds	807,524	-	8,923	138,546	-	954,993
Solid Waste	45,310	-	-	-	-	45,310
Total	$ 854,084	$ 3,441,250	$ 186,544	$ 2,940,224	$ 33,030	$ 7,455,132

These balances resulted from (1) the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, (2) the time lag between the dates that transactions are recorded in the accounting system, (3) the time lag between the dates that payments between funds are made, (4) short-term loans, and (5) to fund capital projects.

Interfund transfers as of the year ended September 30, 2011 are as follows:

	Transfers out		
Transfers in	General Fund	Other nonmajor governmental funds	Total
General Fund	$ -	$ 109,928	$ 109,928
Other nonmajor governmental funds	5,466,484	-	5,466,484
Solid Waste	546,128	-	546,128
Total	$ 6,012,612	$ 109,928	$ 6,122,540

Transfers are used to supplement operating budgets.

NOTE 9 - RETIREMENT PLANS

DEFINED BENEFIT PENSION PLAN

(A) PLAN DESCRIPTION

The County contributes to the Coweta County Pension Plan, which is a single employer public employee retirement system. The plan issues a stand-alone report. This report may be obtained from: Stanley, Hunt, Dupree & Rhine, 7823 National Service Road, Greensboro, NC., 27455.

The Plan was established by resolution of the Board of Commissioners. It may also be amended by resolution of same.

The plan, which is administered by Securian Retirement Services, covers all full-time employees of the County who were eligible to participate prior to July 1, 2006. The plan was frozen as of July 1, 2006, and employees hired subsequent to this date are not eligible to participate in the plan. The County's payroll for employees participating in the plan as of July 1, 2011, (the most recent actuarial valuation date) was $17,191,528 (based on covered earnings of the preceding year.)

All full-time employees who met the eligibility requirements prior to July 1, 2006, are eligible to participate in the plan, except for full-time employees participating in any other retirement plan operated by any federal, state or local government, or instrumentality thereof. Benefits are fully vested after twenty-five years of service.

Participants become eligible to retire at age 65 with 10 years of participation in the plan or age plus service of 85 with 25 or more years of credited service or completion of 35 years of credited service. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of 1.5% of Average Monthly Compensation for each of the first 15 years of participation, plus 2% for each year of participation from 16 to 25 years, plus 3% for each year of participation over 25 years up to a maximum of 39 years or completion of 35 years of credited service.

The Average Monthly Compensation is the participant's reported base earnings in the highest paid three years of employment divided by 36. Service is limited to 39 years. The plan also provides benefits in the event of death or disability. These benefit provisions were established by an adoption agreement executed by the County Board of Commissioners.

County employees are required to contribute to the plan 2.75% of compensation. The County matches the employee contribution. In addition, the County contributes the remaining cost, using the actuarial basis described in the annual valuation report.

The plan's financial statements are prepared on a cash basis, modified to include unrealized gains or losses on marketable securities owned by the plan and increments to the cash value of death benefits.

Investments in securities are valued at current market prices. The trust fund is invested 100% in a Guaranteed Investment Contract of Securian, Inc.

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

(B) FUNDING POLICY

The County is required to contribute at an actuarially determined rate. Section 47-20 of the Georgia code sets forth minimum funding standards for state and local governmental pension plans. Net investment expense and administrative expenses are not paid from County's pension plan. The Plan's administrator invests proceeds received from the plan at a higher rate of interest that what the County receives as interest compensation. The difference is considered to be the investment expense and administrative expense charged by the plan's administrator.

Plan funding policy provides for contributions made under the *Aggregate Cost Method* actuarial cost method. The actuarial cost method does not identify or separately amortize unfunded actuarial accrued liabilities.

Contributions totaling $3,680,089 ($3,224,058 employer and $456,031 employee) were made in accordance with contribution requirements determined by an actuarial valuation performed as of July 1, 2011. The employer contribution represents 18.75% of current year covered payroll.

(C) ANNUAL PENSION COST

The County's contributions for the years ended September 30, 2011, 2010, and 2009 are as follows.

Fiscal Year Ending September 30,	Annual Pension Cost	Actual County Contributions	Percentage of ARC Contributed	Net Pension Obligation
2011	$ 3,054,709	$ 3,085,663	101.0 %	$ 695,792
2010	3,435,948	3,471,407	101.0 %	726,746
2009	$ 3,139,273	$ 2,709,850	86.3 %	$ 762,205

Participants as of July 1, 2010, (the most recent actuarial valuation date) are shown below:

Frozen participants	50
Retirees and beneficiaries	66
Terminated plan participants entitled to but not yet receiving benefits	4
Active employees participating in the plan	340
Total number of plan participants	460

The information was determined as part of the actuarial valuation as of July 1, 2010. Additional information as of the latest actuarial valuation follows:

Valuation date	July 1, 2010
Actuarial cost method	Aggregate cost method
Amortization method	N/A
Remaining amortization period	N/A
Asset valuation method	Market Value
Actuarial assumptions:	
Investment rate return	6.00%
Projected salary increases	2.50%
Inflation rate assumption	2.50%
Cost-of-living adjustments	2.50%

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

Annual required contribution	$ 3,054,709
Interest on NPO	43,605
NPO adjustment	(43,605)
Annual pension cost	3,054,709
Contributions	(3,085,663)
Increase (decrease) in net pension obligation	(30,954)
Net pension obligation, Beginning of year	726,746
Net pension obligation, End of year	$ 695,792

Total actuarial accrued liability to County employees was $41,610,630 at July 1, 2010, as follows:

Actuarial accrued liability:	
Retirees currently receiving benefits	$ 16,021,672
Active participants vested benefits	12,945,724
Total vested	28,967,396
Active non-vested accrued benefits	8,026,909
Total accumulated benefit liability	36,994,305
Benefit obligation related to assumed future pay increases	4,616,325
Total accrued liability	41,610,630
Actuarial value of assets of (83.01% total accrued liability)	35,070,636
Total unfunded (surplus) actuarial liability	$ 6,539,994

This is (38.04)% of covered payroll

(D) FUNDED STATUS AND FUNDING PROGRESS

The Schedule of Funding Progress included in the required supplementary information presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Because the aggregate actuarial cost method does not identify or separately amortize unfunded actuarial accrued liabilities, the schedule of funding progress has been prepared using the entry age actuarial cost method to serve as a surrogate for the funded status and funding progress of the plan. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations. The data for the current year and the two preceding years are as follows:

Actuarial Valuation Date July 1,	Actuarial Value of Assets (1)	Actuarial Accrued Liability (AAL) - Entry Age Method (2)	Unfunded AAL (2-1)	Funded Ratio (1/2)	Annual Covered Payroll (prior year) (3)	UAAL as a Percentage of Covered Payroll (2-1)/3
2010	$ 35,070,636	$ 56,806,521	$ 21,735,885	61.74 %	$ 17,191,528	(119.13)%
2009	31,376,098	52,011,930	20,635,832	60.32 %	19,305,615	(106.89)%
2008	$ 28,105,719	$ 46,972,452	$ 18,866,733	59.83 %	$ 19,489,905	(96.80)%

DEFINED CONTRIBUTION PLAN

(A) PLAN DESCRIPTION

The County has a defined contribution plan which is administered by MG Trust Company. The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to County employees hired after July 1, 2006 and permits them to defer a portion of their salary until future years. The County matches employee contributions on a 1:1 ratio up to a maximum of five percent. In the year ended September 30, 2011, employee contributions were $495,655 and County contributions were $578,188. Plan provisions and contribution requirements are established and amended by a resolution of the County Commissioners.

OTHER POST-EMPLOYMENT BENEFITS

(A) PLAN DESCRIPTION

The Coweta County, Georgia Post-Retirement Medical Plan is a single-employer defined benefit healthcare plan. The plan does not issue a stand-alone report. The County provides post-employment single coverage healthcare, life insurance, dental, accidental death and dismemberment coverage benefits, in accordance with commission resolution, to all employees participating in the defined benefit plan and defined contribution plan who attain age 65 with 10 or more years of credited service or completion of 35 years of credited service. Currently, 27 retirees receive post-employment benefits.

The plan was established by resolution of the Board of Commissioners. It may also be amended by resolution of same.

(B) FUNDING POLICY

The post-retirement medical insurance benefits are currently funded on a pay-as-you-go basis. The County currently funds on a cash basis as benefits are paid. No assets have been segregated and restricted to provide post-retirement benefits. For fiscal year 2011, the County contributed $423,474 to the plan. In fiscal year 2011, total member contributions were $22,615.

(C) ANNUAL OPEB COST AND NET OPEB OBLIGATION

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution by 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 County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation:

	2011
Annual required contribution	$ 7,139,000
Interest on net OPEB obligation	382,000
Adjustment to annual required contribution	(390,000)
Annual OPEB cost	7,131,000
Employer contributions made with interest	(423,474)
Increase (decrease) in net OPEB obligation	6,707,526
Net OPEB obligation, Beginning of year	9,561,000
Net OPEB obligation, End of year	$ 16,268,526

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 and 2010the two preceding years is as follows:

Fiscal Year Ending September 30,	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2011	$ 7,131,000	$ 423,474	5.9 %	$16,268,526)
2010	$ 5,274,000	$ 376,000	7.1 %	$ (9,561,000)
2009	$ 4,974,000	$ 311,000	6.3 %	$ (4,663,000)

(D) FUNDED STATUS AND FUNDING PROGRESS

As of July 1, 20011 the most recent actuarial valuation date, the plan was 0 percent funded. The actuarial accrued liability for benefits was $69,262,000, and the actuarial value of assets was $ 0 , resulting in an unfunded actuarial accrued liability (UAAL) of $69,262,000. The covered payroll (annual payroll of active employees covered by the benefits) was $30,483,000, and the ratio of the UAAL to the covered payroll was 248.6 percent.

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, present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

(E) ACTUARIAL METHODS AND ASSUMPTIONS

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as 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 used 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 long-term perspective of the calculations.

The information was determined as part of the actuarial valuation as of July 1, 2011. Additional information as of the latest actuarial valuation follows:

Valuation date	July 1, 2011
Actuarial cost method	Entry Age Normal
Amortization method	30-year open period; level percent of pay
Asset valuation method	N/A
Actuarial assumptions:	
Investment rate return	4.00%
Includes inflation at	2.50%
Healthcare cost trend rate(s):	
Select rates	10.00% for medical to 5.00% for 2014
Ultimate rate	5.00%
Post retirement benefit increase	N/A
Projected salary increases	N/A

DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all County employees and permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

As of December 31, 1998, all assets were transferred into a trust for the exclusive benefit of employees and beneficiaries and are no longer solely the property of the County, subject only to claims of the County's general creditors. Due to this transfer, these assets are no longer reflected on the County's books.

OTHER PLANS

In addition to the above pension plans, the following pension and retirement plans cover County employees but the County is not legally responsible for contributions to the pension plans. Other governmental entities are legally responsible for these contributions as well as required disclosures.

(A) PROBATE JUDGES' RETIREMENT FUND OF GEORGIA
The Probate Judge is covered under a pension plan which requires that certain sums from marriage licenses and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

(B) CLERK OF SUPERIOR COURT AND CLERK OF STATE COURT RETIREMENT FUND
The Clerk of Superior Court and Clerk of State Court are covered under a pension plan which requires that certain sums from fees and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

(C) SHERIFFS' RETIREMENT FUND/PEACE OFFICERS' ANNUITY AND BENEFIT FUND
The Sheriff and Sheriff's Deputies are covered under separate pension plans which require that certain sums from fines or bond forfeitures be remitted by the Probate Judge or Clerk of Superior Court and Clerk of State Court to the pension plans before the payment of any costs or other claims.

(D) JUDICIAL RETIREMENT SYSTEM
State, Superior, and Juvenile Court Judges along with the Solicitor General are eligible to participate in the Georgia Judicial Retirement System. The Georgia Judicial Retirement System was created by legislation and made effective July 1, 1998. This System is for current and future members/retirees of the Superior Court Judges Retirement System, the District Attorneys Retirement System, and the Trial Judges and Solicitors Retirement Fund (referred to as "predecessor systems') and certain employees of the Attorney General/Legislative Counsel.

The Georgia Judicial Retirement System is administered by the Board of Trustees of the Employees' Retirement System and three additional members appointed by the Governor — each of whom shall be either a superior court judge, a state court judge, a district attorney, a state court solicitor-general, or a juvenile court judge

(E) EMPLOYEES' RETIREMENT SYSTEM
Employees of the Coweta County Tax Commissioners office are eligible to participate in the Employees' Retirement System. Employees' Retirement System (ERS) was established and began administering retirement benefits for State of Georgia employees on January 1, 1950, as provided by laws enacted through the Georgia General Assembly.

Laws governing ERS provide for service retirements, death and disability benefits, or refunds of contributions and interest to members who leave State employment. Employee and employer contributions are paid into the retirement fund for the welfare of members and their beneficiaries. All benefits are paid from this fund

(F) TEACHER RETIREMENT SYSTEM OF GEORGIA (TRS)
All full time librarians and clerical personnel employed by the Library System are covered by the Teacher Retirement System of Georgia (TRS), which is a cost-sharing multiple employer public enployee retirement system (PERS).

NOTE 10 - RISK MANAGEMENT

The County is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The County provides health insurance for its employees under a plan of partial self-insurance. Under this plan, the County covers claim settlements and judgments out of its General Fund resources. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. At September 30, 2011, the County included $544,854 for unpaid claims in accrued expenses. This liability was determined based on actual claims received for the first two months after year end plus projected claims

based on prior years' activity. These claims are expected to be paid within 12 months of the year end.

The County purchases commercial insurance for claims in excess of coverage provided by the County. During the year ended September 30, 2011, excess coverage was obtained for any individual claim in excess of $90,000 or aggregate claims in excess of $1,000,000.

Year ended September 30,	Beginning of Year	Incurred Claims	Claims Payments	End of Year
2010	$ 748,147	$ 10,435,058	$ (10,048,771)	$ 1,134,434
2011	$ 1,134,434	$ 9,605,134	$ (10,194,714)	$ 544,854

WORKERS' COMPENSATION

The County purchases insurance for workers' compensation from independent carriers. The County pays all claims up to $350,000 for each accident and $350,000 for each employee for injury by disease, and the policy provides coverage for any individual claim in excess of $350,000 up to $1,000,000 per claim. Under this plan, the County covers claim settlements and judgments out of its General Fund resources. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. At September 30, 2011, the County included $110,341 for unpaid claims in accrued expenses. This liability was determined based on actual claims received for the first two months after year end plus projected claims based on prior years' activity. These claims are expected to be paid within 12 months of the year end.

Year ended September 30,	Beginning of Year	Incurred Claims	Claims Payments	End of Year
2010	$ 137,500	$ 26,210	$ (67,579)	$ 96,131
2011	$ 96,131	$ 246,932	$ (232,722)	$ 110,341

OTHER

The County purchases insurance for property losses from independent carriers. The County has in effect property insurance coverage up to $175,294,060 for building, $13,272,488 for personal property and $2,983,973 for equipment with a $25,000 deductible per incident.

The County maintains a $1 million comprehensive general liability policy with a $25,000 deductible per incident. The County maintains a $1 million combined automobile policy with a $25,000 deductible per incident. The County maintains a $1 million public entity management liability coverage with a $25,000 deductible per incident. In addition, the County also maintains a policy providing $5,000,000 in excess coverage over these limits.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends

including frequency and amount of pay-outs and other economic and social factors. Settled claims in the past three years have not exceeded the coverages.

NOTE 11 - CONTINGENT LIABILITIES

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

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

In September of 2009, the County accepted a Community Development Block Grant from the Department of Community Affairs in the amount of $500,000 for the construction of a new Health Department. As a condition of the grant, the County must agree to use the facility for the approved purpose throughout the life of the facility. Should the facility be converted to an ineligible use, the Department of Community Affairs will require repayment of the grant. The repayment will be based on 20-year straight-line depreciation, except 100% repayment of the grant funds will be required to be repaid if the facility is converted during the first five years after the grant closeout date. The period for calculating the repayment amount began upon closeout of the grant in October 2010 and continue until approximately October 2030.

NOTE 12 - LANDFILL CLOSURE AND POSTCLOSURE CARE COST

State and Federal laws and regulations require the County to place a final cover on a landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The County recognizes a portion of the closure and postclosure care costs in each operating period even though actual payouts will not occur until the landfill is closed. The amount recognized each year is based on the landfill capacity used as of the balance sheet date.

As of September 30, 2011, the County has recorded a liability for the Ishman Ballard Road municipal solid waste landfill of $634,340, which represents the estimated postclosure costs and remediation costs based on 100% of landfill capacity used to date. All estimated liabilities for these costs have been recognized since the landfill is no longer used. This liability is annually reduced by post-closure costs being repaid through the County's General fund.

As of September 30, 2011, the County has recorded a liability for the construction and demolition landfill of $682,529, which represents the estimated postclosure costs based on 43.14% of landfill capacity used to date. The County will recognize the remaining estimated cost

of closure and post-closure care of $899,511 in the Solid Waste Fund, as the remaining estimated capacity is filled. These amounts are based on what it will cost to perform all closure and post-closure care in 2011. The County expects to close the landfill in the year 2038. The estimated costs are subject to changes such as the effects of inflation, revision of laws and other variables.

The estimated liability for the closure, post-closure and remediation costs have been estimated using figures provided by the Coweta County consulting engineer.

The County is also required to demonstrate financial assurance that the postclosure care cost can be paid in the future. The County has fulfilled this requirement for the period ended September 30, 2011, using the financial ratio tests.

NOTE 13 - THREE RIVERS REGIONAL COMMISSION

Under Georgia law, the County, in conjunction with other cities and counties in the area, is a member of the Three Rivers Regional Commission and is required to pay annual dues thereto. During its year ended September 30, 2011, the County paid $65,778 in such dues.

Membership in a regional commission is required by the official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the regional commission in Georgia. The Three Rivers Regional Commission Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the governments are liable for any debts or obligations of a regional commission. Separate financial statements may be obtained by request mailed to:

Three Rivers Regional Commission
P.O. Box 818
Griffin, Georgia 30224-2607

NOTE 14 - CERTAIN SIGNIFICANT ESTIMATES

As discussed in NOTE 1, estimates are used in the preparation of these financial statements. Several of the estimates qualified as a significant estimate, in that it is reasonably possible that the estimate will change in the near term due to one or more future confirming events and this change will have a material effect on the financial statements.

The estimate for the closure/postclosure costs of the County's landfill qualifies as a significant estimate.

The estimate for allowance for doubtful accounts related to fines receivable qualifies as a significant estimate. The estimate is calculated based on prior years' collection experience.

The estimates for claims payable for health insurance and workers compensation as discussed in NOTE 10 qualify as significant estimates.

The estimate for accumulated depreciation on capital assets qualifies as a significant estimate. This estimate is based on the original or estimated cost of the assets, depreciated over the estimated useful lives using the straight line method.

NOTE 15 - HOTEL/MOTEL TAX

During the year ended September 30, 2011, the County collected $183,678 of which $73,471 was required to be spent to promote tourism, conventions, and trade shows. The County actually spent $98,530. This was 134% of tax receipts to be expended for these purposes under OCGA-48-13-51. The County complied with the requirements of this law.

NOTE 16 - EMERGENCY SERVICES TRAINING FACILITY

The County Board of Commissioners share in the costs of the Newnan/Coweta Emergency Services Training Facility. A board oversees the day-to-day operations of the training facility which is owned by the City of Newnan. The board is comprised of department heads from the agencies that share in the costs of operating this facility. They are as follows: Newnan Fire Department, Newnan Police Department, Coweta County Chapter American Red Cross, Coweta County E-911/EMA, Coweta County Sheriff's Office, and the Coweta County Fire Department.

NOTE 17 -WESTERN AREA REGIONAL RADIO SYSTEM AUTHORITY

The County along with Carroll County, the City of Douglasville, Haralson County, and Heard County are members of the Western Area Regional Radio Authority which was created to provide an interoperable, high quality, and reliable and uninterrupted communication signal for public safety and public services.

The Act creating the Authority provides that obligations of the Authority shall not be deemed to constitute a debt of the establishing local governments nor a pledge of the faith and credit of said establishing local governments. Separate financial statements may be obtained from the Treasurer of the Authority, 423 College Street, Carrollton, Georgia 30117.

COWETA COUNTY

REQUIRED SUPPLEMENTARY INFORMATION

COWETA COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
For the Year Ended September 30, 2011
"Unaudited"

DEFINED BENEFIT PENSION PLAN

Actuarial Valuation Date (7/1)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Annual Covered Payroll (prior year)	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2008	$ 28,105,719	$ 46,972,452	59.83 %	$ 18,866,733	$ 19,489,905	96.80 %
2009	31,376,098	52,011,930 *	60.32 %	20,635,832	19,305,615	106.89 %
2010	$ 35,070,636	$ 56,806,521	61.74 %	$ 21,735,885	$ 17,191,528	126.43 %

The information presented in the above required supplementary schedule was determined as part of the actuarial valuations at the dates indicated. Because the aggregate actuarial cost method used in the valuation does not identify or separately amortize unfunded actuarial liabilities, the information above is presented using the entry age actuarial cost method, as required by GASB Statement No. 25, amended by GASB Statement No. 50.

See Note 8 for the actuarial methods and significant assumptions used to determine the Actuarial Required Contribution for the current year and the funded status of the plan.

*The 2009 AAL has been revised from the 2009 amount previously reported. At the time when the 2009 report was produced, it was intended that the cost of living assumption be increased from 2.50% to 3.15%. However, this change was not adopted so the 2009 AAL has been revised accordingly.

OTHER POST-EMPLOYMENT BENEFITS

Actuarial Valuation Date (7/1)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Annual Covered Payroll (prior year)	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2009	$ -	$ 48,173,000	$ - %	$ 48,173,000	$ 22,979,000	209.64 %
2010	-	52,809,000	- %	52,809,000	22,979,000	229.81 %
2011	$ -	$ 69,262,000	$ - %	$ 69,262,000	$ 30,483,000	227.22 %

2009 was the first year that this plan was effective and the actuarial valuation covered fiscal year ending September 30, 2009 and 2010.

COWETA COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
DEFINED BENEFIT PENSION PLAN
For the Year Ended September 30, 2011
"Unaudited"

Fiscal Year Ended	Annual Required Contribution	Percentage Contributed
2011	$ 3,054,709	101 %
2010	3,435,948	101 %
2009	3,139,273	86 %
2008	2,670,142	83 %
2007	2,312,489	105 %
2006	2,249,474	100 %
2005	2,013,184	101 %
2004	$ 1,909,024	99 %

COWETA COUNTY, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended September 30, 2011
(Required Supplementary Information)

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year as restated	$ 30,246,228	$ 30,246,228	$ 30,246,228	$ -
RESOURCES (INFLOWS)				
Taxes	47,675,500	49,615,051	50,119,658	504,607
Licenses and permits	1,729,000	1,729,000	1,875,778	146,778
Intergovernmental	130,000	130,000	329,581	199,581
Fines and forfeitures	4,737,800	4,737,800	4,605,714	(132,086)
Charges for services	5,011,500	5,011,500	5,535,674	524,174
Contributions and donations	50,000	50,000	287,037	237,037
Investment income	125,000	125,000	159,984	34,984
Miscellaneous	1,000	1,000	258,300	257,300
Sale of county property	-	-	208,430	208,430
Transfers in	120,000	120,000	109,928	(10,072)
Total Resources (Inflows)	59,579,800	61,519,351	63,490,084	1,970,733
AMOUNTS AVAILABLE FOR APPROPRIATION	89,826,028	91,765,579	93,736,312	1,970,733
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
General Government				
Commissioners	202,234	202,234	198,539	3,695
Administrator	687,866	691,866	691,479	387
Elections	296,793	296,793	266,819	29,974
Financial administration	802,581	802,581	646,253	156,328
Business license	171,029	175,829	175,755	74
County attorney	275,000	275,000	259,367	15,633
Information technology	1,028,257	1,028,257	981,610	46,647
Human resources	220,436	222,436	222,394	42
Tax commissioner	1,040,941	1,085,441	1,085,410	31
Tax assessor	1,376,851	1,376,851	1,368,828	8,023
Insurance	1,322,900	1,322,900	611,232	711,668
Public buildings	2,756,286	2,817,136	2,788,515	28,621
Information officer	130,062	130,062	124,428	5,634
General county	2,293,394	2,324,320	2,343,514	(19,194)
Appropriations	87,704	87,704	65,778	21,926
Registrar	157,128	161,128	160,527	601
Total General Government	12,849,462	13,000,538	11,990,448	1,010,090
Judicial				
Superior court	70,728	72,628	71,703	925
Clerk of superior court	1,148,770	1,160,970	1,160,895	75
District attorney	529,363	535,737	535,737	-
State court	500,969	500,969	476,807	24,162
Magistrate court	751,400	751,400	744,514	6,886
Probate court	531,956	531,956	503,822	28,134
Clerk of of state court	520,185	520,185	482,338	37,847
Juvenile court	596,959	596,959	590,949	6,010
Drug court	-	62,000	61,138	862
Supplemental courts	631,200	631,200	611,555	-
Solicitor	822,137	847,487	847,447	40
Victim witness	197,470	217,720	216,898	822
Indigent defense	485,492	501,252	499,843	1,409
Appropriations	1,200	1,200	1,144	56
Pretrial services	25,000	28,120	28,113	7
Total Judicial	6,812,829	6,959,783	6,832,903	107,235
Public Safety				
Sheriff	10,832,000	10,832,000	10,755,085	76,915
Jail	5,509,076	6,191,276	6,191,254	22
Work release center	607,104	607,104	510,524	96,580
Community service	2,500	2,500	2,489	11
Correctional institute	3,459,496	3,604,926	3,604,905	21
Emergency management	78,733	82,858	82,858	-
Ambulance services	598,300	620,640	620,638	2

COWETA COUNTY, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended September 30, 2011
(Required Supplementary Information)

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
CONTINUED.....				
Coroner	74,225	74,225	66,795	7,430
Drug abuse treatment	70,000	78,000	77,961	39
School resource officers	662,447	694,472	694,470	2
Adult probation	487,582	491,712	491,712	-
Animal control	563,537	642,977	642,975	2
Total Public Safety	22,945,000	23,922,690	23,741,666	181,024
Public Works				
Public works	3,587,622	3,587,622	3,464,328	123,294
Roadway construction	3,505,400	1,051,605	1,051,505	100
Community lighting/service	163,500	163,500	125,362	38,138
Equipment expense	99,000	134,500	134,455	45
Storm water division	506,437	506,437	436,905	69,532
Solid waste and recycling	-	45,400	45,310	90
Heavy equipment shop	461,900	461,900	440,907	20,993
Auto shop	98,590	123,590	122,772	818
Engineering	935,029	935,029	902,500	32,529
Total Public Works	9,357,478	7,009,583	6,724,044	285,539
Public Health and Welfare				
Health department	197,500	197,500	197,500	-
Mental health	33,000	33,000	30,029	2,971
Family and children services	148,000	148,000	148,000	-
Total Public Health and Welfare	378,500	378,500	375,529	2,971
Recreation and Culture				
Recreation	1,985,047	2,293,597	2,224,523	69,074
Library	1,988,182	1,991,682	1,989,685	1,997
Other recreation and culture	18,100	18,100	-	18,100
Total Recreation and Culture	3,991,329	4,303,379	4,214,208	89,171
Housing and development				
Forestry	17,176	17,176	17,176	-
Building department	1,125,196	1,125,196	1,055,153	70,043
Planning and zoning	791,100	814,800	813,936	864
Ordinance enforcement	136,254	136,804	136,468	336
Appropriations	14,100	15,000	14,942	58
County agent	169,192	169,192	158,174	11,018
Development Authority	244,092	244,092	244,092	-
Airport	42,998	42,998	-	42,998
GIS mapping	158,966	158,966	85,351	73,615
Total Housing and Development	2,699,074	2,724,224	2,525,292	198,932
Transfers out	1,615,452	6,015,452	6,012,612	2,840
TOTAL CHARGES TO APPROPRIATIONS	60,649,124	64,314,149	62,416,702	1,877,802
CHANGE IN FUND BALANCE	(1,069,324)	(2,794,798)	1,073,382	3,868,180
FUND BALANCE, End of year	$ 29,176,904	$ 27,451,430	$ 31,319,610	$ 3,868,180

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

COWETA COUNTY, GEORGIA
BUDGETARY COMPARISON SCHEDULE
FIRE DISTRICT
For the Year Ended September 30, 2011
(Required Supplementary Information)

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 18,896,286	$ 18,896,286	$ 18,896,286	$ -
RESOURCES (INFLOWS)				
Taxes	9,940,783	10,480,783	10,508,397	27,614
Intergovernmental	-	1,183,668	1,183,668	-
Contributions and donations	1,000	1,350	1,340	(10)
Investment income	200,000	200,000	219,270	19,270
Miscellaneous	500	100,150	14,948	(85,202)
Sale of county property	-	-	81,018	81,018
Total Resources (Inflows)	10,142,283	11,965,951	12,008,641	42,690
AMOUNTS AVAILABLE FOR APPROPRIATION	29,038,569	30,862,237	30,904,927	42,690
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	11,631,546	19,277,691	19,252,860	24,831
TOTAL CHARGES TO APPROPRIATIONS	11,631,546	19,277,691	19,252,860	24,831
CHANGE IN FUND BALANCE	(1,489,263)	(7,311,740)	(7,244,219)	67,521
FUND BALANCE, End of year	$ 17,407,023	$ 11,584,546	$ 11,652,067	$ 67,521

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

COWETA COUNTY

NON-MAJOR GOVERNMENTAL FUNDS

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.

Emergency E911 Telephone Service - to account for the cost of providing service to the County as provided in title 46, Chapter 5 of the Official Code of Georgia Annotated.

Hotel/Motel Tax - to account for taxes charged on rental of hotel/motel rooms as provided in title 48, Chapter 13 of the Official Code of Georgia Annotated. These funds are used for the promotion of tourism, conventions and trade shows in the County.

Law Library - to account for funds collected from fines and forfeitures to be used to maintain the Law Library as provided in title 36, Chapter 15 of the Official Code of Georgia Annotated.

Sheriff's Law Enforcement - to account for funds from seizures to be used for law enforcement activities.

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 and trust funds.

Transportation Fund – to account for road construction and paving projects primarily funded with general revenue sources. Management believes that the government can more effectively account for these projects through a separate capital projects fund.

Capital Expenditures Fund - to account for capital projects primarily funded with general revenue sources. Management believes that the government can more effectively account for these projects through a separate capital projects fund.

Impact Fees Fund – to account for capital projects funded by impact fees.

CDBG - to account for financial resources to be used for the new construction of the new County Health Department.

COWETA COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2011

	SPECIAL REVENUE FUNDS				
	EMERGENCY E911 TELEPHONE SERVICES	HOTEL/MOTEL	LAW LIBRARY	SHERIFF'S PROGRAMS	SUBTOTAL SPECIAL REVENUE FUNDS
ASSETS					
Cash	$ 724,288	$ 89,536	$ 59,742	$ 2,575,339	$ 3,448,905
Investments	1,502,271	-	33,073	-	1,535,344
Receivables (net of allowance for uncollectibles)	359,614	18,969	-	-	378,583
Due from other funds	2,439	-	-	-	2,439
Due from component units	-	731	-	-	731
Prepaid items	119	4	-	-	123
TOTAL ASSETS	$ 2,588,731	$ 109,240	$ 92,815	$ 2,575,339	$ 5,366,125
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ 7,819	$ 451	$ -	$ (1)	$ 8,269
Other accrued items	64,220	689	-	-	64,909
Due to other funds	83,758	84,847	-	62,845	231,450
TOTAL LIABILITIES	155,797	85,987	-	62,844	304,628
FUND BALANCES					
Nonspendable:					
Prepaid expenditure	119	4	-	-	123
Restricted:					
Capital outlay projects	-	-	-	-	-
Impact fee projects	-	-	-	-	-
Judicial programs	-	-	92,815	-	92,815
Public safety programs	2,432,815	-	-	2,512,495	4,945,310
Housing and development programs	-	23,249	-	-	23,249
Assigned:					
Capital equipment and infrastructure	-	-	-	-	-
TOTAL FUND BALANCES	2,432,934	23,253	92,815	2,512,495	5,061,497
TOTAL LIABILITIES AND FUND BALANCES	$ 2,588,731	$ 109,240	$ 92,815	$ 2,575,339	$ 5,366,125

COWETA COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2011

	CAPITAL PROJECTS FUNDS					
	TRANSPORTATION FUND	CAPITAL EXPENDITURES FUND	IMPACT FEES FUND	CDBG	SUBTOTAL CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS						
Cash	$ 2,542,533	$ 8,960	$ 5,102,760	$ (3,449)	$ 7,650,804	$ 11,099,709
Investments	-	-	-	-	-	1,535,344
Receivables (net of allowance for uncollectibles)	-	80,281	1,780	1,452,627	1,534,688	1,913,271
Due from other funds	111,072	721,981	-	119,501	952,554	954,993
Due from component units	-	-	-	-	-	731
Prepaid items	-	-	-	-	-	123
TOTAL ASSETS	$ 2,653,605	$ 811,222	$ 5,104,540	$ 1,568,679	$ 10,138,046	$ 15,504,171
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	$ 925,883	$ 93,898	$ 173,239	$ 2,381	$ 1,195,401	$ 1,203,670
Other accrued items	-	-	-	-	-	64,909
Due to other funds	278,150	717,324	161,694	1,551,606	2,708,774	2,940,224
TOTAL LIABILITIES	1,204,033	811,222	334,933	1,553,987	3,904,175	4,208,803
FUND BALANCES						
Nonspendable:						
Prepaid expenditure	-	-	-	-	-	123
Restricted:						
Capital outlay projects	-	-	-	14,692	14,692	14,692
Impact fee projects	-	-	4,769,607	-	4,769,607	4,769,607
Judicial programs	-	-	-	-	-	92,815
Public safety programs	-	-	-	-	-	4,945,310
Housing and development programs	-	-	-	-	-	23,249
Assigned:						
Capital equipment and infrastructure	1,449,572	-	-	-	1,449,572	1,449,572
TOTAL FUND BALANCES	1,449,572	-	4,769,607	14,692	6,233,871	11,295,368
TOTAL LIABILITIES AND FUND BALANCES	$ 2,653,605	$ 811,222	$ 5,104,540	$ 1,568,679	$ 10,138,046	$ 15,504,171

COWETA COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2011

	SPECIAL REVENUE FUNDS				
	EMERGENCY E911 TELEPHONE SERVICE	HOTEL/MOTEL	LAW LIBRARY	SHERIFF'S PROGRAMS	SUBTOTAL SPECIAL REVENUE FUNDS
REVENUES					
Taxes	$ -	$ 183,678	$ -	$ -	$ 183,678
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Fines and forfeitures	-	-	29,556	292,111	321,667
Charges for services	2,309,275	741	-	120,844	2,430,860
Contributions and donations	-	-	-	20,393	20,393
Interest income	4,421	65	247	(1)	4,732
Miscellaneous	-	-	-	-	-
TOTAL REVENUES	2,313,696	184,484	29,803	433,347	2,961,330
EXPENDITURES					
Current Expenditures					
General government	-	-	-	-	-
Judicial	-	-	29,152	-	29,152
Public safety	2,351,193	-	-	335,622	2,686,815
Public works	-	-	-	-	-
Housing and development	-	98,530	-	-	98,530
Capital outlay	-	-	-	567,794	567,794
TOTAL EXPENDITURES	2,351,193	98,530	29,152	903,416	3,382,291
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER) EXPENDITURES	(37,497)	85,954	651	(470,069)	(420,961)
OTHER FINANCING SOURCES (USES)					
Sale of county property	-	-	-	13,500	13,500
Transfers in	-	-	-	-	-
Transfers out	-	(109,928)	-	-	(109,928)
TOTAL OTHER FINANCING SOURCES (USES)	-	(109,928)	-	13,500	(96,428)
NET CHANGE IN FUND BALANCES	(37,497)	(23,974)	651	(456,569)	(517,389)
FUND BALANCES, Beginning of year	2,470,431	47,227	92,164	2,969,064	5,578,886
FUND BALANCES, End of year	$ 2,432,934	$ 23,253	$ 92,815	$ 2,512,495	$ 5,061,497

COWETA COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2011

	CAPITAL PROJECTS FUND					
	TRANSPORTATION FUND	CAPITAL EXPENDITURES FUND	IMPACT FEES FUND	CDBG	SUBTOTAL CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ 183,678
Licenses and permits	-	-	777,909	-	777,909	777,909
Intergovernmental	303,273	539,397	-	1,300,353	2,143,023	2,143,023
Fines and forfeitures	-	-	-	-	-	321,667
Charges for services	-	-	-	-	-	2,430,860
Contributions and donations	-	265,000	-	-	265,000	285,393
Interest income	-	1	5,843	179	6,023	10,755
Miscellaneous	-	46,327	-	-	46,327	46,327
TOTAL REVENUES	303,273	850,725	783,752	1,300,532	3,238,282	6,199,612
EXPENDITURES						
Current Expenditures						
General government	-	91,023	11,541	-	102,564	102,564
Judicial	-	4,985	-	-	4,985	34,137
Public safety	-	51,113	-	-	51,113	2,737,928
Public works	1,959	552,341	505,192	-	1,059,492	1,059,492
Housing and development	-	-	-	-	-	98,530
Capital outlay	2,851,742	1,753,314	497,267	1,285,840	6,388,163	6,955,957
TOTAL EXPENDITURES	2,853,701	2,452,776	1,014,000	1,285,840	7,606,317	10,988,608
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER) EXPENDITURES	(2,550,428)	(1,602,051)	(230,248)	14,692	(4,368,035)	(4,788,996)
OTHER FINANCING SOURCES (USES)						
Sale of county property	-	-	-	-	-	13,500
Transfers in	4,000,000	1,466,484	-	-	5,466,484	5,466,484
Transfers out	-	-	-	-	-	(109,928)
TOTAL OTHER FINANCING SOURCES (USES)	4,000,000	1,466,484	-	-	5,466,484	5,370,056
NET CHANGE IN FUND BALANCES	1,449,572	(135,567)	(230,248)	14,692	1,098,449	581,060
FUND BALANCES, Beginning of year	-	135,567	4,999,855	-	5,135,422	10,714,308
FUND BALANCES, End of year	$ 1,449,572	$ -	$ 4,769,607	$ 14,692	$ 6,233,871	$ 11,295,368

COWETA COUNTY, GEORGIA
EMERGENCY E911 TELEPHONE SYSTEM SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended September 30, 2011

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 2,470,431	$ 2,470,431	$ 2,470,431	$ -
RESOURCES (INFLOWS)				
Charges for services	2,216,850	2,306,850	2,309,275	2,425
Investment income	-	4,500	4,421	(79)
Total Resources (Inflows)	2,216,850	2,311,350	2,313,696	2,346
AMOUNTS AVAILABLE FOR APPROPRIATION	4,687,281	4,781,781	4,784,127	2,346
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	2,216,850	2,351,850	2,351,193	657
TOTAL CHARGES TO APPROPRIATIONS	2,216,850	2,351,850	2,351,193	657
CHANGE IN FUND BALANCE	-	(40,500)	(37,497)	3,003
FUND BALANCE, End of year	$ 2,470,431	$ 2,429,931	$ 2,432,934	$ 3,003

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

COWETA COUNTY, GEORGIA
HOTEL MOTEL SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended September 30, 2011

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 47,227	$ 47,227	$ 47,227	$ -
RESOURCES (INFLOWS)				
Taxes	200,000	198,498	183,678	(14,820)
Charges for services	-	-	741	741
Investment income	-	-	65	65
Total Resources (Inflows)	200,000	198,498	184,484	(14,014)
AMOUNTS AVAILABLE FOR APPROPRIATION	247,227	245,725	231,711	(14,014)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Housing and development	80,000	98,570	98,530	40
Transfers out	120,000	109,928	109,928	-
TOTAL CHARGES TO APPROPRIATIONS	200,000	208,498	208,458	40
CHANGE IN FUND BALANCE	-	(10,000)	(23,974)	(13,974)
FUND BALANCE, End of year	$ 47,227	$ 37,227	$ 23,253	$ (13,974)

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

COWETA COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended September 30, 2011

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 92,164	$ 92,164	$ 92,164	$ -
RESOURCES (INFLOWS)				
Fines and forfeitures	35,000	35,000	29,556	(5,444)
Investment income	-	-	247	247
Total Resources (Inflows)	35,000	35,000	29,803	(5,197)
AMOUNTS AVAILABLE FOR APPROPRIATION	127,164	127,164	121,967	(5,197)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Judicial	35,000	35,000	29,152	5,848
TOTAL CHARGES TO APPROPRIATIONS	35,000	35,000	29,152	5,848
CHANGE IN FUND BALANCE	-	-	651	651
FUND BALANCE, End of year	$ 92,164	$ 92,164	$ 92,815	$ 651

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

COWETA COUNTY, GEORGIA
SHERIFF'S PROGRAMS SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended September 30, 2011

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 2,969,064	$ 2,969,064	$ 2,969,064	$ -
RESOURCES (INFLOWS)				
Fines and forfeitures	250,000	250,000	292,111	42,111
Charges for services	-	-	120,844	120,844
Contributions and donations	-	-	20,393	20,393
Investment income	-	-	(3)	(3)
Sale of county property	-	-	13,500	13,500
Total Resources (Inflows)	250,000	250,000	446,845	196,845
AMOUNTS AVAILABLE FOR APPROPRIATION	3,219,064	3,219,064	3,415,909	196,845
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	250,000	904,000	903,414	586
TOTAL CHARGES TO APPROPRIATIONS	250,000	904,000	903,414	586
CHANGE IN FUND BALANCE	-	(654,000)	(456,569)	197,431
FUND BALANCE, End of year	$ 2,969,064	$ 2,315,064	$ 2,512,495	$ 197,431

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

COWETA COUNTY

FIDUCIARY FUNDS

FIDUCIARY FUNDS

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

Tax Commissioner - to account for the collection of property taxes, motor vehicle tag and title fees and mobile home fees, etc. which are disbursed to various taxing units.

Clerk of Superior Court - to account for the collection of various fines, forfeitures, jury fund receipts, real estate transfer taxes, recording of intangibles, fees, civil awards, etc. which are disbursed to various taxing units and other parties.

Probate Court - to account for the collection of fees for firearms, licenses, certificates, marriage licenses, etc. which are disbursed to various taxing units and other parties.

Magistrate Court - to account for the collection of fees for garnishments and small claims, etc. which are disbursed to various taxing units and other parties.

Clerk of State Court - to account for the collection of various fines, forfeitures, fees, etc., which are disbursed to various taxing units and other parties.

Sheriff - to account for the collection of cash bonds, fines, forfeitures, fifas, etc. which are disbursed to various taxing units and other parties.

COWETA COUNTY, GEORGIA
COMBINING STATEMENT OF ASSETS AND LIABILITIES
ALL AGENCY FUNDS
September 30, 2011

	TAX COMMISSIONER	CLERK OF SUPERIOR COURT	PROBATE COURT	MAGISTRATE COURT	CLERK OF STATE COURT	SHERIFF	TOTAL
ASSETS							
Cash	$ 724,204	$ 477,753	$ 2,843	$ 62,245	$ 216,159	$ 126,861	$ 1,610,065
TOTAL ASSETS	$ 724,204	$ 477,753	$ 2,843	$ 62,245	$ 216,159	$ 126,861	$ 1,610,065
LIABILITIES							
Amounts held in trust	$ 724,204	$ 477,753	$ 2,843	$ 62,245	$ 216,159	$ 126,861	$ 1,610,065
TOTAL LIABILITIES	$ 724,204	$ 477,753	$ 2,843	$ 62,245	$ 216,159	$ 126,861	$ 1,610,065

COWETA COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended September 30, 2011

	TAX COMMISSIONER	CLERK OF SUPERIOR COURT	PROBATE COURT	MAGISTRATE COURT	CLERK OF STATE COURT	SHERIFF	TOTAL
ASSETS							
Cash							
Balance, October 1, 2010	$ 1,046,511	$ 767,777	$ 2,999	$ 53,956	$ 288,294	$ 169,218	$ 2,328,755
Additions	123,056,027	4,314,336	261,364	697,929	4,631,237	1,303,166	134,264,059
Deductions	(123,378,334)	(4,604,360)	(261,520)	(689,640)	(4,703,372)	(1,345,523)	(134,982,749)
Balance, September 30, 2011	724,204	477,753	2,843	62,245	216,159	126,861	1,610,065
TOTAL ASSETS	$ 724,204	$ 477,753	$ 2,843	$ 62,245	$ 216,159	$ 126,861	$ 1,610,065
LIABILITIES							
Due to County							
Balance, October 1, 2010	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Additions	31,415,661	1,174,651	219,604	286,990	2,847,702	875,127	36,819,735
Deductions	(31,415,661)	(1,174,651)	(219,604)	(286,990)	(2,847,702)	(875,127)	(36,819,735)
Balance,, September 30, 2011	-	-	-	-	-	-	-
Amounts held in trust							
Balance, October 1, 2010	1,046,511	767,777	2,999	53,956	288,294	169,218	2,328,755
Additions	91,640,366	3,139,685	41,760	410,939	1,783,535	428,039	97,444,324
Deductions	(91,962,673)	(3,429,709)	(41,916)	(402,650)	(1,855,670)	(470,396)	(98,163,014)
Balance, September 30, 2011	724,204	477,753	2,843	62,245	216,159	126,861	1,610,065
Total Liabilities							
Balance, October 1, 2010	1,046,511	767,777	2,999	53,956	288,294	169,218	2,328,755
Additions	123,056,027	4,314,336	261,364	697,929	4,631,237	1,303,166	134,264,059
Deductions	(123,378,334)	(4,604,360)	(261,520)	(689,640)	(4,703,372)	(1,345,523)	(134,982,749)
TOTAL LIABILITIES	$ 724,204	$ 477,753	$ 2,843	$ 62,245	$ 216,159	$ 126,861	$ 1,610,065

COWETA COUNTY

COMPONENT UNITS

COMPONENT UNITS

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable.

This section provides information only for those component units that do NOT prepare separate financial statements.

Library System - to account for the library services provided to all citizens of Coweta County through library headquarters in Newnan, Georgia and three branch facilities.

Airport Authority - to account for all activities related to the airport in Coweta County.

Development Authority - to account for economic development activities within Coweta County.

COWETA COUNTY LIBRARY SYSTEM
(A COMPONENT UNIT OF COWETA COUNTY, GEORGIA)
BALANCE SHEET
September 30, 2011

ASSETS		
Cash	$	231,135
Receivables (net of allowance for uncollectibles)		7,503
Due from primary government		720
Prepaid items		17,140
Restricted assets:		
TOTAL ASSETS	$	256,498
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$	32,010
Other accrued items		44,032
Due to primary government		46,650
TOTAL LIABILITIES		122,692
FUND BALANCES		
Nonspendable:		
Prepaid expenditure		17,140
Unassigned:		116,666
TOTAL FUND BALANCES		133,806
TOTAL LIABILITIES AND FUND BALANCES	$	256,498

COWETA COUNTY LIBRARY SYSTEM
(A COMPONENT UNIT OF COWETA COUNTY, GEORGIA)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
September 30, 2011

REVENUES	
Intergovernmental	$ 2,295,667
Fines and forfeitures	42,601
Contributions and donations	27,284
Interest income	42
TOTAL REVENUES	2,365,594
EXPENDITURES	
Current Expenditures	
Recreation and culture	2,552,208
Capital outlay	109,544
TOTAL EXPENDITURES	2,661,752
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER) EXPENDITURES	(296,158)
OTHER FINANCING SOURCES (USES)	
TOTAL OTHER FINANCING SOURCES (USES)	-
NET CHANGE IN FUND BALANCES	(296,158)
FUND BALANCES, Beginning of year	429,964
FUND BALANCES, End of year	$ 133,806

COWETA COUNTY AIRPORT AUTHORITY
(A COMPONENT UNIT OF COWETA COUNTY, GEORGIA)
STATEMENT OF NET ASSETS
September 30, 2011

ASSETS		
Current Assets		
Cash	$	55,852
Receivables (net of allowance for uncollectibles)		42,174
Due from primary government		827
Inventories		68,107
Prepaid items		11
TOTAL CURRENT ASSETS		166,971
Noncurrent Assets		
Capital assets		
Capital assets not being depreciated		2,832,837
Capital assets being depreciated		9,344,967
Less: accumulated depreciation		(2,762,225)
TOTAL CAPITAL ASSETS (NET OF ACCUMULATED DEPRECIATION)		9,415,579
TOTAL NONCURRENT ASSETS		9,415,579
TOTAL ASSETS		9,582,550
LIABILITIES		
Current Liabilities		
Accounts payable		50,264
Other accrued items		10,529
Due to primary government		1,482,674
Amounts held in trust		1,851
Unearned revenue		101,406
Compensated absences payable		19,631
Notes payable		63,615
TOTAL CURRENT LIABILITIES		1,729,970
Noncurrent Liabilities		
Notes payable		463,349
TOTAL NONCURRENT LIABILITIES		463,349
TOTAL LIABILITIES		2,193,319
NET ASSETS		
Invested in capital assets		8,870,544
Unrestricted		(1,481,313)
TOTAL NET ASSETS	$	7,389,231

COWETA COUNTY AIRPORT AUTHORITY
(A COMPONENT UNIT OF COWETA COUNTY, GEORGIA)
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
For the Year Ended September 30, 2011

OPERATING REVENUES		
Charges for services	$	1,019,068
Total Operating Revenues		1,019,068
OPERATING EXPENSES		
Salaries and benefits		267,931
Supplies		6,344
Other services and charges		25,200
Depreciation		190,742
Professional fees		15,158
Repairs and maintenance		44,822
Utilities		26,195
Cost of goods sold		676,317
Total Operating Expenses		1,252,709
OPERATING INCOME (LOSS)		(233,641)
NONOPERATING REVENUES (EXPENSES)		
Investment earnings		180
Interest expense		(33,049)
Operating subsidy - County		4,114
Total Nonoperating Revenues (Expenses)		(28,755)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS		(262,396)
Capital grants		117,512
CHANGE IN NET ASSETS		(144,884)
TOTAL NET ASSETS, Beginning of year		7,534,115
TOTAL NET ASSETS, End of year	$	7,389,231

COWETA COUNTY AIRPORT AUTHORITY
(A COMPONENT UNIT OF COWETA COUNTY, GEORGIA)
STATEMENT OF CASH FLOWS
For the Year Ended September 30, 2011

CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customer	$	1,156,628
Payments to suppliers		(929,101)
Payments to employees		(264,763)
Net cash provided by (used in) operating activities		(37,236)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets		(673,234)
Payments from other governments		732,337
Principal payments on debt		(59,962)
Interest paid		(33,049)
Net cash provided (used) by capital and related financing activities		(33,908)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment earnings		180
Net cash provided (used) by investing activities		180
Net increase (decrease) in cash and cash equivalents		(70,964)
CASH, Beginning of year		126,816
CASH, End of year	$	55,852
DISPLAYED AS:		
Cash	$	55,852
TOTAL CASH	$	55,852
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	$	(233,641)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities		
Depreciation		190,742
Other non-operating revenues - Subsidy from County		4,114
(Increase) decrease in:		
Accounts receivable		34,974
Inventory		(30,175)
Prepaid expenses		149
Increase (decrease) in:		
Accounts payable		27,096
Compensated absences		1,468
Other accrued items		1,699
Deferred revenue		98,473
Due to County		(132,135)
Net cash provided by (used in) operating activities	$	(37,236)

COWETA COUNTY DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF COWETA COUNTY, GEORGIA)
STATEMENT OF NET ASSETS
September 30, 2011

ASSETS		
Current Assets		
Cash	$	35,976
Investments		250,227
Receivables (net of allowance for uncollectibles)		1,605
Prepaid items		7
TOTAL CURRENT ASSETS		287,815
Noncurrent Assets		
Capital assets		
Capital assets not being depreciated		189,150
Capital assets being depreciated		13,161
Less: accumulated depreciation		(5,192)
TOTAL CAPITAL ASSETS (NET OF ACCUMULATED DEPRECIATION)		197,119
TOTAL NONCURRENT ASSETS		197,119
TOTAL ASSETS		484,934
LIABILITIES		
Current Liabilities		
Accounts payable		1,933
Other accrued items		6,623
Due to primary government		2,719
Compensated absences payable		8,334
TOTAL CURRENT LIABILITIES		19,609
TOTAL LIABILITIES		19,609
NET ASSETS		
Invested in capital assets		197,119
Unrestricted		268,206
TOTAL NET ASSETS	$	465,325

COWETA COUNTY DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF COWETA COUNTY, GEORGIA)
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
For the Year Ended September 30, 2011

OPERATING REVENUES	
Charges for services	$ 88,125
Total Operating Revenues	88,125
OPERATING EXPENSES	
Salaries and benefits	170,131
Other services and charges	59,055
Depreciation	11,565
Utilities	2,742
Total Operating Expenses	243,493
OPERATING INCOME (LOSS)	(155,368)
NONOPERATING REVENUES (EXPENSES)	
Investment earnings	(1,532)
Operating grants	244,092
Transfer of capital assets to other governments	(1,861,979)
Total Nonoperating Revenues (Expenses)	(1,619,419)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(1,774,787)
CHANGE IN NET ASSETS	(1,774,787)
TOTAL NET ASSETS, Beginning of year	2,240,112
TOTAL NET ASSETS, End of year	$ 465,325

COWETA COUNTY DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF COWETA COUNTY, GEORGIA)
STATEMENT OF CASH FLOWS
For the Year Ended September 30, 2011

CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customer	$	332,217
Payments to suppliers		(84,814)
Payments to employees		(160,000)
Net cash provided by (used in) operating activities		87,403
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets		(8,065)
Net cash provided (used) by capital and related financing activities		(8,065)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment earnings		2,017
Purchase of investments		(226,855)
Proceeds from sale of investments		75,000
Net cash provided (used) by investing activities		(149,838)
Net increase (decrease) in cash and cash equivalents		(70,500)
CASH, Beginning of year		106,476
CASH, End of year	$	35,976
DISPLAYED AS:		
Cash	$	35,976
TOTAL CASH	$	35,976
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	$	(155,368)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities		
Depreciation		11,565
Other non-operating revenues - Subsidy from County		244,092
(Increase) decrease in:		
Prepaid expenses		125
Increase (decrease) in:		
Accounts payable		820
Compensated absences		8,334
Other accrued items		1,797
Due to County		(23,962)
Net cash provided by (used in) operating activities	$	87,403
SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES		
Transfers of capital assets to other governments	$	(1,861,979)

COWETA COUNTY

SUPPLEMENTAL INFORMATION

COWETA COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
Year Ended September 30, 2011

PROJECT	ORIGINAL ESTIMATED COSTS	CURRENT ESTIMATED COSTS	EXPENDITURES PRIOR YEARS	EXPENDITURES CURRENT YEAR
Special Local Option Sales Tax V - 2002				
Court complex	$ 35,000,000	$ 32,700,000	$ 32,692,660	$ 153,769
Recreation	5,000,000	5,000,000	4,904,835	13,200
Library	8,000,000	8,000,000	9,351,317	515,715
Public safety buildings and equipment	9,000,000	9,000,000	9,211,855	82,089
Roads and bridges	20,405,300	20,405,300	8,578,781	-
Intergovernmental				
Newnan	15,750,000	12,690,961	12,254,055	-
Senola	1,789,200	1,441,694	1,392,061	-
Grantville	1,486,802	1,198,028	1,156,784	-
Moreland	459,902	370,578	357,820	-
Palmetto	409,499	329,965	318,605	-
Sharpsburg	283,496	228,434	220,570	-
Turin	239,399	192,902	186,261	-
Haralson	176,401	142,139	137,246	-
Total Intergovernmental	20,594,700	16,594,700	16,023,402	-
	$ 98,000,000	$ 91,700,000	$ 80,762,850	$ 764,773
Special Local Option Sales Tax VI - 2007				
Court complex	$ 10,000,000	$ 10,000,000	$ 7,967,622	$ -
Recreation	9,000,000	9,000,000	7,427,682	350,719
Public safety buildings and equipment	6,500,000	6,500,000	1,624,953	1,457,807
Historic courthouse rehabilitation	7,500,000	7,500,000	7,312,024	81,605
Roads and bridges	53,582,690	53,582,690	26,625,465	4,442,532
Geographic information system	750,000	750,000	709,085	9,647
Record retention center	1,250,000	1,250,000	1,479,712	-
Intergovernmental				
Newnan	31,990,393	31,990,393	17,510,964	4,425,658
Senola	3,634,109	3,634,109	1,989,246	502,755
Grantville	3,019,895	3,019,895	1,653,036	417,782
Moreland	934,119	934,119	511,320	129,229
Palmetto	831,752	831,752	455,286	115,067
Sharpsburg	575,826	575,826	315,197	79,662
Turin	486,253	486,253	266,166	67,270
Haralson	358,293	358,293	196,123	49,567
Total Intergovernmental	41,830,640	41,830,640	22,897,338	5,786,991
	$ 130,413,330	$ 130,413,330	$ 76,043,881	$ 12,129,301
Total				**$ 12,894,074**

Reconciliation to the Financial Statements (page 5) :

SPLOST expenditures included above	$ 12,894,074
Payments for debt service - principal since expenditures of debt proceeds were previously reported as SPLOST expenditures	9,800,000
Expenditures paid from contributions from developers	45,084
Total expenditures reported in the financial statements	$ 22,739,158

COWETA COUNTY

STATISTICAL SECTION

STATISTICAL SECTION

This part of the county's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Table
Financial Trends	
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	
Net Assets by Component	1
Changes in Net Assets	2
Fund Balances of Governmental Funds	3
Changes in Fund Balances of Governmental Funds	4
General Governmental Tax Revenues by Source	5
Revenue Capacity	
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax and another significant local revenue source, sales taxes.	
Assessed Value and Estimated Actual Value of Taxable Property	6
Property Tax Rates -Mills	7
Principal Property Taxpayers	8
Property Tax Levies and Collections	9
Taxable Sales and Sales Taxes	10
Debt Capacity	
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	
Ratios of Outstanding Debt by Type	11
Ratios of Net General Bonded Debt Outstanding	12
Direct and Overlapping Governmental Activities Debt	13
Legal Debt Margin Information	14
Pledged Revenue Coverage	15
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	
Demographic and Economic Statistics	16
Principal Employers	17
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	
Full-Time Equivalent County Government Employees by Function	18
Operating Indicators by Function	19
Capital Asset Statistics by Function	20

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Note: Tables may not add and may differ from basic financial statements due to rounding.

COWETA COUNTY, GEORGIA
NET ASSETS BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011
GOVERNMENTAL ACTIVITIES									
Invested in capital assets, net of related debt	$ 62,560,188	$ 74,543,928	$ 93,357,021	$ 60,607,981	$ 463,362,859	$ 481,925,623	$ 498,943,890	$ 354,329,113	$ 349,607,951
Restricted:									
Debt Service							2,293,380	5,711,158	6,083,530
Capital outlay	20,382,176	19,135,522	14,811,165	60,496,100	52,764,940	47,798,836	25,476,936	21,481,275	21,988,508
Impact Fees							3,937,899	4,999,855	4,769,606
Judicial							335,634	445,144	494,515
Public safety	8,377,182	-	-	-	-	-	3,270,560	5,869,944	10,983,012
Health and welfare									204,201
Housing and Development	34,174	-	-	-	-	-	78,181	47,227	23,249
Unrestricted:	21,946,818	30,147,717	32,480,917	22,394,038	29,043,770	33,792,619	32,580,053	31,368,325	17,838,134
Total governmental activities net assets	$ 113,300,538	$ 123,827,167	$ 140,649,103	$ 143,498,119	$ 545,171,569	$ 563,517,078	$ 566,916,533	$ 424,252,041	$ 411,992,707
BUSINESS-TYPE ACTIVITIES									
Invested in capital assets, net of related debt	$ 1,146,250	$ 1,062,639	$ 1,131,374	$ 1,062,916	$ 976,094	$ 894,741	$ 817,789	$ 754,040	$ 707,984
Unrestricted	(434,844)	(460,110)	(539,989)	(471,889)	3,561	(195,572)	(204,732)	(165,587)	20,521
Total business-type activities net assets	$ 711,406	$ 602,529	$ 591,385	$ 591,027	$ 979,655	$ 699,169	$ 613,057	$ 588,453	$ 728,505
PRIMARY GOVERNMENT									
Invested in capital assets, net of related debt	$ 63,706,438	$ 75,606,567	$ 94,488,395	$ 61,670,897	$ 464,338,953	$ 482,820,364	$ 499,761,679	$ 355,083,153	$ 350,315,935
Restricted	28,793,532	19,135,522	14,811,165	60,496,100	52,764,940	47,798,836	35,392,590	38,554,603	44,546,621
Unrestricted	21,511,974	29,687,607	31,940,928	21,922,149	29,047,331	33,597,047	32,375,321	31,202,738	17,858,655
Total primary government net assets	$ 114,011,944	$ 124,429,696	$ 141,240,488	$ 144,089,146	$ 546,151,224	$ 564,216,247	$ 567,529,590	$ 424,840,494	$ 412,721,211

The County adopted GASB 34 in 2003. Data for years prior to this are not available.
The County implemented retroactive infrastructure reporting in 2007.
Certain reclassifications were made in 2009 to reflect the County's implementation of DCA Uniform Chart of Accounts.
Invested in capital assets, net of related debt decreased in 2010 due to change in accounting principle.
In 2011, the County implemented GASB 54

COWETA COUNTY, GEORGIA
CHANGES IN NET ASSETS
Last Ten Fiscal Years
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011
EXPENSES									
Governmental activities									
General government	$ 9,962,464	$ 14,153,525	$ 14,171,336	$ 9,775,958	$ 18,897,677	$ 20,109,435	$ 14,277,056	$ 16,291,760	$ 13,633,094
Judicial	7,848,759	4,548,966	4,689,408	6,304,056	6,661,454	6,797,699	6,624,593	6,703,127	8,396,403
Public safety	21,631,485	24,042,859	25,467,672	21,129,935	30,671,300	33,903,877	38,001,981	40,589,613	45,166,786
Public works	3,226,577	6,040,763	6,622,195	5,922,327	22,326,365	18,964,665	24,678,660	34,839,493	31,883,119
Intergovernmental	2,794,002	-	-	-	-	-	-	-	-
Health and welfare	-	565,386	-	-	-	-	415,565	389,415	375,839
Culture and recreation	1,176,657	2,220,239	2,667,455	2,139,456	3,404,278	4,691,238	6,812,175	6,115,816	5,839,791
Housing and development	1,687,198	1,976,716	2,279,964	1,756,261	2,315,216	2,342,277	2,848,633	2,846,112	2,877,914
Interest on long-term debt	-	773,800	628,211	689,270	2,411,345	2,290,739	2,681,925	2,277,564	1,588,379
Total governmental activities expenses	48,327,142	54,322,254	56,526,241	47,717,263	86,687,635	89,099,930	96,340,588	110,052,900	109,761,324
Business-type activities									
Solid Waste	1,397,264	1,273,651	1,287,101	1,306,877	1,207,764	1,566,437	1,217,766	1,262,522	1,253,851
Total business-type activities expenses	1,397,264	1,273,651	1,287,101	1,306,877	1,207,764	1,566,437	1,217,766	1,262,522	1,253,851
Total primary government expenses	$ 49,724,406	$ 55,595,905	$ 57,813,342	$ 49,024,140	$ 87,895,399	$ 90,666,367	$ 97,558,354	$ 111,315,422	$ 111,015,176
PROGRAM REVENUES									
Governmental activities									
Charges for services/Fees, fines and forfeitures:									
General government	$ 27,238	$ 1,804,902	$ 3,128,274	$ 2,365,632	$ 4,113,900	$ 3,825,945	$ 2,424,061	$ 2,598,381	$ 2,833,101
Judicial	-	4,072,018	4,010,207	2,529,146	3,400,035	2,895,035	4,777,520	5,684,604	4,619,402
Public safety	1,491,588	4,018,431	2,511,117	2,962,578	7,733,838	7,717,545	5,820,023	7,914,120	5,371,877
Public works	17,702	578,055	1,998	-	1,390	1,057	76,315	108,983	112,375
Culture and recreation	309,054	235,139	290,263	259,650	392,216	417,601	421,106	469,493	448,156
Housing and development	764,880	888,803	-	1,079,124	1,352,430	862,644	2,258,455	3,104,793	2,393,803
Total charges for services	2,610,462	11,597,348	9,941,859	9,196,130	16,993,809	15,719,827	15,777,480	19,880,374	15,778,714
Operating grants and contributions	2,268,534	308,022	2,948,637	1,784,936	5,891,677	2,802,233	282,605	316,343	751,585
Capital grants and contributions	403,668	401,389	121,799	217,769	2,067,117	6,292,428	3,310,515	8,754,186	3,599,774
Total governmental activities program revenues	5,282,664	12,306,759	13,012,295	11,198,835	24,952,603	24,814,488	19,370,600	28,950,903	20,130,074
Business-type activities									
Charges for services									
Solid Waste	746,645	603,686	629,730	631,954	957,141	652,964	631,283	741,018	677,920
Total charges for services	746,645	603,686	629,730	631,954	957,141	652,964	631,283	741,018	677,920
Operating grants and contributions	-	-	-	-	-	-		-	170
Capital grants and contributions	-	-	-	-	-	-		-	-
Total business-type activities program revenues	746,645	603,686	629,730	631,954	957,141	652,964	631,283	741,018	678,090
Total primary government program revenues	$ 6,029,309	$ 12,910,445	$ 13,642,025	$ 11,830,789	$ 25,909,744	$ 25,467,452	$ 20,001,883	$ 29,691,921	$ 20,808,164

The County implemented GASB 34 in 2003

In 2006 Coweta County changed its fiscal year end from December 31 to September 30. The major reason for this change was to recognize property tax revenues in the year in which they are to be used to fund operations. Information reported for 2006 represents 9 months, January through September, of financial activity.

Certain reclassifications were made in 2009 to reflect the County's implementation of DCA Uniform Chart of Accounts.

In 2011, the County implemented GASB 54.

COWETA COUNTY, GEORGIA
CHANGES IN NET ASSETS
Last Ten Fiscal Years
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Net (expense)/revenue									
Governmental activities	$ (43,044,478)	$ (42,015,495)	$ (43,513,946)	$ (36,518,428)	$ (61,735,032)	$ (64,285,442)	$ (76,969,988)	$ (81,101,997)	$ (89,631,250)
Business-type activities	(650,619)	(669,965)	(394,298)	(692,923)	(250,623)	(913,473)	(586,483)	(521,504)	(575,761)
Total primary government net expense	$ (43,695,097)	$ (42,685,460)	$ (43,908,244)	$ (37,211,351)	$ (61,985,655)	$ (65,198,915)	$ (77,556,471)	$ (81,623,501)	$ (90,207,012)
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS									
Governmental activities									
Taxes									
Property taxes	$ 18,833,634	$ 19,667,978	$ 23,311,270	$ 4,406,043	$ 29,940,636	$ 36,730,299	$ 37,639,563	$ 41,345,425	$ 38,339,081
Sales taxes	23,731,075	26,353,634	29,934,862	28,008,825	35,315,842	36,512,462	32,079,539	32,678,871	32,919,868
Insurance premium tax	-	2,828,863	3,020,879	3,165,790	3,328,868	3,410,007	3,361,113	3,268,926	3,616,163
Real Estate Taxes							1,220,343	904,771	915,729
Motor vehicle and mobile home taxes	-	1,840,185	1,797,060	1,747,876	2,724,972	3,205,084	-	-	-
Alcoholic beverage taxes	-	499,275	507,736	389,969	557,414	517,965	-	-	-
Business licenses and taxes	1,558,380	-	-	-	-	-	-	-	-
Other taxes	3,300,286	279,826	318,337	207,459	358,254	257,354	1,548,499	1,504,978	1,656,239
Total taxes	47,423,375	51,469,761	58,890,144	37,925,962	72,225,986	80,633,171	75,849,057	79,702,971	77,447,081
Fines and forfeitures	4,722,324	-	-	-	-	-	-		
Unrestricted investment earnings	730,094	853,337	1,061,296	1,680,223	4,271,336	2,471,278	722,917	599,268	390,008
Grants and contributions not restricted							2,177,043	-	-
Gain/(Loss) on sale of capital assets	(41,204)	-	-	-	(82,163)	(426,460)	-	92,790	80,958
Miscellaneous	534,658	780,062	965,990	447,509	1,005,800	572,965	-		
Transfers	(552,402)	(561,036)	(581,548)	(686,250)	(619,996)	(620,003)	(500,370)	(496,900)	(546,128)
Total governmental activities	52,816,845	52,542,124	60,335,882	39,367,444	76,800,963	82,630,951	78,248,647	79,898,129	77,371,918
Business-type activities									
Unrestricted investment earnings	704	52	2,562	6,315	19,255	12,984	1	-	-
Transfers	552,402	561,036	643,665	686,250	619,996	620,003	500,370	496,900	546,128
Total business-type activities	553,106	561,088	646,227	692,565	639,251	632,987	500,371	496,900	546,128
Total primary government	$ 53,369,951	$ 53,103,212	$ 60,982,109	$ 40,060,009	$ 77,440,214	$ 83,263,938	$ 78,749,018	$ 80,395,029	$ 77,918,046
CHANGE IN NET ASSETS									
Governmental activities	$ 9,772,367	$ 10,526,629	$ 16,821,936	$ 2,849,016	$ 15,065,931	$ 18,345,509	$ 1,278,659	$ (1,203,868)	$ (12,259,332)
Business-type activities	(97,513)	(108,877)	251,929	(358)	388,628	(280,486)	(86,112)	(24,604)	(29,633)
Total primary government	$ 9,674,854	$ 10,417,752	$ 17,073,865	$ 2,848,658	$ 15,454,559	$ 18,065,023	$ 1,192,547	$ (1,228,472)	$ (12,288,965)

The County adopted GASB 34 in 2003. Data for years prior to this are not available.
In 2006 Coweta County changed its fiscal year end from December 31 to September 30. The major reason for this change was to recognize property tax revenues in the year in which they are to be used to fund operations. Information reported for 2006 represents 9 months, January through September, of financial activity.
Certain reclassifications were made in 2009 to reflect the County's implementation of DCA Uniform Chart of Accounts.
In 2011, the County implemented GASB 54.

COWETA COUNTY, GEORGIA
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General fund											
Reserved	$ 1,139,617	$ 1,909,109	$ 1,299,118	$ 1,365,677	$ 845,457	$ 954,085	$ 332,889	$ 323,336	$ 1,166,676	$ 1,297,861	$ -
Unreserved	23,236,973	24,477,676	23,462,954	21,495,061	23,726,325	15,957,243	22,295,207	27,449,964	27,139,741	28,948,367	-
Nonspendable	-	-	-	-	-	-	-	-	-	-	686,240
Restricted	-	-	-	-	-	-	-	-	-	-	1,034,015
Committed	-	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	29,599,355
Total general fund	$ 24,376,590	$ 26,386,785	$ 24,762,072	$ 22,860,738	$ 24,571,782	$ 16,911,328	$ 22,628,096	$ 27,773,300	$ 28,306,417	$ 30,246,228	$ 31,319,610
All other governmental funds											
Reserved	$ 17,187,194	$ 17,127,565	$ 39,492,030	$ 19,931,858	$ 14,881,165	$ 60,496,100	$ 52,769,860	$ 47,804,735	$ 67,789,724	$ 55,531,598	$ -
Unreserved	6,907,910	7,363,838	8,411,356	9,520,539	10,667,462	7,414,273	9,175,252	9,429,894	10,905,255	11,645,607	-
Nonspendable	-	-	-	-	-	-	-	-	-	-	592
Restricted	-	-	-	-	-	-	-	-	-	-	55,479,541
Committed	-	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-	1,449,572
Unassigned	-	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	$ 24,095,104	$ 24,491,403	$ 47,903,386	$ 29,452,397	$ 25,548,627	$ 67,910,373	$ 61,945,112	$ 57,234,629	$ 78,694,979	$ 67,177,205	$ 56,929,705

In 2011, the County implemented GASB 54.

COWETA COUNTY, GEORGIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
REVENUES											
Taxes (see table 5)	$ 43,713,441	$ 43,999,144	$ 45,864,995	$ 51,469,761	$ 58,890,144	$ 37,205,371	$ 72,036,162	$ 79,497,550	$ 73,910,538	$ 78,551,929	$ 79,868,533
Licenses and permits	1,769,642	2,081,132	2,323,260	2,606,168	3,048,193	3,348,519	5,332,260	4,798,996	2,487,620	3,327,392	2,653,687
Fines and forfeitures	3,463,933	3,590,204	4,722,324	4,387,854	4,935,188	3,923,527	5,539,953	5,271,423	5,124,732	8,302,234	4,927,381
Charges for services	1,660,105	2,008,094	1,845,582	1,902,258	1,958,478	1,717,171	3,672,261	3,684,467	7,909,352	7,811,194	7,966,534
Contributions and donations									546,896	40,829	618,854
Investment earnings	2,954,160	1,063,762	730,094	853,337	1,061,296	1,680,223	4,271,336	2,471,278	722,915	659,583	442,942
Intergovernmental	3,553,299	3,588,135	2,672,202	3,410,479	3,070,436	1,952,088	10,083,668	5,005,935	3,471,522	2,583,775	3,656,272
Miscellaneous	903,458	402,378	534,720	780,062	965,990	390,725	1,029,209	694,311	99,334	232,986	319,575
Total revenues	58,018,038	56,732,849	58,693,177	65,409,919	73,929,725	50,217,624	101,964,849	101,423,960	94,272,909	101,509,922	100,453,778
EXPENDITURES											
General government	7,530,371	8,780,703	9,651,472	13,807,856	13,349,820	9,201,386	17,329,931	19,186,379	11,192,714	13,532,423	11,699,075
Judicial	3,147,002	3,622,391	4,261,325	4,504,436	4,642,131	6,168,748	5,728,155	5,819,703	6,310,552	6,397,371	6,860,436
Public safety	16,950,835	18,011,701	19,833,379	22,227,677	23,928,041	19,872,695	28,923,926	32,001,313	33,800,218	36,214,981	37,246,611
Public works	7,954,611	7,813,919	5,931,039	5,457,884	6,083,679	5,473,894	6,372,831	7,364,242	6,892,954	8,195,307	9,620,443
Intergovernmental	4,433,881	2,742,580	2,794,002	-	-	-	-	-	5,686,226	5,819,858	6,751,371
Culture and recreation	1,237,941	1,480,852	1,654,807	1,650,597	2,073,337	1,659,426	2,378,702	3,522,765	3,995,310	4,519,540	4,246,160
Housing and development	1,063,244	1,146,552	1,590,925	1,938,733	2,250,476	1,739,110	2,277,521	2,308,681	2,656,173	2,662,421	2,623,822
Health and welfare	-	-	-	565,386	-	-	-	-	415,254	389,105	375,528
Landfill closure/post-closure cos	-	-	30,473	-	-	-	-	-	-	-	-
Capital Outlay	9,523,365	7,839,782	9,715,938	32,504,421	20,714,266	9,155,646	34,152,524	20,704,031	17,125,727	20,274,172	17,308,039
Principal on long-term debt	9,090,000	-	-	1,720,000	1,820,000	-	2,018,411	7,171,383	1,406,429	10,081,902	10,532,821
Interest on long-term debt	499,355	-	-	824,216	679,153	593,990	2,411,345	2,290,739	2,453,699	2,596,694	2,120,405
Debt issuance costs	-	-	(104,010)	-	-	(284,610)	-	-	245,236	-	-
Total expenditures	61,430,605	51,438,480	55,359,350	85,201,206	75,540,903	53,580,285	101,593,346	100,369,236	92,180,492	110,683,772	109,384,711
Excess of revenues over (under) expenditures	(3,412,567)	5,294,369	3,333,827	(19,791,287)	(1,611,178)	(3,362,661)	371,503	1,054,724	2,092,417	(9,173,850)	(8,930,933)
OTHER FINANCING SOURCES (USES)											
Sale of county property	-	-	-	-	-	-	-	-	-	92,790.00	302,948
Transfers in	1,597,943	122,971	1,602,770	3,914,330	4,413,196	1,883,105	3,664,670	3,317,349	1,797,426	117,700	5,576,412
Transfers out	(2,178,217)	(998,547)	(2,155,172)	(4,475,366)	(4,994,744)	(2,569,355)	(4,284,666)	(3,937,352)	(2,297,796)	(614,600)	(6,122,540)
Issuance of bond debt	-	-	18,555,000	-	-	35,000,000	-	-	20,000,000	-	-
Premium on bonds issued	-	-	658,865	-	-	1,589,949	-	-	472,788	-	-
Capital leases	-	-	-	-	-	2,729,473	-	-	-	-	-
Total other financing sources (uses)	(580,274)	(875,576)	18,661,463	(561,036)	(581,548)	38,633,172	(619,996)	(620,003)	19,972,418	(404,110)	(243,180)
Net change in fund balances	$ (3,992,841)	$ 4,418,793	$ 21,995,290	$ (20,352,323)	$ (2,192,726)	$ 35,270,511	$ (248,493)	$ 434,721	$ 22,064,835	$ (9,577,960)	$ (9,174,113)
Debt service as a percentage of noncapital expenditures	18.5%	0.0%	-0.2%	4.8%	4.6%	0.7%	6.6%	11.9%	5.5%	14.0%	13.7%

In 2006 Coweta County changed its fiscal year end from December 31 to September 30. The major reason for this change was to recognize property tax revenues in the year in which they are to be used to fund operations. Information reported for 2006 represents 9 months, January through September, of financial activity

Certain reclassifications were made in 2009 to reflect the County's implementation of DCA Uniform Chart of Accounts

COWETA COUNTY, GEORGIA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property Taxes	Special Local Option Sales Tax (SPLOST)	Local Option Sales Tax (LOST)	Insurance Premium Tax	Alcoholic Beverage Tax	Other Taxes	Total
2002	$ 17,393,966	$ 13,982,765	$ 9,484,707	$ 2,449,049	$ 464,816	$ 223,841	$ 43,999,144
2003	18,833,635	14,244,931	9,486,143	2,614,430	472,687	213,169	45,864,995
2004	21,508,163	15,649,183	10,704,451	2,828,863	499,275	279,826	51,469,761
2005	25,108,330	17,529,493	12,405,369	3,020,879	507,736	318,337	58,890,144
2006	5,433,328	16,384,216	11,624,609	3,165,790	389,969	207,459	37,205,371
2007	32,544,722	20,502,871	14,812,971	3,328,868	557,414	289,316	72,036,162
2008	38,799,762	21,138,932	15,373,530	3,410,007	517,965	257,354	79,497,550
2009	35,701,043	18,571,472	13,508,068	3,361,113	522,705	2,246,137	73,910,538
2010	40,194,384	18,917,759	13,761,112	3,268,926	537,461	1,872,289	78,551,929
2011	$ 40,760,533	$ 19,056,800	$ 13,863,068	$ 3,616,163	$ 604,709	$ 1,967,259	$ 79,868,533

In 2006 Coweta County changed its fiscal year end from December 31 to September 30. The major reason for this change was to recognize property tax revenues in the year in which they are to be used to fund operations. Information reported for 2006 represents 9 months, January through September, of financial activity.

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COWETA COUNTY, GEORGIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Tax Year	Real Property					Personal Property				Less Exemptions:		Total Taxable Assessed Value	Total Direct Tax Rate (5)	Estimated Actual Taxable Value (3)	Assessed Value as a Percentage of Actual Value
		Residential Property	Agricultural Property (1)	Commercial & Industrial	Public Utilities	Heavy Truck Equipment	Inventory & Equipment (4)	Other (2)	Motor Vehicles	Mobile Homes	Real Property	Personal Property				
2002	2001	$ 1,535,820,316	$ 230,475,338	$ 295,719,755	$ 135,717,126	$ 218,375	$ 291,727,276	$ 3,138,210	$ 240,740,900	$ 4,790,322	$ 165,887,727	$ 88,033,530	$ 2,484,426,361	4.26	$ 6,211,065,903	40.00%
2003	2002	1,643,424,401	230,606,746	310,340,528	137,168,841	-	316,124,708	4,631,926	253,989,530	5,324,824	194,098,024	93,819,711	2,613,693,769	3.93	6,534,234,423	40.00%
2004	2003	1,762,435,669	221,599,507	384,031,678	138,798,194	55,110	301,538,095	4,111,599	266,414,720	5,234,699	302,291,898	86,772,062	2,695,155,311	3.93	6,737,888,278	40.00%
2005	2004	1,871,758,321	241,454,378	401,310,540	148,073,804	26,400	286,058,218	6,981,233	269,328,010	5,481,696	315,547,940	75,326,445	2,839,598,215	3.91	7,098,995,538	40.00%
2006	2005	2,174,780,460	340,333,822	436,749,423	148,799,392	30,840	313,785,894	27,729,997	270,714,770	5,543,107	385,327,913	79,287,847	3,253,851,945	5.15	8,134,629,863	40.00%
2007	2006	2,526,628,826	327,651,015	467,477,951	164,235,972	2,026,054	204,297,006	28,297,433	265,919,220	5,069,265	398,047,404	98,494,878	3,495,060,460	6.15	8,737,651,150	40.00%
2008	2007	2,609,517,076	326,656,030	485,806,238	184,148,578	7,800,565	380,692,201	34,952,363	297,925,420	5,003,860	412,066,155	109,317,539	3,811,118,637	7.15	9,527,796,593	40.00%
2009	2008	2,765,063,770	328,636,090	567,264,304	183,729,501	775,647	426,620,172	33,837,587	317,301,160	4,819,100	426,123,719	143,180,851	4,058,742,761	6.98	10,146,856,903	40.00%
2010	2009	2,805,064,401	328,899,500	591,292,170	167,610,816	130,797	398,044,708	32,305,242	330,438,270	4,696,928	438,160,213	128,658,313	4,091,664,306	6.93	10,229,160,765	40.00%
2011	2010	$ 2,782,945,561	$ 327,135,364	$ 612,323,301	$ 176,953,054	$ 32,018	$ 377,198,719	$ 35,419,070	$ 291,314,490	$ 4,591,389	$ 443,320,809	$ 132,435,047	$ 4,032,157,110	6.86	$ 10,080,392,775	40.00%

Source: Coweta County Tax Commissioner

(1) Includes conservation use property and timber.
(2) Includes aircraft, boats, and miscellaneous personal property.
(3) Property that is exempt from taxation has not been included That is typically property owned by governments and not-for-profit organizations like churches
(4) Includes furniture and fixtures.
(5) The direct rate used is the rate for the unincorporated portion of the county.

COWETA COUNTY, GEORGIA
Property Tax Rates - Mills
Last Ten Fiscal Years
(Mills - Rate per $1,000 of taxable assessed value)

Tax Year / *Fiscal Year*	*2001* / *2002*	*2002* / *2003*	*2003* / *2004*	*2004* / *2005*	*2005* / *2006*	*2006* / *2007*	*2007* / *2008*	*2008* / *2009*	*2009* / *2010*	*2010* / *2011*
Unincorporated Districts										
County-Unincorporated	4.26	3.93	3.93	3.91	5.15	6.15	7.15	6.98	6.93	6.86
Coweta County Schools	15.61	17.94	18.61	18.59	18.59	18.59	18.59	18.59	18.59	18.59
Coweta County Schools Bond	1.60									
State of Georgia	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Fire District	2.05	2.05	2.50	2.50	2.50	2.50	2.50	2.49	2.50	2.50
Fire Bond District								0.47	0.47	0.39
Total Coweta County Unincorporated	**23.770**	**24.170**	**25.290**	**25.250**	**26.490**	**27.490**	**28.490**	**28.780**	**28.740**	**28.590**
Incorporated Districts										
County - Incorporated	5.02	5.00	5.13	5.12	6.31	6.74	7.76	7.66	7.66	7.79
Coweta County Schools	15.61	17.94	18.61	18.59	18.59	18.59	18.59	18.59	18.59	18.59
Coweta County Schools Bond	1.60									
State of Georgia	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Fire Bond District*									0.47	0.47

To calculate the Incorporated rate, add the rate for Municipality in which the property is located.

The cities of Moreland, Sharpsburg, and Turin are included in the Fire District. Residents of those cities pay the Fire District millage rate, in addition to the city millage rate.

Areas annexed by the cities of Newnan, Senoia, Grantville, and Palmetto subsequent to the formation of the Fire District are still included in the Fire District. Residents of these annexed areas pay the Fire District millage rate, in addition to the city millage rate.

The original city limits of Senoia, Grantville and Haralson, prior to the creation of the fire district, are not a part of the fire district. Under contract, these cities levy the fire district and fire bond millage rate and remit to the County in exchange for fire services.

****The City of Newnan is not included in the fire bond district, thus residents do not pay the fire bond district millage rate.***

Municipalities										
City of Newnan	3.80	3.78	4.50	4.50	4.40	4.34	4.32	4.32	4.32	4.39
City of Senoia	6.11	6.08	6.01	6.00	5.90	6.11	6.11	6.11	6.11	6.11
City of Senoia Fire District	2.05	2.05	2.50	2.50	2.50	2.50	2.50	2.97	2.97	2.89
City of Grantville	3.79	3.79	2.79	2.78	2.56	2.56	4.00	3.99	1.52	4.49
City of Grantville Fire District	2.05	2.05	2.50	2.50	2.50	2.50	2.50	2.97	2.97	2.89
City of Moreland	2.17	2.17	2.16	2.15	2.07	2.07	3.75	3.75	3.75	3.75
City of Palmetto	4.50	4.50	4.50	4.50	4.50	4.50	4.50	8.50	8.50	8.45
City of Haralson	2.45	2.45	2.40	2.40	2.16	2.70	2.70	2.57	2.71	2.71
City of Haralson Fire District								2.97	2.97	2.89
City of Sharpsburg			3.00	2.99	2.80	2.80	2.80	2.80	2.80	2.80

Source: Coweta County Tax Commissioner

In 2006 Coweta County changed its fiscal year end from December 31 to September 30. The major reason for this change was to recognize property tax revenues in the year in which they are to be used to fund operations. Information reported for 2006 represents 9 months, January through September, of financial activity.

COWETA COUNTY, GEORGIA
PRINCIPAL PROPERTY TAXPAYERS
September 30, 2011

Fiscal Year	*2011*			*2002*		
Tax Year	*2010*			*2001*		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**
Georgia Power Company	$ 102,396,810	1	2.54%	$ 72,605,695	1	2.92%
Coweta Fayette EMC	35,367,540	2	0.88%	18,917,877	4	0.76%
Yamaha Motor MFG Corp	32,597,267	3	0.81%	28,327,866	2	1.14%
Fourth Quarter Properties 166 LLC	21,200,000	4	0.53%	12,718,158	8	0.51%
Atlanta Gas Light	19,022,169	5	0.47%			
Georgia Transmission	16,120,372	6	0.40%			
Kmart Express LLC	14,161,793	7	0.35%	19,382,446	3	0.78%
Transcontinental Pipeline	13,569,350	8	0.34%	11,906,617	9	0.48%
DDRTC Newnan Pavilion LLC	11,564,856	9	0.29%			
Bellsouth Telecommunications	11,464,925	10	0.28%			
Georgia Mart Partnership				14,161,793	7	0.57%
Eckerd Corporation				16,217,687	5	0.65%
Bellsouth Telecommunications				14,289,002	6	0.58%
Graphic Packaging Corp				11,784,578	10	0.47%
Totals	$ 277,465,082		6.88%	$ 220,311,719		8.87%

Source: Coweta County Tax Commissioner, Coweta County Development Authority

COWETA COUNTY, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

Tax Year	Amount Levied on October 1	Adjustments	Adjusted Levy	Collections within the Fiscal Year of the Levy		Collection in Subsequent Years	Total Collections to Date		Uncollected Balance
				Amount	Percentage of Original Levy		Amount	Percentage of Original Levy	
2001	$ 9,303,536	$ (162,919)	$ 9,140,617	$ 1,684,877	18.11%	$ 7,454,440	$ 9,139,317	98.23%	$ 1,300
2002	9,050,157	(24,592)	9,025,565	7,490,145	82.76%	1,533,746	9,023,891	99.71%	1,674
2003	9,478,390	(89,362)	9,389,028	7,860,157	82.93%	1,526,510	9,386,667	99.03%	2,361
2004	10,039,746	(73,858)	9,965,888	9,152,383	91.16%	798,656	9,951,039	99.12%	14,849
2005	15,125,750	(12,599)	15,113,151	14,746,690	97.49%	338,757	15,085,447	99.73%	27,704
2006	19,065,448	1,145,107	20,210,555	19,711,947	103.39%	457,071	20,169,018	105.79%	41,537
2007	24,075,083	1,246,438	25,321,521	24,567,336	102.04%	687,045	25,254,381	104.90%	67,140
2008	25,248,784	1,069,957	26,318,741	25,071,029	99.30%	1,137,756	26,208,785	103.80%	109,956
2009	26,877,126	(185,306)	26,691,820	25,633,626	95.37%	751,580	26,385,206	98.17%	306,614
2010	$ 26,719,420	$ (351,530)	$ 26,367,890	$ 25,506,158	95.46%	$ -	$ 25,506,158	95.46%	$ 861,732

Taxes levied include real and personal property only.
Property taxes levied during the calendar year 2010 are recorded as revenues in the financial statements in 2011 since they are levied and collected in the County's fiscal year 2011 to finance that year's expenditures.
Property taxes are normally billed in the fall of each year based on assessed values as of January 1 of that year.
The County changed fiscal year ends, from December 31 to September 30, in fiscal year 2006. Fiscal year 2006 ran from January 1, 2006 to September 30, 2006, which included only nine months. As taxes are levied on October 1st and are due December 1st of each year, no taxes were levied or collected in fiscal year 2006.

COWETA COUNTY, GEORGIA
TAXABLE SALES AND SALES TAXES
Last Ten Fiscal Years

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Taxable sales	$ 1,093,092,200	$ 904,036,319	$ 989,980,000	$ 968,237,300	$ 1,273,701,800	$ 2,037,199,100	$ 2,108,093,200	$ 1,857,147,200	$ 1,891,775,900	###########
County direct sales tax rate (LOST)	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
County SPLOST tax rate	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
SPLOST (2)										
	$ 10,930,922	$ 9,040,363	$ 9,899,800	$ 9,682,373	$ 12,737,018	$ 20,371,991	$ 21,080,932	$ 18,571,472	$ 18,917,759	$ 19,056,800
Portion of taxes collected for										
Newnan	2,633,573	2,143,248	2,347,377	2,295,454	3,019,911	5,092,998	5,270,233	4,642,868	4,729,440	4,764,200
Senoia	275,335	243,473	266,662	260,764	343,062	578,565	598,698	527,430	537,264	541,213
Grantville	227,772	202,323	221,592	216,691	285,080	480,779	497,510	438,287	446,459	449,740
Moreland	73,852	62,583	68,543	67,027	88,181	148,716	153,891	135,572	138,100	139,115
Palmetto	65,758	55,724	61,032	59,682	78,158	132,418	137,026	120,715	122,965	123,869
Sharpsburg	45,525	38,578	42,253	41,318	54,358	91,674	94,864	83,572	85,130	85,756
Turin	38,443	32,577	35,680	34,891	45,903	77,414	80,108	70,572	71,887	72,416
Haralson	28,327	24,005	26,291	25,709	33,823	57,042	59,027	52,000	52,970	53,359
Municipalities Total	$3,388,586	$2,802,513	$3,069,431	$3,001,536	$3,948,475	$6,659,604	$6,891,357	$6,071,016	$6,184,215	$6,229,668
Municipalities %	31.00%	31.00%	31.00%	31.00%	31.00%	32.69%	32.69%	32.69%	32.69%	32.69%

Source

Rates - State Department of Revenue (DOR)
Taxable sales - These figures are unavailable They have been estimated based on the amount of taxes received from the DOR

Notes

(1) The Local Option Sales Tax (LOST) is approved by the voters of the County. It is collected until repealed Property taxes are reduced by the amount of LOST collected. The LOST may be used for any purpose. A portion of this tax is distributed directly to the cities by DOR. The portion that the cities receive is renegotiated every 10 years. First collection of Local Option Sales Tax in Coweta began on July 1, 1976.

(2) The Special Purpose Local Option Sales Tax is approved periodically by the voters of the County. It is limited to use for capital outlay projects or to repay debt specified in the resolution. It is collected for a number of years (currently 6) or until the amount specified in the resolution is collected. By agreement, a portion of the tax received by the County from DOR is earmarked for City projects. A report on the expenditures of SPLOST is included in the Comprehensive Annual Financial Report. First collection April 1, 1986. Municipalities % total share changed with the 2002 Splost and renewed with the 2007 Splost.

COWETA COUNTY, GEORGIA
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

	Governmental Activities			Business-Type Activities					
Fiscal Year	General Obligation Bonds	Notes Payable	Capital Leases	Contracts Payable	Notes Payable	Capital Leases	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
2002	$ -	$ -	$ -	$ -	$ -	$ -	$ -	0.00%	$ -
2003	-	-	18,555,000	-	-	-	18,555,000	0.66%	184
2004	-	-	16,835,000	-	-	-	16,835,000	0.56%	161
2005	-	-	15,015,000	-	-	-	15,015,000	0.47%	138
2006	35,000,000	-	17,744,473	-	-	-	52,744,473	1.53%	463
2007	35,000,000	-	15,726,062	-	-	-	50,726,062	1.33%	428
2008	35,000,000	-	8,554,679	-	-	-	43,554,679	1.11%	354
2009	55,000,000	-	7,148,250	-	-	-	62,148,250	1.53%	489
2010	46,360,000	-	5,706,348	-	-	-	52,066,348	1.25%	409
2011	$ 37,315,000	$ -	$ 4,218,528	$ -	$ -	$ -	$ 41,533,528	0.97%	320

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.
(1) See the Schedule of Demographic and Economic Statistics on Table 16 for personal income and population data.

COWETA COUNTY, GEORGIA
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Restricted to Repaying Principal	Total	Percentage of Personal Income (2)	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2002	$ -	$ -	$ -	0.00%	0.00%	$ -
2003	-	-	-	0.00%	0.00%	-
2004	-	-	-	0.00%	0.00%	-
2005	-	-	-	0.00%	0.00%	-
2006	35,000,000	-	35,000,000	1.01%	0.43%	307
2007	35,000,000	-	35,000,000	0.92%	0.40%	295
2008	35,000,000	-	35,000,000	0.89%	0.37%	285
2009	55,000,000	-	55,000,000	1.36%	0.54%	433
2010	46,360,000	-	46,360,000	1.11%	0.45%	364
2011	$ 37,315,000	$ -	$ 37,315,000	0.87%	0.37%	$ 287

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.
(1) See Table 6 for property value data.
(2) See Table 16 for population data.

COWETA COUNTY, GEORGIA
Direct and Overlapping Governmental Activities Debt
As of September 30, 2011

Governmental Unit	*General Obligation Bonded Debt Outstanding*	*Percentage Applicable to Government*	*Amount Applicable to Government*
Direct:			
Coweta County General Obligation Bonds	$ 37,315,000	100.00%	$ 37,315,000
Capital Leases	4,218,528	100.00%	4,218,528
Total Direct Debt	$ 41,533,528		$ 41,533,528
Guaranteed Revenue Debt:			
Coweta County Water and Sewerage Authority	$ 53,010,000	100.00%	$ 53,010,000
Coweta County Airport Authority	526,964	100.00%	526,964
Total Guaranteed Revenue Debt	$ 53,536,964		$ 53,536,964
Overlapping:			
Coweta County School District	$ 25,075,000	100.00%	$ 25,075,000
City of Newnan	149,696,170	100.00%	149,696,170
Total Overlapping Debt	$ 174,771,170		$ 174,771,170
Total	$ 269,841,662		$ 269,841,662

Source: Debt outstanding data provided by Coweta County School System, City of Newnan, and Coweta Water & Sewerage Authority.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the county. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the county. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the government's boundaries and dividing it by the county's total taxable assessed value.

COWETA COUNTY, GEORGIA
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Assessed value of property	$ 2,738,347,618	$ 2,901,611,504	$ 3,084,219,271	$ 3,230,472,600	$ 3,718,467,705	$ 3,991,602,742	$ 4,332,502,331	$ 4,628,047,331	$ 4,658,482,832	$ 4,607,912,966
Debt limit (10% of total assessed value)	273,834,762	290,161,150	308,421,927	323,047,260	371,846,771	399,160,274	433,250,233	462,804,733	465,848,283	460,791,297
Amount of Debt applicable to limit										
General obligation bonds	-	-	-	-	35,000,000	35,000,000	35,000,000	55,000,000	46,360,000	37,315,000
Less: Resources restricted to paying principal	-	-	-	-	-	-	-	-	-	-
Total net debt applicable to limit	-	-	-	-	35,000,000	35,000,000	35,000,000	55,000,000	46,360,000	37,315,000
Legal debt margin	$ 273,834,762	$ 290,161,150	$ 308,421,927	$ 323,047,260	$ 336,846,771	$ 364,160,274	$ 398,250,233	$ 407,804,733	$ 419,488,283	$ 423,476,297
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	9.41%	8.77%	8.08%	11.88%	9.95%	8.10%

COWETA COUNTY, GEORGIA
PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years

	Sales Tax Increment Bonds [1]			
Fiscal Year	Sales Tax Increment	Debt Service Principal	Debt Service Interest	Coverage
2002	$ -	$ -	$ -	-
2003	-	-	-	-
2004	-	-	-	-
2005	-	-	-	-
2006	-	-	-	-
2007	-	-	-	-
2008	-	-	-	-
2009	-	-	-	-
2010	18,917,759	8,275,000	1,521,521	1.93
2011	$ 19,056,800	$ 8,580,000	$ 1,106,146	1.97

[1] Sales tax increment bonds are backed by the sales tax revenue produced by the sales tax rate in effect when the bonds were issued.

Details regarding the government's outstanding debt can be found in the notes to the financial statements.

General obligation bonds were issued in fiscal year 2005 and the first principal payment was not due until fiscal year 2010.

COWETA COUNTY, GA
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Fiscal Year	Population [a]	Personal Income (amounts expressed in thousands) [b]	Per Capita Personal Income [b]	Median Age [a]	Education Level as a Percent of Population 25 yrs & Older [c] High School or Higher	Education Level as a Percent of Population 25 yrs & Older [c] College or Higher	School Enrollment [d]	Unemployment Rate [e]
2002	97,386	$ 2,701,262	$ 27,738	33.6	63.8%	N/A	18,389	4.30%
2003	100,614	2,832,005	28,147	33.7	69.4%	N/A	19,035	4.40%
2004	104,387	2,994,420	28,686	33.8	74.6%	N/A	19,685	4.10%
2005	108,694	3,216,361	29,591	33.9	73.6%	N/A	20,519	4.80%
2006	113,863	3,452,368	30,320	34.0	76.0%	N/A	21,352	4.10%
2007	118,452	3,799,840	32,079	34.1	82.2%	N/A	21,790	4.00%
2008	122,924	3,940,814	32,059	34.2	81.7%	N/A	22,151	7.50%
2009	127,111	4,059,038	31,933	34.2	82.0%	21.0%	22,560	9.50%
2010	127,317	4,180,810	32,838	34.2	82.3%	20.7%	22,501	9.60%
2011	129,794	$ 4,285,750	$ 33,020	34.5	82.6%	20.9%	23,422	9.30%

Data sources:
(a) United States Bureau of Census
(b) United States Department of Commerce, Bureau of Economic Analysis
(c) Georgia Department of Education and United States Census Bureau
(d) Coweta County Board of Education
(e) Georgia Department of Labor (Yearly Average Labor Force Estimates Table)

Education level: College or higher information not available for years 2001 thru 2008.
Estimates were used for certain statistics in 2010 and 2011 based on historical trends.

COWETA COUNTY, GEORGIA
PRINCIPAL EMPLOYERS
Current Year

Employer		2011 Employees	2011 Rank	2011 Percentage of Total County Employment	2001 Employees	2001 Rank	2001 Percentage of Total County Employment
Coweta County School System	Education	3,154	1	5.23%	2,316	1	4.88%
Yamaha Motor Manufacturing	Manufacturing	1,100	2	1.82%	812	2	1.71%
Coweta County	Government	859	3	1.42%	557	6	1.17%
Piedmont Newnan Hospital	Healthcare	830	4	1.38%			N/A
Newnan Walmart	Retailer	540	5	0.90%			N/A
Pet Smart Distribution Center	Retail Distribution	525	6	0.87%			0.00%
Cargill Meat Solutions	Packaging	372	7	0.62%	303	10	0.64%
Georgia Power - Plant Yates	Utilities	350	8	0.58%	350	9	0.74%
Yokogawa Corporation	Manufacturing	320	9	0.53%	610	5	1.29%
Bon-L Manufacturing	Manufacturing	300	10	0.50%	750	3	
Tencate	Textiles	285	11	0.47%			0.00%
K-Mart Distribution Center	Retail Distribution	278	12	0.46%	650	4	1.37%
EGO North America, Inc	Manufacturing	254	13	0.42%			0.00%
Kason Industries	Manufacturing	250	14	0.41%	260	11	0.55%
Winpak Films	Manufacturing	216	15	0.36%			
Dan Rivers	Manufacturing				500	7	1.05%
Eckerd Drug Distribution	Retail Distribution				360	8	0.76%
All other employers		50,691		84.03%	39,969		84.26%
Total Labor Force		60,324		100.00%	47,437		98.42%
County Unemployment Rate		9.30%					3.30%
Georgia Unemployment Rate		10.30%					4.00%
US Unemployment Rate		9.00%					5.00%

Source: Newnan-Coweta Chamber of Commerce, Georgia Department of Labor, Coweta Development Authority

2002 figures were not available. Used 2001 as nearest comparison.

COWETA COUNTY, GEORGIA
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
Last Ten Fiscal Years

Function	Full-time Equivalent Employees as of September 30									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General government	79	81	83	86	92	92	98	94	105	100
Public safety										
Sheriff										
Officers	111	117	111	112	134	140	141	149	146	158
Civilians	57	57	60	65	63	64	70	68	71	71
Fire										
Firefighters	83	86	95	102	112	116	114	121	142	138
Civilians	2	2	2	2	2	2	2	2	2	1
Other Public Safety	27	27	26	31	29	35	33	37	38	40
Court system	57	57	62	59	61	68	70	68	67	68
Prison	33	35	37	44	45	46	47	47	49	49
Animal Control	5	5	6	7	7	7	7	7	7	6
Public works	46	49	53	59	61	70	73	69	68	55
Recreation and culture	10	12	10	13	13	17	36	38	41	45
Housing and development	21	21	24	23	24	26	26	25	25	26
Solid Waste	6	5	7	8	8	7	7	7	7	7
Total	537	554	576	611	651	690	724	732	768	764

Source: Coweta County Finance Department

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave).
Full-time-equivalent employment is calculated by dividing average labor hours by 2,080.

COWETA COUNTY, GEORGIA
OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

Function	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Police										
Physical arrests	5,157	5,470	5,647	5,816	6,423	6,019	5,742	5,979	6,316	6,771
Traffic violations	N/A	N/A	N/A	N/A	N/A	N/A	7,433	9,184	7,510	7,587
Fire										
Number of calls answered	5,230	5,778	6,600	6,884	7,453	8,047	8,175	7,529	8,193	8,996
Inspections	45	42	3	81	122	69	42	253	941	853
Highways and streets										
Street resurfacing (miles)	N/A	N/A	31	37	46	19	15	23	22	14
Potholes repaired	N/A	N/A	N/A	N/A	N/A	N/A	25	72	325	133
Sanitation										
Refuse collected (tons/day)	3,715	19,022	14,686	13,095	13,750	11,762	N/A	N/A	17,934	7,469
Recyclables collected (tons/day)	N/A	N/A	N/A	609	611	492	289	348	365	328
Building										
Inspections Performed	N/A	N/A	N/A	N/A	N/A	26,139	15,526	10,686	11,949	9,146
Permits Issued	3,104	3,774	4,166	4,422	4,693	3,868	2,393	3,879	3,907	3,120
Culture and recreation										
Athletic field permits issued	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Community center admissions	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Sources: Various County departments.

Traffic violation information not available prior to 2008.
Street resurfacing information not available prior to 2004.
New software for tracking fire safety inspections was implemented in 2010.
Potholes repaired information not available prior to 2008. New software for tracking pothole workorders implemented in 2010.
Refuse collected information not available prior to 2002 or after 2007.
Recyclables collected information not available prior to 2005.
Building inspection information not available prior to 2007.
The County Recreation Department does not issue permits for the use of recreational facilities.
Community center admissions information not available.

COWETA COUNTY, GEORGIA
CAPITAL ASSET STATISTICS BY FUNCTION
Last Ten Fiscal Years

Function	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Public safety										
Sheriff headquarters &/or precincts	1	1	1	1	1	1	1	2	3	3
Patrol Units	88	96	97	117	128	131	154	155	175	193
Fire Stations	14	14	14	14	14	14	14	14	15	17
Firetrucks	14	14	16	16	16	16	16	16	24	27
Solid Waste										
Compactor Sites	12	12	12	12	12	12	12	12	12	12
Transfer Station	1	1	1	1	1	1	1	1	1	1
C&D (inert) Landfill	1	1	1	1	1	1	1	1	1	1
Highways and streets										
Streets (miles) *	N/A	N/A	N/A	N/A	913	913	917	917	922	922
Streetlights	N/A	N/A	N/A	N/A	N/A	N/A	N/A	548	548	548
Traffic signals	N/A	N/A	N/A	N/A	N/A	N/A	N/A	4	4	4
Culture and recreation										
Parks acreage	234	234	234	234	234	234	234	234	234	234
Parks	5	5	5	5	5	5	5	5	5	5
Tennis courts	12	12	12	12	12	12	12	12	12	12
Community centers	2	4	4	4	4	4	6	6	6	6
Intergovernmental										
Libraries	N/A	N/A	N/A	N/A	N/A	N/A	1	4	4	4

Sources: Various County departments.

* Street miles represent County maintained roads only.
Street miles information not available prior to 2006.
Streetlights information not available prior to 2009.
Traffic signal information not available prior to 2009.
The first library constructed in unincorporated Coweta County began operations in fiscal year 2008. In fiscal year 2009, all four libraries within Coweta County consolidated financially as the Coweta Public Library System.



COWETA COUNTY

COMPLIANCE AND INTERNAL CONTROL REPORTS

COWETA COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For Year Ended September 30, 2011

FEDERAL GRANTOR/ PASS-THRU GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT/ CONTRACT NUMBER	PROGRAM OR AWARD AMOUNT	EXPENDITURES
U.S. DEPARTMENT OF JUSTICE				
State Criminal Alien Assistance Program (SCAAP)	16.606	2011APBX0136	$ 40,421	$ 40,421
Equitable Sharing Program	16.000	2011	98,494	72,321
ARRA - Edward Byrne JAG Grant	16.803	2009-B82-8-102	428,292	48,750
Passed through GA Judicial Council				
Purchase of Services for Juvenile Offenders	16.523	07-ST-0004	5,250	5,250
Total U.S. Department of Justice			572,457	166,742
U.S. DEPARTMENT OF TREASURY				
Equitable Sharing Program	21.000	2011	2,860,714	514,948
Total U.S. Department of Treasury			2,860,714	514,948
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed-through Three Rivers Commission				
Title III, Part C1, Congregate Meals	93.045	2011	71,033	28,965
Nutrition Services Incentive Program	93.053	2011	12,652	7,827
			83,685	36,792
Social Services Block Grant	93.667	2011	8,008	5,009
			91,693	41,801
Total U.S. Department of Health and Human Services			91,693	41,801
U.S. DEPARTMENT OF TRANSPORTATION				
Passed-through the Georgia Department of Transportation				
Airport Grant	20.106	AP100-9016-29(77)	732,605	99,433
Airport Grant	20.106	AP100-9014-30(77)	31,761	15,473
			764,366	114,906
Transit Operating Assistance Grant	20.509	MTG00-0143-00-084	31,290	20,579
Passed-through the Georgia Department of Public Safety				
State and Community Highway Safety	20.600	GA-2011-38-00388	50,343	50,343
Total U.S. Department of Transportation			845,999	185,828
FEDERAL EMERGENCY MANAGEMENT AGENCY				
Passed-through the Georgia Emergency Management Agency				
Public Property Disaster Assistance	97.052	FEMA-1973-DR GA	17,018	17,018
Passed-through the Georgia Emergency Management Agency				
Department of Homeland Security	97.067	2010-SS-T0-0034	918,245	918,245
Passed-through the Georgia Emergency Management Agency				
Performance Partnership Agreement	97.042	2011-EP-00-0015	26,765	26,765
Total Federal Emergency Management Agency			962,028	962,028
US DEPARTMENT OF ENERGY				
ARRA-DOE/EECBG	81.128	LocGov_2010-143	265,423	265,423
Total United States Department of Energy			265,423	265,423
US DEPARTMENT OF AGRICULTURE				
Passed - through Georgia Nutrition and WIC Unit				
Nutrition Services Administrative Funds	10.578	SFP 15-01-01(GA)FY2011	468,197	213,976
Total United States Department of Agriculture			468,197	213,976
GRAND TOTAL			$ 6,066,511	$ 2,350,746

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
1. This schedule is prepared on the modified accrual basis of accounting.

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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*

March 30, 2012

Board of Commissioners
Coweta County, Georgia
Newnan, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of COWETA COUNTY, GEORGIA as of, and for the year ended September 30, 2011, which collectively comprise the COWETA COUNTY, GEORGIA's basic financial statements and have issued our report thereon dated March 30, 2012. Our report was modified to include a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the COWETA COUNTY HEALTH DEPARTMENT and the COWETA COUNTY WATER & SEWERAGE AUTHORITY, as described in our report on COWETA COUNTY, GEORGIA's basic financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

INTERNAL CONTROL OVER FINANCIAL REPORTING

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

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

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

weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting, findings 11-01 through 11-03. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether COWETA COUNTY, GEORGIA's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items 11.xx through 11.xx.

We noted certain matters that we reported to management of COWETA COUNTY, GEORGIA, in a separate letter dated March 30, 2012.

COWETA COUNTY, GEORGIA response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit COWETA COUNTY, GEORGIA response, and accordingly, we express no opinion on it.

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

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

March 30, 2012

Board of Commissioners
COWETA COUNTY, GEORGIA
Newnan, Georgia

Compliance

We have audited the compliance of COWETA COUNTY, GEORGIA with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended September 30, 2011. COWETA COUNTY, GEORGIA's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of COWETA COUNTY, GEORGIA's management. Our responsibility is to express an opinion on COWETA COUNTY, GEORGIA's compliance based on our audit.

COWETA COUNTY, GEORGIA's basic financial statements include the operations of legally separate component units, Coweta County Health Department and the Coweta County Water & Sewerage Authority. Any amounts of federal awards received by those component units are not included in the accompanying schedule of expenditures of federal awards. Our audit, described below, did not include the operations of Coweta County Health Department or Coweta County Water & Sewerage Authority because those component units engaged other auditors to perform any audit required in accordance with OMB Circular A-133.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about COWETA COUNTY, GEORGIA's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on COWETA COUNTY, GEORGIA's compliance with those requirements.

In our opinion, COWETA COUNTY, GEORGIA complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2011.

Internal Control Over Compliance

Management of COWETA COUNTY, GEORGIA is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered COWETA COUNTY, GEORGIA's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of COWETA COUNTY, GEORGIA's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance 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 compliance that might be deficiencies, significant deficiencies ,or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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

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COWETA COUNTY, GEORGIA
AUDITORS' SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended September 30, 2011

I SUMMARY OF AUDITORS' RESULTS:

1. Report issued on Financial Statements – Unqualified opinion.
2. Compliance (financial statements) – No material instances of noncompliance.
3. Internal Control (financial statements) – Three significant deficiencies, no material weaknesses.
4. Compliance (major programs) – Unqualified opinion, no instances of noncompliance.
5. Internal control (major programs) – No material weaknesses.
6. Audit findings required to be reported under A133 Section 510(a)
    i) Significant deficiencies in internal controls over major programs – None reported
    ii) Material noncompliance related to major programs – None reported
    iii) Known questioned costs greater than $10,000 for major programs – None reported
    iv) Known questioned costs greater than $10,000 for a program not audited as major – None reported
    v) Circumstances if report on compliance is other than unqualified – N/A
    vi) Known fraud – N/A
    vii) Misrepresentation in schedule of prior audit findings – None reported
7. Major programs for the year – CDBG - Entitlement Grants, CFDA 14.219; Airport Improvement Program 20.106.
8. Dollar threshold used to distinguish between Type A and Type B programs – $300,000.
9. Does the auditee qualify as a low risk auditee under A133 Section 530 – No.

II AUDIT FINDINGS - GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS

Finding Number

SIGNIFICANT DEFICIENCY

Finance Department

11-01 ***Statement of Condition:***

During the course of auditing capital assets, we noticed many older pieces of equipment that are still reflected on the County's capital asset schedules.

Criteria:

To ensure proper controls over capital assets, formal procedures should be in place to ensure that disposals are reported to the finance department as they occur. Without such a procedure, the likelihood increases that disposals are not being recorded. Also, physical inventories of capital assets should be performed periodically to ensure dispositions are not occurring without proper authorization.

Effect of Condition:

As a result, this often leads to situations where capital assets that physically exist within the government and the asset listing maintained by the finance department are out of synch.

Cause of Condition:

Cause of condition unknown.

Recommendation:

We suggest that physical inventories of fixed assets be taken periodically and related records be timely and appropriately updated, to prevent large write-offs in the future.

Response:

We feel this recommendation is in response to our internal audit of titles and insurance, and the resulting disposition of old vehicles that had been sold for scrap or salvage. We will explore methods to inventory capital assets, and work with the departments to implement a process.

11-02 **Statement of Condition:**

During the course of auditing accounts receivables, we discovered several balance sheet account codes had expenditures coded directly to them and the related revenues were coded to these accounts as well.

Criteria:
To ensure proper controls over revenues and expenditures, revenues and expenditures should be reported gross in the appropriate general ledger account code.

Effect of Condition:
As a result, transactions are essentially eliminated and revenues and expenditures are both understated.

Cause of Condition:
Cause of condition unknown.

Recommendation:
We recommend always recording both revenues and expenditures at gross. Although some grants may be pass-through grants to other agencies, recording them at gross ensures a stronger audit trail.

Response:
We will record revenue and expense as per this recommendation and record any associated receivable when necessary

11-03 **Statement of Condition:**
During the course of audit, we discovered the account code reserve for contingency had $551,998 of cost relating to various activities.

Criteria:
To ensure proper controls over the reporting of expenditures, reserve for contingency should only be used to budget unforeseen costs not originally included in the budget. Acutal costs should not be coded to this contingency account.

Effect of Condition:
As a result, capital costs of $342,212 were not properly accounted for as capital assets.

Cause of Condition:
Cause of condition unknown.

Recommendation:
We recommend that actual expenditures are never coded in the reserve for contingency account code. Instead, these expenditures should be coded directly to the appropriate department. A budget adjustment should be posted to move the approved budget from contingency to the appropriate department as well.

Response:
We will propose that a budget amendment be approved when expenditures are approved. We will review the contingency account in a more timely manner to ensure that any expenditures get properly reclassed if needed.

Sheriff's Department

11-04 **Statement of Condition:**

During the course of the audit, it was noted that the Sheriff's office did not have proper controls over the bond and fine account. The following weaknesses were noted:

- No support for deposits.
- Clerk responsible for the accounting of the bond fine account is also signing checks.
- Monthly reports have numerous errors.
- Bank reconciliations are performed incorrectly.

Criteria:

The department should have proper internal control functions for receiving funds, recording the receipt of funds, and timely and properly remitting such funds to the appropriate agencies upon their disposition in accordance with State of Georgia laws.

Effect of Condition:

Bond clerk maintains accounts using manual procedures. When reviewing account detail and bank reconciliations it was noted that the bond clerk has not been maintaining the appropriate receipt and disbursement registers. Additionally, there was no detail for deposits in transit and outstanding checks reported on the year end bank reconciliation. As a result, the bond and fine account was overdrawn by $18,077 at September 30, 2012.

Cause of Condition:

All records are kept manually rather than in some type of accounting software. There are a significant number of transactions to maintain in the bond account which makes it difficult to properly reconcile using manual procedures.

Recommendation:

We recommend that all transactions be maintained in some type of accounting software such as Quick Books. This would limit the number of manual calculations and provide a better way of tracking, disbursing, and maintaining the funds. Moreover, this would decrease the opportunity for human error and/or fraudulent activity; which is prevalent in this situation due to the lack of supporting detail present normally used to reconcile the account balance. The finance and sheriff's departments should collaborate to implement software and procedures that are sufficient in properly collecting, maintaining and disbursing all bond revenue. Additionally, these procedures must include adequate reconciling procedures that will accurately disclose the bond account balance and mitigate against fraudulent activity. It is important that this procedure allow a list of amounts not yet disbursed at the end of each month to be prepared. This list should be compared to the reconciled bank balance to be sure they agree.

We recommend that all deposits be recorded in the month the funds are received and that all checks be recorded in the month they are written.

Response:

We are currently working with the County Finance and Information Technology Departments to resolve this matter. We have purchased QuickBooks software and

currently using this to record our transactions. We have worked with our jail software vendor Sungard, to utilize functionality to record receipts in that system, Sungard JMS, Jail Management System. Information Technology has established the ability to link the receipt activity to download to QuickBooks. We will work the Finance Department on official written procedures to ensure that we are properly collecting, maintaining, and disbursing the bond funds. We will increase management review of this area and require dual signature and approval on all disbursements going forward. We will increase training and possibly assign new staff to handle this process. We believe these actions will ensure proper control over this process.

Clerk of Superior Court

11-05 **Statement of Condition:**

There is an excess of $25,205 in the Jury account. After a jury service is completed, the Clerk requests the amount needed to pay the jurors. Checks are then written to the jurors. Over time, money has accumulated in this account from checks not being cashed. This money should be paid back to the General Fund.

Criteria:

Money in the jury account belongs to the General Fund, but is being used to pay jurors. If jurors do not cash the checks, this money is owed back to the General Fund.

Effect of Condition:

This money is not properly presented as money included in the General Fund.

Cause of Condition:

Jurors have not cashed checks and the Clerk has not paid this money back to the General Fund in several years.

Recommendation:

We recommend the total in the jury account be paid out to the County. Stop payment on checks that have not been cashed. The account should have a zero balance until checks are written for the next jury service.

Response:

After discussions with the County Administrator, Theron Gay, we have decided to keep a $15,000 cushion in the jury account to protect against overdrafts in case of delays in deposit processing. We will figure this amount based on the bank statement ending March 31, 2012.

11-06 **Statement of Condition:**

The juvenile receipts for September were not recorded before year-end. Deposits are made only once per month when the Clerk is ready to disburse amounts collected for the previous month.

Criteria:

Deposits should be made on a regular basis.

Effect of Condition:
This money is not properly presented as money included in the General Fund.

Cause of Condition:
The juvenile account fails to show cash being held waiting to be deposited. The amount for the month of September that was deposited in October was $1,357.

Recommendation:
The juvenile court should make deposits at the end of every week. A deposit for a short week should be made on the last day of the month so that receipts are reflected in the accounting recorded in the same month that they are collected.

Response:
Policies have been instituted to have juvenile deposits made on a weekly basis. If no funds are received during that week a report will be provided to indicate no funds received.

Magistrate Court

11-07 ***Statement of Condition:***
Appropriate segregation of duties does not exist among custody, receipting, recording, distribution, reconciliation of cash accounts and other operational functions in the Magistrate Court.

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

Effect of Condition:
Failure to properly segregate duties among custody, receipting, recording, distribution, and reconciliation of accounts can lead to misappropriation of funds that is not detected in a timely manner by employees in the normal course of performing their assigned functions.

Cause of Condition:
This is caused by the limited number of employees in each office to perform all of the duties.

Recommendation:
We recommend the County segregate duties relative to the custody, receipting, recording, distribution, and reconciliation of accounts.

Response:
All of the clerks are trained to handle all that we deal with on a daily basis in the Magistrate Court, both civil and criminal. That includes processing receipts, handling the money, and accounting records. We cannot limit any clerk of the court to one certain task.

Component Units
Library

11-08 ***Statement of Condition:***

During the course of our audit, we noted that deposits are made once a month.

Criteria:

Cash is the most liquid of assets and has the highest risk for theft, embezzlement, and misappropriation. A study by the Association of Certified Fraud Examiners found that more than 80 percent of occupational fraud cases involve asset misappropriation, and cash is the targeted asset 90 percent of the time. As a general rule, deposits should be made a least once a week.

Effect of Condition:

As a result, the risks of misappropriation of cash and errors increase when this control is not timely performed.

Cause of Condition:

Currently, the County finance department deposits cash collections for the Library. However, since the Library Headquarters is approximately 20 minutes from the County's office, Library staff deliver cash collections once a month for deposit.

Recommendation:

We recommend streamlining this process to allow Library staff to deposit their own cash collections at bank branch closer to Library headquarters. Deposits should be made at least once a week and all supporting documentation related to the deposit should be sent to the finance department on the day the deposit was made.

Response:

We agree, there is a need to establish and maintain a consist procedure for cash receipt handing throughout the library organization. We are willing to experiment with your stated recommendations until we find a working solution.

11-09 ***Statement of Condition:***

During the course of the audit, we noted controls over the collection of cash receipts need significant improvements. Currently, daily cash collections are not reconciled to a report generated by the software used by the Library.

Criteria:

Cash is the most liquid of assets and has the highest risk for theft, embezzlement, and misappropriation. A study by the Association of Certified Fraud Examiners found that more than 80 percent of occupational fraud cases involve asset misappropriation, and cash is the targeted asset 90 percent of the time.

Effect of Condition:

As a result, there is no control in place to ensure that all cash that has been collected, has been deposited.

Cause of Condition:
Cause of condition is not known.

Recommendation:
We recommend management review the current system used by the Library to determine if a daily cash report can be generated. It may be as simple as additional training for staff. The following controls should be incorporated into current processes and procedures:

- The receipt of cash should be centralized.
- Patrons should obtain a computer generated receipt at the conclusion of the transaction.
- Cash collections should be reconciled to a daily cash report generated by the computer system on a daily basis by the Circulation desk at the end of the day.
- A void transaction report should be review on a weekly basis to ensure any voids were properly authorized. This process should be performed by someone independent of the cash process.

Response:
We agree, there is a need to establish and maintain a consist procedure for cash receipt handing throughout the library organization. We are willing to experiment with your stated recommendations until we find a working solution.

COMPLIANCE

Payroll

11-10 **Statement of Condition:**
During the course of performing the audit, we discovered that payments issued to poll workers were reported on as 1099 earnings instead of W-2 earnings.

Criteria:
Poll workers are considered to be part-time employees of the County and therefore they should be issued a W-2 according to IRS regulations.

Effect of Condition:
The County is not in compliance with IRS regulations.

Cause of Condition:
Cause of condition unknown.

Recommendation:
We recommend the County change the treatment of poll workers from independent contractors to part-time employees of the County.

Response:
We will review the IRS code and will work with management and independent professionals to ensure the county is within IRS Guidelines.

III FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

There were no findings or questioned cost relating to Federal awards reported for the year ended September 30, 2011.