CRAWFORD COUNTY, GEORGIA

AUDIT REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

CRAWFORD COUNTY, GEORGIA

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Crawford County, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Crawford County, Georgia as of and for the fiscal 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 Crawford County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Crawford County Health Department, which represents 7 percent, 7 percent, 51 percent, respectively, of the assets, net assets, and revenues of the aggregate component units of Crawford County, Georgia. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Crawford County Health Department, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the 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 Crawford County, Georgia as of September 30, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2012, on our consideration of Crawford County'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.

The management's discussion and analysis and schedule of funding progress information on pages 3 through 11 and page 49, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Crawford County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements, and the schedule of projects constructed with special sales tax proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements, and the schedule of projects constructed with special sales tax proceeds have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Macon, Georgia
March 19, 2012

MANAGEMENT'S DISCUSSION & ANALYSIS

As management of Crawford County, Georgia (the "County"), we offer readers of Crawford County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2011. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the financial statements and the notes to the financial statements.

Financial Highlights

- The assets of Crawford County exceeded its liabilities at September 30, 2010, by $15,652,483 (net assets) and at September 30, 2011, by $15,507,039 (net assets). Of this amount, $805,921 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors, which is a decrease in unrestricted net assets from the prior year of $265,306.

- At September 30, 2011, the County's total fund balances as summarized for all governmental fund types on page 16 of the financial statements were $2,095,614. At September 30, 2010, the County's total fund balances as summarized for all governmental funds were $2,342,808 a decrease of $247,194, or 10.6% from the 2010 fiscal year.

Overview of the Financial Statements

This Discussion and Analysis is intended to serve as an introduction to Crawford County's basic financial statements. The County's basic 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 are designed to provide readers with a broad overview of Crawford County's finances, in a manner similar to a private-sector business. All governmental and business-type activities are consolidated to arrive at a total for the Primary Government. There are two government-wide statements, the statement of net assets and the statement of activities, which are described below.

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

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

The governmental activities of the County include general government, judicial, public safety, public works, health and welfare, culture and recreation, and housing and development.

The business-type activities of the County include water services. The government-wide financial statements include not only Crawford County itself (known as the primary government), but also the Crawford County Department of Public Health and the Crawford County Development Authority. These are legally separate entities that are component units of the County due to the significance of their operational or financial relationships with the County. Financial information for these component units is reported separately from the 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. Crawford 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. 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 financial 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 government'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.

Crawford County maintains governmental funds to account for the following activities: General; Special Revenue (Sheriff's Department Drug Fund, Jail Fund, Drug Education, Law Library, Revolving Loan, Transit, and Crime Victim) and Capital Projects (SPLOST Road, SPLOST Sheriff, SPLOST Bond Project Fund, Commissioners' SPLOST, SPLOST City Fund, and the Community Development Block Grant (CDBG) Road Fund). Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated column. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. Crawford County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided

for the General Fund within the basic financial statements. Additionally, budgetary comparison statements for each Special Revenue Fund are presented immediately following the notes to the financial statements.

Proprietary funds. Crawford County uses an enterprise fund, also known as the business-type function, to account for the Crawford County Water Fund. The proprietary fund is reflected in the business-type activities of the government-wide financial statements.

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 Crawford County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of Crawford County, assets exceed liabilities by $15,652,483 at the close of the 2010 fiscal year and by $15,507,039 at the close of the 2011 fiscal year, a decrease of $145,444 or 0.93%. Of the $15,652,483, $8,988,829 resulted from County's governmental activities and $6,663,654 resulted from the County's business-type activities in 2010. In comparison, for fiscal year 2011, of the $15,507,039, $8,910,603 resulted from the County's governmental activities and $6,596,436 resulted from the County's business-type activities.

By far, the largest portion of the County's net assets reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Crawford County's Net Assets

	Governmental Activities		Business-type Activities		Total	
	2010	2011	2010	2011	2010	2011
Current and other assets	$ 2,958,525	$ 2,663,621	$ 213,541	$ 158,268	$ 3,172,066	$ 2,821,889
Capital assets	9,663,128	9,395,949	11,985,870	11,805,324	21,648,998	21,201,273
Total assets	12,621,653	12,059,570	12,199,411	11,963,592	24,821,064	24,023,162
Other liabilities	369,716	411,195	142,416	62,455	512,132	473,650
Long-term liabilities outstanding	3,263,108	2,737,772	5,393,341	5,304,701	8,656,449	8,042,473
Total liabilities	3,632,824	3,148,967	5,535,757	5,367,156	9,168,581	8,516,123
Net assets:						
Invested in capital assets, net of related debt	6,842,020	7,075,674	6,592,529	6,500,623	13,434,549	13,576,297
Restricted	1,146,707	1,124,821	-	-	1,146,707	1,124,821
Unrestricted	1,000,102	710,108	71,125	95,813	1,071,227	805,921
Total net assets	$ 8,988,829	$ 8,910,603	$ 6,663,654	$ 6,596,436	$ 15,652,483	$ 15,507,039

An additional portion of Crawford County's total net assets (7.33% in 2010 and 7.25% in 2011) represents resources that are subject to external restrictions on how they may be used. The remaining balance of total unrestricted net assets may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Crawford County is able to report positive balances in all categories of net assets, both for the government as a whole as well as for its separate governmental activities.

Governmental activities. Governmental activities increased the County's net assets by $99,436 in 2010 and decreased the County's net assets by $78,226 in 2011. Key elements of this increase/decrease are as follows:

Crawford County's Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2010	2011	2010	2011	2010	2011
Revenues:						
Program revenues						
Charges for services	$ 1,109,712	$ 1,535,482	$ 271,629	$ 308,550	$ 1,381,341	$ 1,844,032
Operating grants and contributions	63,981	85,548	-	-	63,981	85,548
Capital grants and contributions	170,478	30,766	436,801	56,949	607,279	87,715
General revenues:						
Property taxes	4,299,516	3,851,542	-	-	4,299,516	3,851,542
Sales taxes	1,025,434	1,043,993	-	-	1,025,434	1,043,993
Other taxes	617,716	602,463	-	-	617,716	602,463
Unrestricted investment earnings	8,781	5,665	72	26	8,853	5,691
Miscellaneous	181,135	67,555	1,267	1,388	182,402	68,943
Total revenues	7,476,753	7,223,014	709,769	366,913	8,186,522	7,589,927
Expenses:						
General government	2,198,128	1,984,810	-	-	2,198,128	1,984,810
Judicial	703,617	582,783	-	-	703,617	582,783
Public safety	1,797,572	1,970,284	-	-	1,797,572	1,970,284
Public works	2,134,491	2,127,170	-	-	2,134,491	2,127,170
Health and welfare	150,577	157,148	-	-	150,577	157,148
Recreation	51,180	63,673	-	-	51,180	63,673
Community and economic development	97,679	106,586	-	-	97,679	106,586
Interest on long-term debt	10,961	99,476	-	-	10,961	99,476
Water	-	-	671,224	643,441	671,224	643,441
Total expenses	7,144,205	7,091,930	671,224	643,441	7,815,429	7,735,371
Change in net assets before transfers	332,548	131,084	38,545	(276,528)	371,093	(145,444)
Transfers	(233,112)	(209,310)	233,112	209,310	-	-
Change in net assets	99,436	(78,226)	271,657	(67,218)	371,093	(145,444)
Net assets, beginning	8,889,393	8,988,829	6,391,997	6,663,654	15,281,390	15,652,483
Net assets, ending	$ 8,988,829	$ 8,910,603	$ 6,663,654	$ 6,596,436	$ 15,652,483	$ 15,507,039

Financial Analysis of the Government's Funds

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

Governmental funds. The focus of Crawford 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, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the 2011 fiscal year, the County's governmental funds reported combined ending fund balances of $2,095,614 a decrease of $247,194 in comparison with the prior year. Due to the implementation of GASB 54 during the fiscal year ending September 30, 2011, there are no unassigned fund balances associated with special revenue or capital project funds. For these funds, fund balances are reported as: (1) nonspendable, (2) restricted, or (3) assigned. Approximately 94.7% of the fund balance for the general fund is unassigned fund balance, which is available for spending at the government's discretion.

The general fund is the chief operating fund of Crawford County. At the end of the current fiscal year, total fund balance reached $773,002 for which all was unassigned with the exception of $41,250. Of this, $28,401 was shown as nonspendable for prepaids and $12,849 was classified as assigned fund balance for the jail's commissary fund. The fund balance of the County's total general fund increased by $127,929 during fiscal year 2011. The County's revenues collected in 2011 exceeded the final budget by $244,908. The County's expenditures were less than the final budget by $117,184. When combined with transfers out of the general fund ($253,589), the net result was the increase of $127,929.

The Capital Project Funds account for the financial resources provided from the 2004 and 2009 one percent Special Purpose Local Option Sales Tax (SPLOST). The resources from the 2004 SPLOST issuance must be used for improvements to parks and recreation facilities, public safety (Sheriff and Fire) equipment and facilities, construction of a new courthouse complex, roads and bridges, and patrol cars. The resources from the 2009 SPLOST issuance must be used for roads, streets, and bridges, a new government facility, public safety facilities and equipment, recreation facilities and capital equipment, courthouse improvements, economic and community development projects, water/wastewater improvements for the City or Roberta, and public safety facilities and equipment for the City or Roberta. At the end of the 2011 fiscal year, the non major Capital Project funds (SPLOST Sheriff, SPLOST Road, Commissioners' SPLOST, SPLOST City Fund, SPLOST Bond Project Fund, and the Community Development Block Grant (CDBG) Road Fund) had a combined fund balance of $723,144. All activities of the 2004 SPLOST and the 2009 SPLOST are reported between the above mentioned funds. Both proceeds from sales tax collections and capital expenditures are reported between the capital projects funds.

The project length budget for the 2004 SPLOST is $4,400,000. The financial resources must be used for funding the following capital outlay projects: EMS agency, public safety, and fire department facilities and improvements; EMS agency, public safety, and fire department capital equipment; construction of a new Courthouse complex; capital outlay expenditures for the County recreation facility; and road, street, and bridge purposes, including the purchase of road maintenance equipment for Crawford County. The project length budget for the 2009 SPLOST is $4,676,000. The financial resources must be used for the funding the following capital outlay projects: roads, streets, and bridges (including the purchase of road maintenance equipment), construction of a new government facility, purchase of public safety facilities and equipment, construction of recreation facilities and capital equipment, courthouse improvements,

economic and community development projects, water/wastewater projects for the City of Roberta, and public safety equipment and facilities for the City of Roberta.

Proprietary funds. Crawford County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The County's only proprietary fund type is an enterprise fund.

For the year ended September 30, 2011, the proprietary fund indicates total net assets of $6,596,436. This is a decrease in total net assets for the proprietary fund in the amount of $67,218. Capital contributions of $56,949 in the Water Fund were received from the U.S. Department of Housing and Urban Development (HUD) via a Community Development Block Grant (CDBG) to fund water system installation and improvements in certain low-income areas of the County.

Crawford County
Enterprise Net Operating Loss,
Nonoperating Expenses and Transfers

	2010	2011
Net operating loss:		
Water Fund	$ (170,748)	$ (108,703)
Total net operating loss	(170,748)	(108,703)
Nonoperating expenses	(227,508)	(224,774)
Loss before transfers and contributions	(398,256)	(333,477)
Capital Contributions	436,801	56,949
Transfers in	233,112	209,310
Changes in net assets	$ 271,657	$ (67,218)

Capital Asset and Debt Administration

Capital assets. Crawford County's investment in capital assets for its governmental activities as of September 30, 2011 decreased $267,179 to $9,395,949 (net of accumulated depreciation). Additionally, the County's investment in capital assets for its business-type activities as of September 30, 2011 decreased by $180,546 to $11,805,324. This investment in capital assets includes land, construction in progress (several roads being paved as well as a recreation building which includes a concession stand and bathrooms) buildings and improvements, machinery and equipment, vehicles, land improvements, roads, streets and bridges (infrastructure), and water lines (infrastructure).

Crawford County's Capital Assets
(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2010	2011	2010	2011	2010	2011
Land	$ 552,553	$ 552,553	$ 26,000	$ 26,000	$ 578,553	$ 578,553
Construction in progress	63,242	113,454	446,129	-	509,371	113,454
Buildings and improvements	3,436,820	3,446,860	43,969	40,587	3,480,789	3,487,447
Machinery and equipment	985,056	827,990	84,999	71,018	1,070,055	899,008
Vehicles	935,371	839,345	34,168	22,779	969,539	862,124
Infrastructure	3,489,277	3,431,005	11,350,605	11,644,940	14,839,882	15,075,945
Land improvements	200,809	184,742	-	-	200,809	184,742
Total	$ 9,663,128	$ 9,395,949	$ 11,985,870	$ 11,805,324	$ 21,648,998	$ 21,201,273

Major projects in 2011 included the following:

- Completed construction of water infrastructure project funded with CDBG grant award in the Water Fund;
- Resurfacing projects conducted on various roads throughout the County;
- Completed paving of Dent Road;
- Completed all permit requirements to begin clearing, widening, draining and paving Smith Chapel and Cleveland/Tribble Roads. The Cleveland/Tribble Road project is being funded via a CDBG grant from the U.S. Department of Housing and Urban Development;
- Began construction of a recreation building. Building will include a concession stand and bathrooms;
- Completed renovations to the Courthouse roof; and
- Completed bridge repairs to Avera/Dent Roads and Moran Road.

Long-term debt. At the end of the current fiscal year, Crawford County had total outstanding debt of $8,042,473 of which $5,304,701 is from the proprietary fund (water).

- Capital leases are used to finance new equipment primarily in the Road department
- Crawford County closed its landfill on Fairplay Hill Road many years ago. Federal and state laws require maintenance and monitoring of the landfill for a period of thirty (30) years. The County has sixteen (16) years of monitoring remaining. The costs of monitoring have been estimated based on what it would cost to perform all postclosure care in 2011. However, the actual cost may be higher due to inflation, changes in technology, or changes in laws.

Crawford County's Long-term Debt

	Beginning Balance	Additions	Reductions	Ending Balance	Due in One Year
Governmental activities:					
General obligation bonds	$ 2,250,000	$ -	$ 420,000	$ 1,830,000	$ 435,000
Notes payable	250,203	-	47,127	203,076	94,085
Capital leases	320,905	-	33,706	287,199	30,819
Landfill postclosure	442,000	-	24,503	417,497	26,000
	$ 3,263,108	$ -	$ 525,336	$ 2,737,772	$ 585,904
Business-type activities:					
Revenue bonds	$ 5,113,638	$ -	$ 67,460	$ 5,046,178	$ 70,268
Notes payable	279,703	-	21,180	258,523	22,182
Total	$ 5,393,341	$ -	$ 88,640	$ 5,304,701	$ 92,450

Economic Factors

- The unemployment rate for Crawford County is at 10.7% which is higher than the Middle Georgia rate of 9.4% and the State of Georgia rate of 9.2%. (Unemployment rate per the County Labor Force Estimates is from the Georgia Department of Labor website: www.dol.state.ga.us/).

Requests for Information

This financial report is designed to provide a general overview of Crawford County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Crawford County Board of Commissioner's Office, Crawford County, Georgia, Post Office Box 1059, Roberta, Georgia 31078.

FINANCIAL STATEMENTS

CRAWFORD COUNTY, GEORGIA

STATEMENT OF NET ASSETS
SEPTEMBER 30, 2011

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Crawford County Development Authority	Crawford County Health Department
ASSETS					
Cash and cash equivalents	$ 1,947,734	$ 14,704	$ 1,962,438	$ 96,343	$ 215,145
Investments	29,701	-	29,701	-	-
Receivables, net of allowance					
Taxes	195,640	-	195,640	-	-
Accounts	54,839	30,735	85,574	7,552	3,608
Notes receivable	209,225	-	209,225	315,497	-
Due from other governments	137,910	-	137,910	-	-
Internal balances	10,074	(10,074)	-	-	-
Prepaid items	28,401	-	28,401	-	-
Due from component unit	4,697	-	4,697	-	-
Restricted cash	-	122,903	122,903	-	-
Deferred charges	45,400	-	45,400	-	-
Capital assets					
Non depreciable	666,007	26,000	692,007	60,276	-
Depreciable assets, net	8,729,942	11,779,324	20,509,266	2,396,726	-
Total Assets	12,059,570	11,963,592	24,023,162	2,876,394	218,753
LIABILITIES					
Accounts payable	294,403	4,975	299,378	2,622	-
Accrued salaries and benefits	55,428	1,406	56,834	-	-
Accrued interest	22,657	16,746	39,403	-	-
Other liabilities	4,054	-	4,054	-	-
Unearned revenue	-	34,103	34,103	14,454	-
Due to primary government	-	-	-	4,697	-
Customer deposits payable	-	5,225	5,225	-	-
Due to other governments	34,653	-	34,653	-	-
Noncurrent liabilities:					
Due within one year	585,904	92,450	678,354	135,658	3,621
Due in more than one year	2,151,868	5,212,251	7,364,119	183,280	11,467
Total Liabilities	3,148,967	5,367,156	8,516,123	340,711	15,088
NET ASSETS					
Invested in capital assets, net or related debt	7,075,674	6,500,623	13,576,297	2,138,064	-
Restricted for					
Capital outlay	723,145	-	723,145	-	-
Other restrictions	401,676	-	401,676	-	-
Unrestricted	710,108	95,813	805,921	397,619	203,665
Total Net Assets	$ 8,910,603	$ 6,596,436	$ 15,507,039	$ 2,535,683	$ 203,665

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

CRAWFORD COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL 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) Revenue and Changes in Net Assets: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units: Development Authority	Component Units: Health Department
Primary Government:									
Governmental Activities									
General government	$ 1,984,810	$ 584,637	$ 12,191	$ 29,666	$ (1,358,316)	$ -	$ (1,358,316)		
Public safety	1,970,284	5,246	-	-	(1,965,038)	-	(1,965,038)		
Public works	2,127,170	648,648	9,575	200	(1,468,747)	-	(1,468,747)		
Judicial	582,783	289,465	5,158	-	(288,160)	-	(288,160)		
Health and welfare	157,148	7,486	58,624	-	(91,038)	-	(91,038)		
Culture and recreation	63,673	-	-	900	(62,773)	-	(62,773)		
Housing and development	106,586	-	-	-	(106,586)	-	(106,586)		
Interest on long-term debt	99,476	-	-	-	(99,476)	-	(99,476)		
Total governmental activities	7,091,930	1,535,482	85,548	30,766	(5,440,134)	-	(5,440,134)		
Business-type Activities									
Water Fund	643,441	308,550	-	56,949	-	(277,942)	(277,942)		
Total business-type activities	643,441	308,550	-	56,949	-	(277,942)	(277,942)		
Total Primary Government	$ 7,735,371	$ 1,844,032	$ 85,548	$ 87,715	(5,440,134)	(277,942)	(5,718,076)		
Component Units:									
Development Authority	$ 175,392	143,106	$ 110,464	$ -				$ 78,178	$ -
Health Department	269,444	127,884	153,054	-				-	11,494
Total Component Units	$ 444,836	$ 270,990	$ 263,518	$ -				78,178	11,494
			General Revenues						
			Property tax		3,851,542	-	3,851,542	-	-
			Sales tax		1,043,993	-	1,043,993	-	-
			Other tax		602,463	-	602,463	-	-
			Interest revenue		5,665	26	5,691	15,989	81
			Miscellaneous		67,555	1,388	68,943	-	-
			Total General Revenues		5,571,218	1,414	5,572,632	15,989	81
			Transfers		(209,310)	209,310	-	-	-
			Total General Revenues and Transfers		5,361,908	210,724	5,572,632	15,989	81
			Change in Net Assets		(78,226)	(67,218)	(145,444)	94,167	11,575
			Net Assets - Beginning of Year		8,988,829	6,663,654	15,652,483	2,441,516	192,090
			Net Assets - End of Year		$ 8,910,603	$ 6,596,436	$ 15,507,039	$ 2,535,683	$ 203,665

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

CRAWFORD COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2011

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	$ 829,681	$ 1,118,053	$ 1,947,734
Investments	29,701	-	29,701
Taxes receivable	195,640	-	195,640
Accounts receivable, net	54,839	-	54,839
Notes receivable	-	209,225	209,225
Due from other governments	68,927	68,983	137,910
Due from other funds	4,301	26,480	30,781
Due from component unit	4,697	-	4,697
Prepaid items	28,401	-	28,401
Total Assets	$ 1,216,187	$ 1,422,741	$ 2,638,928
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 247,879	$ 46,524	$ 294,403
Accrued liabilities	54,364	1,064	55,428
Deferred revenues	138,123	-	138,123
Due to other governments	-	34,653	34,653
Due to other funds	2,819	17,888	20,707
Total Liabilities	443,185	100,129	543,314
Fund Balances:			
Nonspendable	28,401	183,276	211,677
Restricted	-	1,124,821	1,124,821
Assigned	12,849	14,515	27,364
Unassigned	731,752	-	731,752
Total Fund Balances	773,002	1,322,612	2,095,614
Total Liabilities and Fund Balances	$ 1,216,187	$ 1,422,741	$ 2,638,928

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

CRAWFORD COUNTY, GEORGIA

RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2011

Total Fund Equity per Balance Sheet of Governmental Funds	$	2,095,614
Amounts reported for governmental activities in the Statement of Net Assets differ from amounts reported in the Balance Sheet of Governmental Funds due to the following:		
Deferred charges for issuance costs		45,400
Capital Assets		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost of the assets		16,952,871
Accumulated depreciation		(7,556,922)
Net pension obligation is not available during the current period and therefore, is not reported in the funds.		
Other liabilities		(4,054)
Revenues		
Some of the government's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.		138,123
Long-term Liabilities		
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities both current and long-term are reported in the Statement of Net Assets. Long-term liabilities at year-end consist of the following:		
Bonds payable		(1,830,000)
Notes payable		(203,076)
Capital leases payable		(287,199)
Landfill		(417,497)
Accrued interest payable		(22,657)
Total Net Assets of Governmental Activities	$	8,910,603

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

CRAWFORD COUNTY, GEORGIA

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

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues:			
Property taxes	$ 3,925,048	$ -	$ 3,925,048
Sales taxes	447,421	596,572	1,043,993
Other taxes	602,463	-	602,463
Licenses and permits	53,401	-	53,401
Intergovernmental revenue	44,400	71,715	116,115
Charges for services	1,385,260	7,486	1,392,746
Fines and forfeitures	55,764	33,570	89,334
Interest earnings	4,251	1,614	5,865
Other miscellaneous revenues	66,875	680	67,555
Total Revenues	6,584,883	711,637	7,296,520
Expenditures:			
Current:			
General government	1,839,427	-	1,839,427
Judicial	628,009	600	628,609
Public safety	1,801,485	15,548	1,817,033
Public works	1,673,168	7,299	1,680,467
Health and welfare	56,904	93,656	150,560
Culture and recreation	38,631	-	38,631
Housing and community development	104,827	-	104,827
Intergovernmental	-	76,854	76,854
Debt Service			
Principal	51,057	449,776	500,833
Interest	9,857	89,619	99,476
Capital Outlay	-	397,687	397,687
Total Expenditures	6,203,365	1,131,039	7,334,404
Excess (Deficiency) of Revenues Over (Under) Expenditures	381,518	(419,402)	(37,884)
Other Financing Sources (Uses):			
Transfers from other funds	-	121,133	121,133
Transfers to other funds	(253,589)	(76,854)	(330,443)
Total other financing sources (uses)	(253,589)	44,279	(209,310)
Net change in fund balances	127,929	(375,123)	(247,194)
Fund Balance, beginning of year - *restated*	645,073	1,697,735	2,342,808
Fund Balance, end of year	$ 773,002	$ 1,322,612	$ 2,095,614

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

CRAWFORD COUNTY, GEORGIA

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

Net Change in Fund Balances - Governmental Funds	$	(247,194)
Amounts reported for governmental activities in the Statement of Activities differ from amounts reported in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances due to the following:		
Capital Assets		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense.		
Total capital outlays		304,008
Total depreciation		(556,923)
In the Statement of Activities, only the loss on the sale/disposal of capital assets is reported. However, 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 cost of the capital assets sold or disposed.		
Total gain / (loss) on disposal		(14,264)
Net pension obligations is not available during the current period and therefore, is not reported in the funds.		
Other liabilities - change in net pension obligation		(2,580)
Long-term Debt		
Under the modified accrual basis of accounting used in 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. The adjustments for these items are as follows:		
Bonds payable		420,000
Notes payable		47,127
Capital leases		33,706
Landfill		24,503
Accrued interest on debt		4,390
Amortization of issuance costs		(17,819)
Revenues		
Because some revenues will not be collected for several months after the government's fiscal year end, they are not considered available revenues and are deferred in the governmental funds. Deferred revenues decreased by this amount during the fiscal year.		(73,180)
Change in Net Assets of Governmental Activities	$	(78,226)

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

CRAWFORD COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property taxes	$ 4,110,514	$ 4,110,514	$ 3,925,048	$ (185,466)
Sales taxes	447,000	447,000	447,421	421
Other taxes	613,500	613,500	602,463	(11,037)
Licenses and permits	48,500	48,500	53,401	4,901
Intergovernmental revenue	28,500	28,500	44,400	15,900
Charges for services	882,383	936,836	1,385,260	448,424
Fines and forfeitures	72,000	72,000	55,764	(16,236)
Interest earnings	4,500	4,500	4,251	(249)
Other miscellaneous revenues	50,000	78,625	66,875	(11,750)
Total Revenues	6,256,897	6,339,975	6,584,883	244,908
Expenditures				
Current				
General government:				
County administrator	33,300	42,057	42,057	-
County commission	845,950	929,477	929,477	-
Grounds maintenance	183,623	189,670	189,670	-
Elections	90,585	90,585	83,930	6,655
Planning and zoning	95,945	100,317	100,317	-
Tax assessors	322,143	322,143	308,803	13,340
Tax commissioner	184,248	185,173	185,173	-
Total general government	1,755,794	1,859,422	1,839,427	19,995
Judicial:				
District attorney	4,280	4,280	3,573	707
Magistrate court	141,082	141,082	134,281	6,801
Probate court	114,839	114,839	105,759	9,080
Superior court	211,001	231,221	231,221	-
Clerk of superior court	142,336	153,175	153,175	-
Total judicial:	613,538	644,597	628,009	16,588

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

CRAWFORD COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011
(CONTINUED)

	Budget			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Expenditures				
Current				
Public safety:				
Coroner	33,167	33,167	31,793	1,374
Fire department	102,252	102,252	97,352	4,900
Emergency management	15,100	20,100	19,009	1,091
Jail	431,905	525,334	525,334	-
Dispatcher	296,750	296,750	279,385	17,365
Sheriff	815,435	848,612	848,612	-
Total public safety	1,694,609	1,826,215	1,801,485	24,730
Public works:				
Roads	853,951	831,272	799,989	31,283
Shop	279,899	308,078	304,470	3,608
Waste collection	509,646	513,162	513,162	-
Waste disposal	49,400	55,547	55,547	-
Total public works	1,692,896	1,708,059	1,673,168	34,891
Health and welfare:				
Health and welfare	48,000	48,148	48,148	-
Older Americans Council	3,750	4,756	4,756	-
Welfare	4,000	4,000	4,000	-
Total health and welfare	55,750	56,904	56,904	-
Culture and recreation:				
Recreation	12,700	13,200	11,280	1,920
Libraries	25,432	27,351	27,351	-
Total culture and recreation	38,132	40,551	38,631	1,920

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

CRAWFORD COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011
(CONTINUED)

	Budget			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Expenditures				
Current				
Housing and community development:				
Forest resources	16,239	20,299	20,299	-
Extension office	39,470	39,470	32,950	6,520
Conservation	22,039	22,362	22,137	225
Community services	19,368	20,068	19,041	1,027
Development authority	10,400	10,400	10,400	-
Total housing and community development	107,516	112,599	104,827	7,772
Total current expenditures	5,958,235	6,248,347	6,142,451	105,896
Debt service:				
Principal	62,345	62,345	51,057	11,288
Interest	9,113	9,857	9,857	-
Total debt service	71,458	72,202	60,914	11,288
Total expenditures	6,029,693	6,320,549	6,203,365	117,184
Excess (Deficiency) of Revenues Over (Under) Expenditures	227,204	19,426	381,518	362,092
Other Financing Uses:				
Transfers to other funds	(227,204)	(253,589)	(253,589)	-
Total Other Financing Uses	(227,204)	(253,589)	(253,589)	-
Net Change in fund balance	-	(234,163)	127,929	362,092
Fund Balance, beginning of year - *restated*	-	234,163	645,073	410,910
Fund Balance, end of year	$ -	$ -	$ 773,002	$ 773,002

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

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CRAWFORD COUNTY, GEORGIA

STATEMENT OF NET ASSETS
PROPRIETARY FUND
SEPTEMBER 30, 2011

	Business-type Activities - Enterprise Fund
	Water Fund
ASSETS	
Current assets:	
Cash	$ 14,704
Restricted cash	122,903
Accounts receivable, net of allowance for uncollectible accounts	30,735
Total current assets	168,342
Noncurrent assets:	
Capital assets:	
Nondepreciable	26,000
Depreciable, net	11,779,324
Total capital assets	11,805,324
Total noncurrent assets	11,805,324
Total assets	11,973,666
LIABILITIES	
Current liabilities:	
Accounts payable	4,975
Accrued liabilities	1,406
Accrued interest	16,746
Customer deposits payable	5,225
Deferred revenue	34,103
Due to other funds	10,074
Current maturities of long term debt	92,450
Total current liabilities	164,979
Long-term liabilities:	
Long-term debt, net of current portion	5,212,251
Total long-term liabilities	5,212,251
Total liabilities	5,377,230
NET ASSETS	
Invested in capital assets, net of related debt	6,500,623
Unrestricted	95,813
Total net assets	$ 6,596,436

The accompanying notes are an integral part of these financial statements.

CRAWFORD COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND NET ASSETS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

	Business-type Activities - Enterprise Fund
	Water Fund
Operating Revenues:	
Charges for services	$ 308,550
Total operating revenues	308,550
Operating Expenses:	
Cost of sales and services	76,451
General and administration	99,371
Depreciation	241,431
Total Operating Expenses	417,253
Operating loss	(108,703)
Non-Operating Revenues (Expense):	
Other income	1,388
Interest income	26
Interest expense	(226,188)
Total Non-Operating Expenses	(224,774)
Loss before contributions and transfers	(333,477)
Capital contributions	56,949
Transfers in	209,310
Change in net assets	(67,218)
Net assets - beginning of year	6,663,654
Net assets - end of year	$ 6,596,436

The accompanying notes are an integral part of these financial statements.

CRAWFORD COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

	Business-type Activities - Enterprise Fund
	Water Fund
Cash Flows from Operating Activities:	
Receipts from customers and users	$ 306,981
Payments to employees	(80,955)
Payments to suppliers for goods and services provided	(170,445)
Net Cash Provided by Operating Activities	55,581
Cash Flows from Noncapital Financing Activities:	
Other income	1,388
Transfers in	209,310
Net Cash Provided by Noncapital Financing Activities	210,698
Cash Flows from Capital and Related Financing Activities:	
Purchasing of capital assets	(60,885)
Principal payments on long-term debt	(88,640)
Interest payments on long-term debt	(226,520)
Capital grant proceeds	135,301
Net Cash Used for Capital and Related Financing Activities	(240,744)
Cash Flows from Investing Activities:	
Interest received	26
Net Cash Provided by Investing Activities	26
Net Increase in Cash and Cash Equivalents	25,561
Cash and Cash Equivalents - Beginning of Year	112,046
Cash and Cash Equivalents - End of Year	$ 137,607
Classified as:	
Cash	$ 14,704
Restricted Cash	122,903
	$ 137,607

The accompanying notes are an integral part of these financial statements.

CRAWFORD COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011
(CONTINUED)

	Business-type Activities - Enterprise Fund
	Water Fund
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities:	
Operating Loss	$ (108,703)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:	
Depreciation	241,431
Changes in Assets and Liabilities:	
Increase in accounts receivables	(2,032)
Decrease in prepaid items	4,440
Decrease in accounts payable	(77,621)
Decrease in accrued liabilities	(2,471)
Increase in due to other funds	74
Increase in customer deposits	463
Total adjustments	164,284
Net Cash Provided by Operating Activities	$ 55,581

The accompanying notes are an integral part of these financial statements.

CRAWFORD COUNTY, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
SEPTEMBER 30, 2011

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 194,998
Certificates of deposit	78,276
Total Assets	$ 273,274
LIABILITIES	
Due to State of Georgia	$ 9,292
Due to Board of Education	49,466
Due to other governments	121
Funds held in escrow	169,638
Due to others	44,757
Total Liabilities	$ 273,274

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. The Reporting Entity

Crawford County is a political subdivision of the State of Georgia. It is governed by an elected board of five county commissioners. As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the County (the primary government) and its component units. The discretely presented component units are reported in separate columns in the combined financial statements to emphasize that they are legally separate from the primary government. The component units of the County are the Development Authority of Crawford County and the Crawford County Health Department.

Development Authority of Crawford County

The members of the governing board of the Development Authority of Crawford County (the Development Authority) are appointed by the Board of Commissioners of Crawford County. Although the County does not have the authority to approve or modify the budget of the Development Authority, the County provides financial support to the Development Authority. The Development Authority is presented as a governmental fund type and only maintains a General Fund. The Development Authority does not issue separate financial statements.

Crawford County Health Department

The Crawford County Board of Commissioners appoints three members of the Crawford County Health Department (the Health Department) Board of Directors. Also, the Chairman of the County Board of Commissioners is a member of the Health Department Board of Directors. Therefore, the Crawford County Board of Commissioners is responsible for four of the seven positions on the Health Department Board of Directors. Complete financial statements for the Crawford County Health Department as of the fiscal year ending June 30, 2011 may be obtained at the Health Department's administrative office at the following location:

Crawford County Health Department
141 McCrary Avenue
Roberta, Georgia 31078

B. Fund Accounting

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the County. For the most part, the effect of interfund activity has been removed from these statements. Government-wide financial statements do not provide information by fund or account group, but distinguish between the County's governmental activities and business-type activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The 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 those 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 segments. 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 and Basis of Accounting

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

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

Property taxes, sales tax, intergovernmental grants, and investment income 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 County.

The format of the fund financial statements has been modified by GASB Statement No. 34. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. GASB Statement No. 34 also requires, as required supplementary information, Management's Discussion and Analysis which includes an analytical overview of the County's financial activity.

The County reports the following major governmental fund:

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

The County reports the following major proprietary fund:

> The **Water Fund** is an enterprise fund used to account for the provision of water services to citizens of Crawford County. Activities of the fund include water administration, operations, billing and collections.

Additionally, the County reports the following fund types:

> The **special revenue funds** account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.
>
> The **capital project funds** account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Business-type / Proprietary Funds).
>
> The **agency funds** are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Private-sector standards of accounting and financial reporting issued prior to November 30, 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 County has elected not to follow subsequent private-sector guidance.

Amounts reported as program revenues include 1) charges for services 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 non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges for goods and services provided. Operating expenses of the enterprise funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

D. Cash and Cash Equivalents

The County and its discretely presented component units' 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.

E. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. For the most part, the effect of interfund activity has been removed from the government-wide statement of net assets. Any residual balances outstanding between the governmental and business-type activities are reported in the government-wide statement of net assets as "internal balances." In the fund financial statements, these receivables and payables are classified as "due from other funds" or "due to other funds."

F. Prepaid Items

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.

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the County chose to include all such items regardless of their acquisition date. The County was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to acquisition year or estimated acquisition year).

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

Major outlays for capital improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense incurred by the County during the current fiscal year was $226,188. For the fiscal year ending September 30, 2011, there were no ongoing projects financed with loan funds. Therefore, none of the interest paid was capitalized.

Capital assets of the primary government and each discretely presented component unit are depreciated using the straight line method over the following useful lives:

Asset Category	Years
Land improvements	15-20
Buildings and improvements	20-60
Equipment	5-20
Vehicles	5-20
Infrastructure	30-60

H. Long-Term Obligations

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

I. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused personal hours that the employee may use for sickness and vacation. Vacation hours must be used by the end of the fiscal year, as they do not vest. There is no liability for unpaid sick leave or vacation leave, as the County does not have a policy to pay any amounts when employees separate from service with the County whether it is through termination or voluntary resignation. Instead, the amount earned but unused can be added towards retirement (i.e., employee can retire early and receive a salary for time accrued).

J. Management Estimates

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

K. Fund Equity

In the financial statements, governmental funds report the following classifications of fund balance in accordance with Governmental Accounting Standards Board Statement No. 54:

- Nonspendable – amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted – amounts are restricted when constraints have been placed on the use of resources (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners (the Board). The Board approves committed resources through a motion and vote during the voting session of the Board's meetings.
- Assigned – amounts that are constrained by the Board's intent to be used for specific purposes, but are neither restricted nor committed. The intent is expressed by the Board.
- Unassigned – amounts that have not been assigned to other funds and that are not restricted, committed, or assigned to specific purposes within the General Fund.

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

of fund balance, it is the County's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

The County does not have a formal minimum fund balance policy. The following is a summary of the fund balance classifications as of September 30, 2011:

	General Fund	Nonmajor Governmental	Total
Fund Balances			
Nonspendable:			
Prepaids	$ 28,401	$ -	$ 28,401
Notes receivable	-	183,276	183,276
Restricted for:			
Capital outlay	-	723,144	723,144
Public safety	-	40,229	40,229
Law library	-	88,241	88,241
Drug education	-	44,893	44,893
Revolving loan	-	168,087	168,087
Crime victim	-	60,227	60,227
Assigned			
Transit	-	14,515	14,515
Jail concession	12,849	-	12,849
Unassigned	731,752	-	731,752
Total fund balances	$ 773,002	$ 1,322,612	$ 2,095,614

NOTE 2 – LEGAL COMPLIANCE – BUDGETS

A. Budgets and Budgetary Accounting

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

1. After preparation of the departmental budgets by the department heads and the County Manager, each department head formally presents the budget to the Board of Commissioners. The Board of Commissioners reviews each budget at this time.
2. After review of each departmental budget and revisions made by the department heads, the budget is adopted by the Board of Commissioners.
3. Formal budgetary integration is the management tool used as a control device during the year for the General Fund. The legal level of budgetary control is the department level.

4. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. An annual appropriated budget is legally adopted for the General Fund, Law Library Fund, the Sheriff's Department Drug Fund, the Drug Education Fund, the Jail Fund, the Transit System Fund, the Revolving Loan Fund, and the Crime Victim Fund.
5. All appropriations lapse at fiscal year-end.

B. Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is not utilized by Crawford County.

NOTE 3 – DEPOSITS AND INVESTMENTS

Credit risk. State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law (Georgia Fund 1); repurchase agreements; and obligations of other political subdivisions of the State of Georgia. At September 30, 2011, the County's only investments were in certificates of deposit.

At September 30, 2011, the County's investments in certificates of deposit were as follows:

Investment	Maturity	Amount
Certificates of deposit - Agency Funds	91 days	$ 78,276
Certificate of deposit - General Fund	12 months	29,701
		$ 107,977

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

Custodial credit risk — deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of September 30, 2011, all of the deposits of the County and its component units were fully collateralized in accordance with the state statutes.

NOTE 4 – RECEIVABLES

Receivables at September 30, 2011, consist of the following:

Receivables:	General Fund	Non-Major Funds	Water Fund	Total
Taxes	$ 195,640	$ -	$ -	$ 195,640
Notes receivable	-	209,225	-	209,225
Accounts	60,531	-	43,727	104,258
	256,171	209,225	43,727	509,123
Less allowance for uncollectibles	(5,692)	-	(12,992)	(18,684)
Total receivables	$ 250,479	$ 209,225	$ 30,735	$ 490,439

The County's property taxes were levied on the assessed values of all real and personal property with utilities, including mobile homes and motor vehicles, located in the County.

The tax billing cycle for fiscal year 2011 is as follows:

Lien date	July 7, 2011
Levy date	October 12, 2010
Payment due date	December 20, 2010
Delinquency date	December 21, 2010
Collection Dates	October 12, 2010 through December 20, 2010

NOTE 5 – DUE FROM OTHER GOVERNMENTS

Amounts due from other governments at September 30, 2011, for the County's individual major funds and nonmajor funds in the aggregate are as follows:

Receivables:	General Fund	Non-Major Funds	Total
Federal	$ -	$ 15,185	$ 15,185
State	39,593	52,790	92,383
Other	29,334	1,008	30,342
Total receivables	$ 68,927	$ 68,983	$ 137,910

NOTE 6 – CAPITAL ASSETS

A. Primary Government

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 552,553	$ -	$ -	$ -	$ 552,553
Construction in progress	63,242	98,866	-	(48,654)	113,454
Total	615,795	98,866	-	(48,654)	666,007
Capital assets, being depreciated:					
Buildings and improvements	4,433,682	97,425	-	-	4,531,107
Equipment	1,490,748	5,654	-	-	1,496,402
Vehicles	2,658,103	22,350	(23,773)	-	2,656,680
Infrastructure	6,962,079	79,713	-	48,654	7,090,446
Land improvements	512,229	-	-	-	512,229
Total	16,056,841	205,142	(23,773)	48,654	16,286,864
Less accumulated depreciation for:					
Buildings and improvements	(996,862)	(87,385)	-	-	(1,084,247)
Equipment	(505,692)	(162,720)	-	-	(668,412)
Vehicles	(1,722,732)	(104,112)	9,509	-	(1,817,335)
Infrastructure	(3,472,802)	(186,639)	-	-	(3,659,441)
Land improvements	(311,420)	(16,067)	-	-	(327,487)
Total	(7,009,508)	(556,923)	9,509	-	(7,556,922)
Total capital assets, being depreciated, net	9,047,333	(351,781)	(14,264)	48,654	8,729,942
Govemmental activities capital assets, net	$ 9,663,128	$ (252,915)	$ (14,264)	$ -	$ 9,395,949

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities					
Capital assets, not being depreciated:					
Land	$ 26,000	$ -	$ -	$ -	$ 26,000
Construction in progress	446,129	60,885	-	(507,014)	-
Total	472,129	60,885	-	(507,014)	26,000
Capital assets, being depreciated:					
Buildings and improvements	50,733	-	-	-	50,733
Vehicles	78,476	-	-	-	78,476
Equipment	113,728	-	-	-	113,728
Water improvements	12,253,744	-	-	507,014	12,760,758
Total	12,496,681	-	-	507,014	13,003,695
Less accumulated depreciation for:					
Buildings and improvements	(6,764)	(3,382)	-	-	(10,146)
Vehicles	(44,308)	(11,389)	-	-	(55,697)
Equipment	(28,729)	(13,981)	-	-	(42,710)
Water improvements	(903,139)	(212,679)	-	-	(1,115,818)
Total	(982,940)	(241,431)	-	-	(1,224,371)
Total capital assets, being depreciated, net	11,513,741	(241,431)	-	507,014	11,779,324
Business-type activities capital assets, net	$ 11,985,870	$ (180,546)	$ -	$ -	$ 11,805,324

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

Governmental activities:	
General government	$ 8,026
Judicial	51,599
Public safety	166,040
Public works	297,869
Health and welfare	6,588
Culture and recreation	25,042
Housing and community development	1,759
Total depreciation expense - governmental activities	$ 556,923
Business-type activities:	
Water department	$ 241,431
Total depreciation expense - business-type activities	$ 241,431

B. Discretely Presented Component Unit – Development Authority

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 60,276	$ -	$ -	$ 60,276
Total	60,276	-	-	60,276
Capital assets, being depreciated:				
Land improvements	49,929	-	-	49,929
Buildings	3,037,337	176,374	-	3,213,711
Buildings improvements	19,341	-	-	19,341
Infrastructure - roads	5,575	-	-	5,575
Total	3,112,182	176,374	-	3,288,556
Less accumulated depreciation for.				
Land improvements	(44,715)	(2,497)	-	(47,212)
Buildings	(784,837)	(53,562)	-	(838,399)
Buildings improvements	(322)	(322)	-	(644)
Infrastructure - roads	(5,575)	-	-	(5,575)
Total	(835,449)	(56,381)	-	(891,830)
Total capital assets, being depreciated, net	2,276,733	119,993	-	2,396,726
Total capital assets, net	$ 2,337,009	$ 119,993	$ -	$ 2,457,002

C. Discretely Presented Component Unit – Department of Health

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Equipment	$ 27,042	$ -	$ -	$ 27,042
Total	27,042	-	-	27,042
Less accumulated depreciation for:				
Equipment	(26,795)	(247)	-	(27,042)
Total	(26,795)	(247)	-	(27,042)
Total capital assets, being depreciated, net	247	(247)	-	-
Total capital assets, net	$ 247	$ (247)	$ -	$ -

NOTE 7 – LONG-TERM DEBT

The following is a summary of long-term debt activity for the fiscal year ended September 30, 2011.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds	$ 2,250,000	$ -	$ 420,000	$ 1,830,000	$ 435,000
Notes payable	250,203	-	47,127	203,076	94,085
Capital leases payable	320,905	-	33,706	287,199	30,819
Landfill postclosure	442,000	-	24,503	417,497	26,000
Governmental activities long-term liabilities	$ 3,263,108	$ -	$ 525,336	$ 2,737,772	$ 585,904
Business-type activities:					
Notes payable	$ 279,703	$ -	$ 21,180	$ 258,523	$ 22,182
Revenue bonds payable	5,113,638	-	67,460	5,046,178	70,268
Business-type activities long-term liabilities	$ 5,393,341	$ -	$ 88,640	$ 5,304,701	$ 92,450
Component unit-Development Authority:					
Notes payable	$ 295,018	$ 80,576	$ 56,656	$ 318,938	$ 135,658
Development Authority long-term liabilities	$ 295,018	$ 80,576	$ 56,656	$ 318,938	$ 135,658
Component unit-Health Department					
Compensated absences	$ 11,958	$ 11,694	$ 8,564	$ 15,088	$ 3,621
Health Department long-term liabilities	$ 11,958	$ 11,694	$ 8,564	$ 15,088	$ 3,621

For governmental activities, landfill postclosure care costs are generally liquidated by the General Fund.

Notes Payable. The following is a listing of notes payable of the County at September 30, 2011:

Governmental Activities

$240,000 loan from the Georgia Environmental Facilities Authority for the purchase and upgrading of water lines for the County's water system, due in quarterly installments of $5,320, including interest at 3.95%, with final payment due May 1, 2018.	$ 125,557

$170,000 loan from a local financial institution for the purchase of property for the County's dirt sales, due in quarterly installments of $11,528, including interest at 3.96%. A balloon payment in the amount of $77,519, including interest, is due on December 31, 2011, the maturity date of the loan. Loan was renewed on December 30, 2011 at a rate of 1.35%.	77,519
Total Governmental Activities	$ 203,076

Business-Type Activities

$363,776 loan from the Georgia Environmental Facilities Authority for the purchase and upgrading of water lines for the County's water system, due in quarterly installments of $8,455, including interest at 4.65%, with final payment due February 1, 2021.	$ 258,523

Debt service requirements to maturity on the notes payable for governmental activities are as follows:

Year ending September 30,	Principal	Interest
2012	$ 94,085	$ 4,716
2013	17,230	4,052
2014	17,921	3,361
2015	18,639	2,643
2016	19,386	1,896
2017-2018	35,815	1,428
Total	$ 203,076	$ 18,096

Debt service requirements to maturity on the notes payable for business-type activities are as follows:

Year ending September 30,	Principal	Interest
2012	$ 22,182	$ 11,638
2013	23,232	10,588
2014	24,331	9,489
2015	25,481	8,339
2016	26,688	7,132
2017-2021	136,609	15,580
Total	$ 258,523	$ 62,766

Capital Leases. The County has entered into lease agreements as lessee for financing the acquisition of various vehicles and equipment. The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease terms) and, therefore, have been recorded at the present values of the future minimum lease payments as of the dates of their inception. Total cost of assets under capital leases as of September 30, 2011 is $408,071, which consists of equipment, and is included in governmental activities on the statement of net assets.

The County's total capital lease debt service requirements to maturity are as follows:

Year ending September 30,	
2012	$ 40,871
2013	40,871
2014	40,871
2015	198,171
Total minimum lease payments	320,784
Less amount representing interest	(33,585)
Present value of minimum lease payments	$ 287,199

Revenue Bonds Payable. In February 2002, the County received $1,329,500 through the issuance of its Crawford County Water Revenue Bond (Series 2002A). Concurrently with the issuance of this Bond, the County issued its Crawford County Water Revenue Bond (Series 2002B), in the principal amount of $806,200. These bonds were used to provide funds needed to pay the cost, in part, of acquiring, constructing, and equipping a water system for the County.

In 2008, the County issued $3,227,200 in water revenue bonds to cover additional costs associated with Phase II of the water system project.

Revenue bonds outstanding at September 30, 2011, are as follows:

Description	Original Amount	Interest Rate	Due Date	Amount
Water system construction	$ 1,329,500	3.25%	2042	$ 1,175,629
Water system construction	806,200	4.50%	2042	732,675
Water system extensions	3,227,200	4.50%	2048	3,137,874
				$ 5,046,178

Debt service requirements to maturity on the revenue bonds payable are as follows:

Year ending September 30,	Principal	Interest
2012	$ 70,268	$ 211,072
2013	73,195	208,145
2014	76,246	205,094
2015	79,428	201,912
2016	82,745	198,595
2017-2021	468,653	938,047
2022-2026	575,620	831,080
2027-2031	707,576	699,124
2032-2036	870,470	536,230
2037-2041	1,071,690	335,010
2042-2046	768,854	133,785
2047-2048	201,433	5,765
Total	$ 5,046,178	$ 4,503,859

General Obligation Bonds Payable. During the year ended September 30, 2009, the County issued general obligation bonds totaling $2,610,000. The bond proceeds are to be used to finance the acquisition and construction of various capital projects. Proceeds from the County's special purpose local option sales tax will be used to repay these bonds. General obligation bonds outstanding at September 30, 2011, are as follows.

Description	Original Due	Interest Rate	Due Date	Outstanding Amount
Various construction projects within the County	$ 2,610,000	3.49%	2015	$ 1,830,000
				$ 1,830,000

Debt service requirements to maturity on the general obligation bonds payable are as follows:

Year ending September 30,	Principal	Interest
2012	$ 435,000	$ 63,867
2013	450,000	48,686
2014	465,000	32,981
2015	480,000	16,752
Total	$ 1,830,000	$ 162,286

Postclosure Costs. State and Federal laws require that the County place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. As of September 30, 2011, 100% of the landfill capacity had been used and all closure costs have been incurred. The landfill has no remaining life without modification or expansion. Engineering studies estimate postclosure costs of approximately $417,497 over the remaining 16-year period. This estimated cost is based on the amount that would be paid if all equipment, facilities, and services required to monitor and maintain the landfill were acquired as of September 30, 2011. The County has estimated the post closure costs associated with the landfill to be $711,609. However, actual costs may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. Should any problems occur during the postclosure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

Component Unit-Development Authority

Conduit Debt. From time to time, the Development Authority issues revenue bonds and incurs notes payable, building and equipment acquisition notes payable, and construction loans payable to provide financial assistance to private-sector entities or other third parties for the acquisition and construction of industrial and commercial facilities. The bonds and notes are secured by the property financed and are payable solely from payments received on the underlying mortgage loans and lease agreements. Upon repayment of the bonds and notes payable, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance or notes payable. The Development Authority is not obligated in any manner for repayment of these bonds and notes payable.

Other Debt. During fiscal year 2007, the Development Authority borrowed $300,000 from the Crawford County Revolving Loan Fund. Proceeds were used to help finance the construction of a building for a lessee. The Development Authority receives monthly payments of $3,182 from the lessee and forwards the payments to the County for repayment of the loan from the County's Revolving Loan Fund. Both the note payable to the County's Revolving Loan Fund and the note receivable from the lessee have an interest rate of 5.00% and mature April 1, 2018. The outstanding balance on both the note payable and note receivable at September 30, 2011 is $209,224.

The Development Authority also borrowed $100,000 from a local financial institution in fiscal year 2007 to be used for construction of the building referred to above. The note renews annually in October of each year. During the fiscal year, the Development Authority received monthly payments from the lessee of $1,082, and remitted monthly payments of the same amount to the financial institution. The interest rate on the note receivable with the lessee was 8.00% and the interest rate on the note payable between the Development Authority and the financial institution was 3.96%. The outstanding balances on the note payable and note receivable at September 30, 2011 are $46,923 and $46,343, respectively. Due to the differences in interest rates, the Development Authority will recoup their interest from the lessee when the loan with the financial institution is repaid; lessee will continue to pay the Development Authority which will be their interest earnings on the loan.

During fiscal year 2011, the Development Authority incurred a note payable from a local financial institution in the amount of $80,000 for construction of a new commercial building. Payments in the amount of $6,000 at an interest rate of 3.96% began in July of 2011. The note matures on July 14, 2012. The outstanding balance on the note payable at September 30, 2011 is $62,791.

Debt service requirements on the notes payable of the Development Authority are as follows:

Year ending September 30,	Principal	Interest
2012	$ 135,658	$ 9,053
2013	29,694	8,490
2014	31,213	6,970
2015	32,810	5,373
2016	34,489	3,695
2017-2018	55,074	2,206
Total	$ 318,938	$ 35,787

NOTE 8 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

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

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor governmental funds	$ 4,227
	Water Fund	74
Nonmajor governmental funds	General Fund	2,819
	Water Fund	10,000
	Nonmajor governmental funds	13,661
		$ 30,781

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund transfers:

Transfer In	Transfer Out	Amount
Water Fund	General Fund	$ 209,310
Nonmajor governmental funds	General Fund	44,279
	Nonmajor governmental funds	76,854
		$ 330,443

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 9 – DEFINED BENEFIT PENSION PLAN

Plan Description

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

The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. All full-time County employees are eligible to participate in the Plan after completing three years of service. The Plan, through execution of an adoption agreement, is affiliated with the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (The ACCG Plan), an agent multiple-employer pension plan administered by GEBCorp. The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions of The ACCG Plan, including obligations to contribute to the Plan, as provided in section 19.03 of The ACCG Plan document. The County retains the authority to amend the adoption agreement, which defines the specific provisions of The Plan, as provided in Section 19.02 of The ACCG Plan document. The Plan issues a publicly available financial report that includes financial statements and required supplementary information for the state-wide Plan. That report may be obtained by contacting the GEBCorp at 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339.

Funding Policy

The County is required to contribute an actuarially determined amount annually to the Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and intended to satisfy the minimum contribution requirements as set forth in controlling State of Georgia statutes. Plan participants are not required to contribute to the plan.

Annual Pension Cost

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

Derivation of Annual Pension Cost		
Annual Required Contribution	$	104,716
Interest on Net Pension Obligation		115
Amortization of Net Pension Obligation		(116)
Annual Pension Cost	$	104,715

Derivation of Net Pension Obligation		
Net Pension Obligation as of End of Prior Year	$	1,474
Annual Pension Cost for Current Year		104,715
Actual Contributions to Plan for Current Year		(102,135)
Increase in Net Pension Obligation		2,580
Net Pension Obligation as of End of the Year	$	4,054

Basis of Valuation

Current Valuation Date	January 1, 2011
Annual Return on Invested Plan Assets	7.75%
Projected Annual Salary Increases	4.50%-7.00% based on age
Expected Annual Inflation	3.00%
Actuarial Value of Assets	Market Value
Actuarial Funding Method	Projected Unit Credit
Amortization Method	Level Percent of Pay (Closed)
Remaining Amortization Period	24

Trend Information for The Plan

Calendar Year Beginning	Annual Pension Cost (APC)	Actual County Contribution	Percentage of APC Contributed	Net Pension Obligation (Asset)
1/1/2011	$ 104,708	$ 102,135	98%	$ 4,054
1/1/2010	111,650	111,659	100%	1,474
1/1/2009	99,351	99,358	100%	1,483
1/1/2008	86,898	86,904	100%	1,496
1/1/2007	59,251	59,258	100%	1,503
1/1/2006	73,225	59,307	81%	(12,415)

Schedule of Funding Progress

Plan Year Ending	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Projected Unit Credit	Unfunded Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll
12/31/2010	$ 1,559,411 *	$ 1,985,368	$ 425,957	78.55%	$ 1,393,088	30.6%

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

The required schedule of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan net assets is increasing or decreasing over time relative to the actuarial accrued liability.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of January 1, 2011. For this year, the actuarial value of assets reflects a change to asset smoothing adopted by the ACCG Pension Plan and Board of Trustees.

NOTE 10 – DEFINED CONTRIBUTION PLAN

The ACCG 401 (a) Defined Contribution Plan for Employees of Crawford County (the Plan) is a single employer defined contribution plan established and administered by ACCG-GEBCorp for substantially all of its full time employees. The Plan provides retirement benefits to participants and beneficiaries. Plan provisions and contribution requirements are established by ACCG-GEBCorp; however, they may be amended by the Crawford County Board of Commissioners within the limits set forth in Section 12.01 of the plan document. At September 30, 2011, there were 30 plan members.

Employees are not required to contribute to the Plan. The County contributes an amount equal to 50% of the amount contributed by the participant to the Crawford County Section 457 Deferred Compensation Plan, except that the County shall not match such participant's deferrals as provided in excess of 4% of the participant's compensation. The County's contribution for each employee is 100% vested after five (5) years of continuous service. For the fiscal year ending September 30, 2011, the County's contribution to the plan was $19,236. There were no employee contributions to the 401 (a) plan.

NOTE 11 – RISK MANAGEMENT

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

As of the fiscal year ending September 30, 2011, the County purchases workers' compensation insurance coverage and health insurance coverage from private carriers. No reduction in insurance coverage has occurred since the previous year, and no settlements in excess of coverage have been paid in the past three years.

The County participates in the Association of County Commissioners of Georgia (ACCG) Interlocal Risk Management Agency Property and Liability Insurance Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

As part of this risk pool, the County is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the fund, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the fund being required to pay any claim of loss. The County is also to allow the pool's agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the fund.

The fund is to defend and protect the members of the fund against liability or loss as prescribed in the member government contract. The fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

Settled claims in the past three years have not exceeded the coverages.

NOTE 12 – COMMITMENTS AND CONTINGENT LIABILITIES

Litigation

The County is involved in several pending lawsuits. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the County.

Grant Contingencies

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, management of the County believes such disallowances, if any, will not be significant.

NOTE 13 – JOINT VENTURE

Under Georgia law, the County is a participating member of the Middle Georgia Regional Commission (RC) and is required to pay annual dues thereto. During its fiscal year ended September 30, 2011, the County paid $11,671 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia.

The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts and obligations of an RC. Separate financial statements may be obtained from: Middle Georgia Regional Commission, 175 C Emery Highway, Macon, Georgia 31217.

NOTE 14 – RESTATEMENT OF FUND BALANCE

Management has restated the General Fund fund balance to account for the reclassification of the Jail Concession Fund, which was previously reported as a Nonmajor Special Revenue Fund. The effect of the restatement on the fund level statements is as follows:

	General Fund	Jail Concession Fund
Fund balance, September 30, 2010 - as previously reported	$ 634,645	$ 10,428
Reclassification of Jail Concession	10,428	(10,428)
Fund balance, September 30, 2010 - restated	$ 645,073	$ -

REQUIRED SUPPLEMENTARY INFORMATION

CRAWFORD COUNTY, GEORGIA

SCHEDULE OF FUNDING PROGRESS
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011
(UNAUDITED)

Plan Year Ending	Actuarial Value of Assets (a)		Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded (Assets in Excess of) AAL as a Percentage of Covered Payroll {(b-a)/c}
12/31/2010	$ 1,559,411	*	$ 1,985,368	$ 425,957	78.5%	$ 1,393,088	30.6%
12/31/2009	1,488,280	*	2,066,436	578,156	72.0%	1,531,364	37.8%
12/31/2008	1,349,986	*	1,646,413	296,427	82.0%	945,969	31.3%
12/31/2007	1,380,052		1,433,941	53,889	96.2%	632,245	8.5%
12/31/2006	1,305,483		1,367,963	62,480	95.4%	698,051	9.0%
12/31/2005	1,228,205		1,498,220	270,015	82.0%	862,236	31.3%

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

Note: The assets and liabilities shown above reflect expected amounts as of the last day of the plan year. These amounts may vary from those used in determining the required contribution, since those calculations use actual amounts as of the first day of the next plan year.

SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Law Library Fund – This fund accounts for fines collected as required by State Law for Law Library operations.

Sheriff's Department Drug Fund – This fund accounts for condemned funds received and disbursed for Law Enforcement expenditures.

Drug Education Fund – This fund accounts for fines collected as required by State Law for drug abuse treatment and educational purposes.

Jail Fund – This fund accounts for the imposition of a 10% add-on fine as provided for by the Georgia Jail Construction and Staffing Act.

Transit System Fund – This fund accounts for the operations of the Crawford County Transit System. Financing is provided under an agreement with the Georgia Department of Transportation, operating transfers from the General Fund, and user fares.

Revolving Loan Fund – This fund accounts for the operations of the County's revolving loans. Original funding was provided by the Department of Housing and Urban Development through the State of Georgia's Department of Community Affairs.

Crime Victim Fund – This fund accounts for resources received from the various courts of Crawford County for assistance to victims of crime.

NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlay, including the acquisition or construction of capital facilities and other capital assets.

SPLOST Bond Project Fund – This fund was established to account for capital projects to be constructed with proceeds from general obligation bonds. Such bonds are to be repaid with proceeds from the 2009 SPLOST issuance.

Commissioners' SPLOST Fund – This fund was established to account for the proceeds of sales taxes collected and the repayment of the 2009 SPLOST general obligation bonds.

SPLOST City Fund – This fund was established to account for the proceeds of sales taxes collected for water / wastewater projects, public safety, and equipment expenditures within the City of Roberta.

SPLOST Sheriff Fund – This fund was established to account for the proceeds of sales taxes collected for Sheriff capital projects and equipment.

CDBG Road Fund – This fund was established to account for the community development block grant proceeds to be used for various County road projects.

SPLOST Roads Fund – This fund was established to account for the proceeds of sales taxes collected from the 2004 SPLOST issuance to be used for roads, streets, and bridges.

CRAWFORD COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2011

	Special Revenue Funds						
	Law Library	Sheriff's Department Drug Fund	Drug Education Fund	Jail	Transit System	Revolving Loan	Crime Victim Fund
ASSETS							
Cash and cash equivalents	$ 88,241	$ 15,275	$ 44,854	$ 25,212	$ 1,294	$ 142,138	$ 60,665
Notes receivable	-	-	-	-	-	209,225	-
Due from other governments	-	-	39	-	14,285	-	969
Due from other funds	-	-	-	-	-	-	2,819
Total Assets	$ 88,241	$ 15,275	$ 44,893	$ 25,212	$ 15,579	$ 351,363	$ 64,453
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	$ -	$ -	$ -	$ 258	$ -	$ -	$ -
Accrued liabilities	-	-	-	-	1,064	-	-
Due to other governments	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	4,226
Total Liabilities	-	-	-	258	1,064	-	4,226
Fund Balances:							
Nonspendable	-	-	-	-	-	183,276	-
Restricted	88,241	15,275	44,893	24,954	-	168,087	60,227
Assigned	-	-	-	-	14,515	-	-
Total Fund Balances	88,241	15,275	44,893	24,954	14,515	351,363	60,227
Total Liabilities and Fund Balances	$ 88,241	$ 15,275	$ 44,893	$ 25,212	$ 15,579	$ 351,363	$ 64,453

CRAWFORD COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2011
(CONTINUED)

	Capital Projects Funds						Total Nonmajor Governmental Funds
	SPLOST Bond Project	Commissioners' SPLOST	SPLOST City Fund	SPLOST Sheriff	CDBG Road Fund	SPLOST Roads	
ASSETS							
Cash and cash equivalents	$ 439,273	$ 249,817	$ 20,992	$ 30,291	$ 1	$ -	$ 1,118,053
Notes receivable	-	-	-	-	-	-	209,225
Due from other governments	900	52,790	-	-	-	-	68,983
Due from other funds	10,000	-	13,661	-	-	-	26,480
Total Assets	$ 450,173	$ 302,607	$ 34,653	$ 30,291	$ 1	$ -	$ 1,422,741
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	$ 46,266	$ -	$ -	$ -	$ -	$ -	$ 46,524
Accrued liabilities	-	-	-	-	-	-	1,064
Due to other governments	-	-	34,653	-	-	-	34,653
Due to other funds	-	13,661	-	-	1	-	17,888
Total Liabilities	46,266	13,661	34,653	-	1	-	100,129
Fund Balances:							
Nonspendable	-	-	-	-	-	-	183,276
Restricted	403,907	288,946	-	30,291	-	-	1,124,821
Assigned	-	-	-	-	-	-	14,515
Total Fund Balances	403,907	288,946	-	30,291	-	-	1,322,612
Total Liabilities and Fund Balances	$ 450,173	$ 302,607	$ 34,653	$ 30,291	$ 1	$ -	$ 1,422,741

CRAWFORD COUNTY, GEORGIA

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

	Special Revenue Funds						
	Law Library	Sherriff's Department Drug Fund	Drug Education Fund	Jail	Transit System	Revolving Loan	Crime Victim Fund
Revenues:							
Sales taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	2,412	-	51,990	12,191	4,222
Charges for services	-	-	-	-	7,486	-	-
Fines & forfeitures	5,913	2,521	1,594	19,348	-	-	4,194
Interest earnings	127	10	28	12	3	1,198	36
Other revenue	-	680	-	-	-	-	-
Total Revenues	6,040	3,211	4,034	19,360	59,479	13,389	8,452
Expenditures:							
Current:							
Judicial	600	-	-	-	-	-	-
Public safety	-	1,580	-	13,968	-	-	-
Public works	-	-	-	-	-	-	-
Health and welfare	-	-	541	-	88,095	-	5,020
Intergovernmental	-	-	-	-	-	-	-
Debt Service							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Total Expenditures	600	1,580	541	13,968	88,095	-	5,020
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,440	1,631	3,493	5,392	(28,616)	13,389	3,432
Other Financing Sources (Uses):							
Transfer from other funds	-	-	-	13,829	30,450	-	-
Transfer to other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	13,829	30,450	-	-
Net change in fund balances	5,440	1,631	3,493	19,221	1,834	13,389	3,432
Fund Balances, beginning of year - restated	82,801	13,644	41,400	5,733	12,681	337,974	56,795
Fund Balances, end of year	$ 88,241	$ 15,275	$ 44,893	$ 24,954	$ 14,515	$ 351,363	$ 60,227

CRAWFORD COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011
(CONTINUED)

	Capital Projects Funds						Total Nonmajor Governmental Funds
	SPLOST Bond Project	Commissioners' SPLOST	SPLOST City Fund	SPLOST Sheriff	CDBG Road Fund	SPLOST Roads	
Revenues:							
Sales taxes	$ -	$ 596,572	$ -	$ -	$ -	$ -	$ 596,572
Intergovernmental	900	-	-	-	-	-	71,715
Charges for services	-	-	-	-	-	-	7,486
Fines & forfeitures	-	-	-	-	-	-	33,570
Interest earnings	-	180	-	19	-	1	1,614
Other revenue	-	-	-	-	-	-	680
Total Revenues	900	596,752	-	19	-	1	711,637
Expenditures:							
Current:							
Judicial	-	-	-	-	-	-	600
Public safety	-	-	-	-	-	-	15,548
Public works	-	-	-	-	-	7,299	7,299
Health and welfare	-	-	-	-	-	-	93,656
Intergovernmental	-	-	76,854	-	-	-	76,854
Debt Service							
Principal	29,776	420,000	-	-	-	-	449,776
Interest	11,094	78,525	-	-	-	-	89,619
Capital Outlay	397,687	-	-	-	-	-	397,687
Total Expenditures	438,557	498,525	76,854	-	-	7,299	1,131,039
Excess (Deficiency) of Revenues Over (Under) Expenditures	(437,657)	98,227	(76,854)	19	-	(7,298)	(419,402)
Other Financing Sources (Uses):							
Transfer from other funds	-	-	76,854	-	-	-	121,133
Transfer to other funds	-	(76,854)	-	-	-	-	(76,854)
Total other financing sources (uses)	-	(76,854)	76,854	-	-	-	44,279
Net change in fund balances	(437,657)	21,373	-	19	-	(7,298)	(375,123)
Fund Balances, beginning of year - restated	841,564	267,573	-	30,272	-	7,298	1,697,735
Fund Balances, end of year	$ 403,907	$ 288,946	$ -	$ 30,291	$ -	$ -	$ 1,322,612

CRAWFORD COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenue:			
Fines and forfeitures	$ 5,913	$ 5,913	$ -
Interest earnings	128	127	(1)
Total Revenues	6,041	6,040	(1)
Expenditures:			
Current:			
Judicial	600	600	-
Total Expenditures	600	600	-
Net change in fund balance	5,441	5,440	(1)
Fund Balance - Beginning of Year	(5,441)	82,801	88,242
Fund Balance - End of Year	$ -	$ 88,241	$ 88,241

CRAWFORD COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
SHERRIFF'S DEPARTMENT DRUG FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenue:			
Fines and forfeitures	$ 2,521	$ 2,521	$ -
Interest earnings	9	10	1
Other revenue	680	680	-
Total Revenues	3,210	3,211	1
Expenditures:			
Current:			
Public Safety	1,580	1,580	-
Total Expenditures	1,580	1,580	-
Net change in fund balance	1,630	1,631	1
Fund Balance - Beginning of Year	(1,630)	13,644	15,274
Fund Balance - End of Year	$ -	$ 15,275	$ 15,275

CRAWFORD COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
DRUG EDUCATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenue:			
Intergovernmental	$ 2,412	$ 2,412	$ -
Fines & forfeitures	1,594	1,594	-
Interest earnings	28	28	-
Total Revenues	4,034	4,034	-
Expenditures:			
Current:			
Health and Welfare	541	541	-
Total Expenditures	541	541	-
Net change in fund balance	3,493	3,493	-
Fund Balance - Beginning of Year	(3,493)	41,400	44,893
Fund Balance - End of Year	$ -	$ 44,893	$ 44,893

CRAWFORD COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
JAIL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenue:			
Fines and forfeitures	$ 19,348	$ 19,348	$ -
Interest earnings	13	12	(1)
Total Revenues	19,361	19,360	(1)
Expenditures:			
Current:			
Public Safety	13,968	13,968	-
Total Expenditures	13,968	13,968	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,393	5,392	(1)
Other Financing Sources:			
Transfers from General Fund	-	13,829	13,829
Total Other Financing Sources	-	13,829	13,829
Net change in fund balance	5,393	19,221	13,828
Fund Balance - Beginning of Year	(5,393)	5,733	11,126
Fund Balance - End of Year	$ -	$ 24,954	$ 24,954

CRAWFORD COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
TRANSIT SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenue:			
Intergovernmental	$ 51,990	$ 51,990	$ -
Charges for services	7,486	7,486	-
Interest earnings	3	3	-
Total Revenues	59,479	59,479	-
Expenditures:			
Current:			
Health and welfare	88,482	88,095	387
Total Expenditures	88,482	88,095	387
Excess (Deficiency) of Revenues Over (Under) Expenditures	(29,003)	(28,616)	387
Other Financing Sources:			
Transfers from General Fund	7,378	30,450	23,072
Total Other Financing Sources	7,378	30,450	23,072
Net change in fund balance	(21,625)	1,834	23,459
Fund Balance - Beginning of Year	21,625	12,681	(8,944)
Fund Balance - End of Year	$ -	$ 14,515	$ 14,515

CRAWFORD COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
REVOLVING LOAN FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenue:			
Intergovernmental	$ 12,191	$ 12,191	$ -
Interest earnings	1,198	1,198	-
Total Revenues	13,389	13,389	-
Expenditures:			
Current:			
General government	-	-	-
Total Expenditures	-	-	-
Net change in fund balance	13,389	13,389	-
Fund Balance - Beginning of Year	(13,389)	337,974	351,363
Fund Balance - End of Year	$ -	$ 351,363	$ 351,363

CRAWFORD COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
CRIME VICTIM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenue:			
Intergovernmental	$ 4,222	$ 4,222	$ -
Fines and forfeitures	4,194	4,194	-
Interest earnings	36	36	-
Total Revenues	8,452	8,452	-
Expenditures:			
Current:			
Health and welfare	5,020	5,020	-
Total Expenditures	5,020	5,020	-
Net change in fund balance	3,432	3,432	-
Fund Balance - Beginning of Year	(3,432)	56,795	60,227
Fund Balance - End of Year	$ -	$ 60,227	$ 60,227

FIDUCIARY FUNDS

AGENCY FUNDS

Clerk of Superior Court – To account for all monies received by the Clerk of Superior Court on behalf of individuals, private organizations, other governmental units, and other funds.

Magistrate Court – To account for all monies received by the Magistrate Court on behalf of individuals, private organizations, other governmental units, and other funds.

Probate Court – To account for all monies received by the Probate Court on behalf of individuals, private organizations, other governmental units, and other funds.

Sheriff's Department – To account for all monies received by the Sheriff's Department on behalf of individuals, private organizations, other governmental units, and other funds.

Tax Commissioner – To account for property taxes levied, billed and collected by the Tax Commissioner on behalf of Crawford County and other taxing units. The amounts collected are subsequently paid to the County.

Alternative Dispute Resolution Fund (ADR) – To account for all monies received by the ADR fund. An additional charge is collected in each civil action or case in Superior, Probate, and Magistrate courts and is paid into the ADR fund.

CRAWFORD COUNTY, GEORGIA

AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

	Balance October 1, 2010	Additions	Deletions	Balance September 30, 2011
Total - All Agency Funds				
Assets				
Cash and cash equivalents	$ 261,344	$ 4,877,472	$ 4,943,818	$ 194,998
Certificates of deposit	77,654	622	-	78,276
Taxes receivable	224,493	-	224,493	-
Total Assets	$ 563,491	$ 4,878,094	$ 5,168,311	$ 273,274
Liabilities				
Due to State of Georgia	$ 6,686	$ 474,563	$ 471,957	$ 9,292
Due to Board of Education	19,748	4,005,740	3,976,022	49,466
Due to Other Governments	37	4,584	4,500	121
Funds held in escrow	247,222	39,206	116,790	169,638
Uncollected taxes	224,493	-	224,493	-
Due to others	65,305	354,001	374,549	44,757
Total Liabilities	$ 563,491	$ 4,878,094	$ 5,168,311	$ 273,274

CRAWFORD COUNTY, GEORGIA

AGENCY FUNDS
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

	Balance October 1, 2010	Additions	Deletions	Balance September 30, 2011
Superior Court				
Assets				
Cash and cash equivalents	$ 68,934	$ 137,000	$ 167,838	$ 38,096
Certificates of deposit	77,654	622	-	78,276
Total Assets	$ 146,588	$ 137,622	$ 167,838	$ 116,372
Liabilities				
Funds held in escrow	$ 129,439	$ 622	$ 20,154	$ 109,907
Due to others	17,149	137,000	147,684	6,465
Total Liabilities	$ 146,588	$ 137,622	$ 167,838	$ 116,372
Magistrate Court				
Assets				
Cash and cash equivalents	$ 10,448	$ 85,849	$ 80,693	$ 15,604
Total Assets	$ 10,448	$ 85,849	$ 80,693	$ 15,604
Liabilities				
Funds held in escrow	$ 8,292	$ 38,584	$ 39,186	$ 7,690
Due to others	2,156	47,265	41,507	7,914
Total Liabilities	$ 10,448	$ 85,849	$ 80,693	$ 15,604

CRAWFORD COUNTY, GEORGIA

AGENCY FUNDS
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011
(CONTINUED)

	Balance October 1, 2010	Additions	Deletions	Balance September 30, 2011
Probate Court				
Assets				
Cash and cash equivalents	$ 14,805	$ 82,695	$ 91,470	$ 6,030
Total Assets	$ 14,805	$ 82,695	$ 91,470	$ 6,030
Liabilities				
Due to others	$ 14,805	$ 82,695	$ 91,470	$ 6,030
Total Liabilities	$ 14,805	$ 82,695	$ 91,470	$ 6,030
Sheriff's Department				
Assets				
Cash and cash equivalents	$ 22,914	$ 45,934	$ 59,204	$ 9,644
Total Assets	$ 22,914	$ 45,934	$ 59,204	$ 9,644
Liabilities				
Due to Others	$ 22,914	$ 45,934	$ 59,204	$ 9,644
Total Liabilities	$ 22,914	$ 45,934	$ 59,204	$ 9,644

CRAWFORD COUNTY, GEORGIA

AGENCY FUNDS
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011
(CONTINUED)

	Balance October 1, 2010	Additions	Deletions	Balance September 30, 2011
Tax Commissioner's Office				
Assets				
Cash and cash equivalents	$ 143,373	$ 4,521,650	$ 4,539,719	$ 125,304
Taxes receivable	224,493	-	224,493	-
Total Assets	$ 367,866	$ 4,521,650	$ 4,764,212	$ 125,304
Liabilities				
Due to State of Georgia	$ 6,686	$ 474,563	$ 471,957	$ 9,292
Due to Board of Education	19,748	4,005,740	3,976,022	49,466
Due to Other Governments	37	4,584	4,500	121
Funds held in escrow	109,491	-	57,450	52,041
Uncollected taxes	224,493	-	224,493	-
Due to others	7,411	36,763	29,790	14,384
Total Liabilities	$ 367,866	$ 4,521,650	$ 4,764,212	$ 125,304
Aternative Dispute Resolution				
Assets				
Cash and cash equivalents	$ 870	$ 4,344	$ 4,894	$ 320
Total Assets	$ 870	$ 4,344	$ 4,894	$ 320
Liabilities				
Due to others	$ 870	$ 4,344	$ 4,894	$ 320
Total Liabilities	$ 870	$ 4,344	$ 4,894	$ 320

CRAWFORD COUNTY, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

Project 2004 SPLOST	Original Estimated Budget	Current Estimated Budget	Expenditures Prior Year(s)	Expenditures Current Year	Expenditures Total
Roads, Streets and Bridges	$ 2,000,000	$ 2,000,000	$ 2,117,970	$ 7,299	$ 2,125,269
Courthouse	350,000	350,000	113,696	-	113,696
Recreation	50,000	50,000	32,361	-	32,361
EMS facilities and equipment	666,666	666,666	191,034	-	191,034
Fire facilities and equipment	666,667	666,667	559,329	-	559,329
Sheriff facilities and equipment	666,667	666,667	669,679	-	669,679
Totals	$ 4,400,000	$ 4,400,000	$ 3,684,069	$ 7,299	$ 3,691,368

CRAWFORD COUNTY, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

Project 2009 SPLOST	Original Estimated Budget	Current Estimated Budget	Expenditures Prior Year(s)	Expenditures Current Year	Expenditures Total
Roads, Streets and Bridges	$ 1,870,400	$ 1,870,400	$ 1,074,476	$ 373,167	$ 1,447,643
Government Facility	467,600	467,600	-	-	-
Public Safety Facilities and Equipment	935,200	935,200	272,795	22,715	295,510
Recreation	233,800	233,800	127,160	900	128,060
Courthouse	233,800	233,800	528,594	40,875	569,469
Economic and Communicty Development	327,320	327,320	-	-	-
City of Roberta Water / Wastewater and Public Safety Equipment	607,880	607,880	111,568	76,854	188,422
Totals	$ 4,676,000	$ 4,676,000	$ 2,114,593	$ 514,511	$ 2,629,104

Note 1:

The difference in SPLOST expenditures by project and the expenditures noted in the various SPLOST Funds represents debt service payments totaling $498,525 ($420,000 in principal and $78,525 in interest) attributed to repayment of the SPLOST bonds. The expenditures to purchase approved items are already included in the above schedule. If debt payments were included, the expenditures would be reported twice.

Note 2:

The County has received a grant from the Georgia Department of Natural Resources to assist with the construction of the recreation concession stand. During fiscal year 2011, the County requested reimbursement of $900 for allowable grant expenditures. Grant reimburses the County for half of all allowable expenditures incurred up to a certain amount. Expenditures reimbursed by grant funds are not included on schedule above.

CRAWFORD COUNTY, GEORGIA

BALANCE SHEET
CRAWFORD COUNTY DEVELOPMENT AUTHORITY
COMPONENT UNIT
SEPTEMBER 30, 2011

ASSETS		
Cash and cash equivalents	$	96,343
Accounts receivable		7,552
Note receivable		315,497
Total Assets	$	419,392
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	$	2,622
Due to primary government		4,697
Deferred revenues		14,454
Total Liabilities		21,773
Fund Balance:		
Nonspendable		52,567
Unassigned		345,052
Total Fund Balance		397,619
Total Liabilities and Fund Balance	$	419,392

CRAWFORD COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CRAWFORD COUNTY DEVELOPMENT AUTHORITY
COMPONENT UNIT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2011

Revenues:		
Intergovernmental revenue	$	55,800
Rental income		136,933
Utility income		3,430
Interest earnings		19,133
Other miscellaneous revenues		54,263
Total Revenues		269,559
Expenditures:		
Current:		
Economic development		104,202
Debt Service		
Principal		56,656
Interest		14,809
Capital Outlay		176,374
Total Expenditures		352,041
Excess (Deficiency) of Revenues Over (Under) Expenditures		(82,482)
Other Financing Sources		
Proceeds from long term debt issuance		80,576
Total Other Financing Sources		80,576
Net change in fund balance		(1,906)
Fund Balance, beginning of year		399,525
Fund Balance, end of year	$	397,619

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GOVERNMENTAL REPORTS

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CLHP

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

To The Board of Commissioners
of Crawford County, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Crawford County, Georgia (the "County") as of and for the fiscal year ended September 30, 2011, which collectively comprise the County's basic financial statements and have issued our report thereon dated March 19, 2012. Our report includes a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Crawford County Health Department, as described in our report on the County's financial statements. This report includes our consideration of the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors.

Internal Control Over Financial Reporting

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

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

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A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in their normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and responses to be material weaknesses. 2011-01, 2011-02, 2011-03, 2011-04, and 2011-05

Compliance and Other Matters

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

We noted certain matters that we reported to management of the County in a separate letter dated March 19, 2012.

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

This report is intended solely for the information and use of the audit committee, management, and County Commissioners and is not intended to be and should not be used by anyone other than these specified parties.

Macon, Georgia
March 19, 2012

FINANCIAL STATEMENT FINDINGS

Findings noted on the 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*:

2011-01 General Ledger - Maintenance

CRITERIA

Timely and accurate financial reports are essential in order to perform analysis of the financial condition of the County, review data for accuracy and completeness, monitor compliance with budget appropriations, and to prepare annual financial statements.

CONDITION

During fiscal year 2011, the County's general ledger contained material errors. Subsequent to year end the County obtained the services of a third party consultant to assist with the year-end close out procedures.

EFFECT

The County's third party consultant was required to make material adjusting entries to fairly report financial information for the fiscal year end September 30, 2011. In addition, interim financial reports, which are used by management for fiscal-related decisions, could have been relied upon in error.

CAUSE

Accounting personnel may have lacked adequate training to handle increasing complex requirements of governmental accounting.

RECOMMENDATION

The County should continue utilizing a third party consultant to assist with month end close out procedures. In addition, the County should consider obtaining additional training for all finance staff.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

We concur with the finding. The County will continue to utilize the services of a third party consultant to ensure monthly reports generated by the County are complete and accurate. Additionally, the County will consider enrolling all finance-related employees in training geared towards governmental accounting.

2011-02 Management of Due to / From (Interfund) Accounts

CRITERIA

Generally accepted accounting principles require consideration of the collectability of receivables of all kinds whether external or internal to the County. As part of that process, the County should review the amounts included in due to / from accounts (interfund receivables and payables) in each fund to determine if amounts should instead be treated as operating transfer in/ out during any given fiscal year.

CONDITION

During current year audit procedures, it became apparent that the County was carrying old interfund receivable / payable balances forward from prior years.

EFFECT

An audit adjustment was required between the General Fund and the Jail Fund to report the write off of an old interfund receivable / payable of $13,829. In addition, the County provided documentation for the repayment of old interfund receivable / payables of $10,000 between the Water Fund and SPLOST Bond Project Fund and $2,819 between the General Fund and Crime Victims Fund.

CAUSE

The control weakness is the result of the County not establishing adequate internal controls to monitor the collectability of interfund receivable and payable accounts.

RECOMMENDATION

We recommend the County review all interfund receivables and payables on a monthly basis and consider the need for timely settlements between funds.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

We concur with the finding. The County will review all interfund receivables and payables on a monthly basis and consider the need for settlement between funds at that time via operating transfers in / out by the respective funds. Additionally, if interfund receivables and payables are not expected to be repaid within the course of one (1) year; however, repayment is expected, advances between the funds will be recorded and presented as such on the financial statements.

2011-03 Agency Fund Maintenance of Records – Superior Court

CRITERIA

Agency funds are used to account for resources held by the County in a custodial capacity, meaning that all funds held are owed to other governments, organizations or individuals. Adequate records must be maintained to account for all receipts, disbursements and any funds remaining to be paid out at a later date.

CONDITION

Our audit procedures indicated that prior to January 2011 adequate records were not maintained in order to identify the proper recipient of funds collected each month. Beginning in January 2011, new bank accounts were opened up by a newly elected Clerk of Superior Court which allowed for better accountability of funds collected. Specifically, accounts were established for each type of revenue received by the Clerk's office.

EFFECT

The Clerk of Superior Court office showed $6,152 of excess or unidentified cash in the old operating account maintained by the prior Clerk. This is an increase of $3,378 from the excess cash of $2,774 reported by the County in fiscal year 2010. Failure to adequately monitor and reconcile activity could increase the likelihood of misappropriation of funds or errors going undetected. In addition, interim financial reports, which are used by management for fiscal-related decisions, could have been relied upon in error.

CAUSE

The material weakness is the result of the County not establishing adequate controls over the collection and reconciliation of agency fund activity.

RECOMMENDATION

The County should redesign the internal control system of the agency funds to maintain adequate records and reconciliation of the agency fund activity.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

We concur with the finding. The County will compile a new internal control system specific to the Clerk of Superior Court's office. This system will be presented to the Clerk's office and he / she will be strongly recommended to implement the system to encompass all financial related activities within the office. This shall include daily reconciliations and month-end closeout to ensure adequate records.

2011-04 Segregation of Duties – Agency Funds

CRITERIA
The purpose of internal controls is to safeguard the assets of the County and ensure that errors or other misstatements are detected in a reasonable amount of time.

CONDITION
We noted various areas involving the internal controls of the County which were ineffective as follows:

- The Clerk of Superior Court is responsible for receiving funds, preparing and making bank deposits, preparing checks for payouts of fines, signing the checks, and preparation of monthly bank reconciliations.
- The Sheriff's Office accountant is responsible for all cash transactions (receipt, deposit, disbursement and reconciliation).
- The Chief Magistrate prepares checks for payouts, signs the checks and is responsible for reconciling the bank accounts.
- The same individual in the Magistrate Court is responsible for receiving funds and preparing and making bank deposits.
- The Probate Court Judge is responsible for receiving funds, preparing and making bank deposits, preparing checks for payouts of fines, signing the checks, and reconciling the bank account.

EFFECT
Internal controls over the elected officials' offices are significantly weakened by individuals performing incompatible functions.

CAUSE
Incompatible accounting functions are assigned to single individuals.

RECOMMENDATION
The County should redesign the internal control system and explore opportunities for separating the duties of receiving funds, preparing the deposit slip, taking the deposit to the bank, preparing checks for payouts, and signing the checks. The County should also have the monthly bank reconciliations prepared by an individual with no other cash responsibilities.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS
We concur with the finding. The County will compile new internal controls systems specific to the Clerk of Superior Court, Sheriff, Magistrate Court, and the Probate Court to address the implementation of compensating controls to help mitigate the risks associated with the small number of employees assigned to each office. Presentations will be made to every office and each will be strongly encouraged to implement the new controls and / or changes presented.

2011-05 Probate Court Deposits

CRITERIA
An adequate internal control system requires that cash deposits be made on a timely basis.

CONDITION
The Probate Court is making deposits to the bank accounts on a monthly basis.

EFFECT
Failure to make timely deposits could increase the likelihood of misappropriation of assets and affect the collectability of checks held.

CAUSE
The material weakness is the result of the Court not establishing adequate controls over the cash accounts.

RECOMMENDATION
We recommend that the Court make deposits, at a minimum, on a bi-weekly basis.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS
We concur with the finding. The County will strongly encourage the Probate Court to make more timely deposits (i.e., at least bi-weekly).

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