CRAWFORD COUNTY, GEORGIA



ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012

CRAWFORD COUNTY, GEORGIA

AUDIT REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012

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, 2012, 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, Georgia's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Crawford County Health Department, which represent 7 percent, 7 percent, 57 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 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 provides 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, 2012, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 17, 2013 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.

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Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 3 through 11, and the schedule of funding progress on page 49 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Crawford County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements, the schedule of project expenditures with special sales tax proceeds, and the schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the schedule of project expenditures with special sales tax proceeds, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.

Macon, Georgia
July 17, 2013



MANAGEMENT'S DISCUSSION AND ANALYSIS

CRAWFORD COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND 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, 2012. 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, 2011, by $15,507,039 (net assets) and at September 30, 2012, by $15,838,332 (net assets). Of this amount, $728,228 (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 $77,693.

- At September 30, 2012, the County's total fund balances as summarized for all governmental fund types on page 14 of the financial statements were $1,989,741. At September 30, 2011, the County's total fund balances as summarized for all governmental funds were $2,095,614 a decrease of $105,813, or 5.05% from the 2011 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 $15,507,039 at the close of the 2011 fiscal year and by $15,838,332 at the close of the 2012 fiscal year, an increase of $331,293 or 2.14%. Of the $15,507,039, $8,910,603 resulted from County's governmental activities and $6,596,436 resulted from the County's business-type activities in 2011. In comparison, for fiscal year 2012, of the $15,838,332, $9,411,232 resulted from the County's governmental activities and $6,427,100 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	
	2011	2012	2011	2012	2011	2012
Current and other assets	$ 2,663,621	$ 2,520,322	$ 158,268	$ 134,934	$ 2,821,889	$ 2,655,256
Capital assets	9,395,949	9,443,637	11,805,324	11,563,893	21,201,273	21,007,530
Total assets	12,059,570	11,963,959	11,963,592	11,698,827	24,023,162	23,662,786
Other liabilities	411,195	347,397	62,455	59,475	473,650	406,872
Long-term liabilities outstanding	2,737,772	2,205,330	5,304,701	5,212,252	8,042,473	7,417,454
Total liabilities	3,148,967	2,552,727	5,367,156	5,271,727	8,516,123	7,824,326
Net assets:						
Invested in capital assets, net of related debt	7,075,674	7,628,308	6,500,623	6,351,641	13,576,297	13,979,949
Restricted	1,124,821	1,000,576	-	129,579	1,124,821	1,130,155
Unrestricted	710,108	782,348	95,813	(54,120)	805,921	728,228
Total net assets	$ 8,910,603	$ 9,411,232	$ 6,596,436	$ 6,427,100	$ 15,507,039	$ 15,838,332

An additional portion of Crawford County's total net assets (7.25% in 2011 and 7.14% in 2012) 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 for the government as a whole.

Governmental activities. Governmental activities decreased the County's net assets by $78,226 in 2011 and increased the County's net assets by $500,629 in 2012. Key elements of this increase/decrease are as follows:

Crawford County's Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2011	2012	2011	2012	2011	2012
Revenues:						
Program revenues						
Charges for services	$ 1,535,482	$ 1,389,797	$ 308,550	$ 500,484	$ 1,844,032	$ 1,890,281
Operating grants and contributions	85,548	302,872	-	-	85,548	302,872
Capital grants and contributions	30,766	551,848	56,949	-	87,715	551,848
General revenues:						
Property taxes	3,851,542	3,965,231	-	-	3,851,542	3,965,231
Sales taxes	1,043,993	1,031,003	-	-	1,043,993	1,031,003
Other taxes	602,463	572,932	-	-	602,463	572,932
Unrestricted investment earnings	5,665	4,456	26	6	5,691	4,462
Miscellaneous	67,555	61,055	1,388	-	68,943	61,055
Total revenues	7,223,014	7,879,194	366,913	500,490	7,589,927	8,379,684
Expenses:						
General government	1,984,810	2,030,411	-	-	1,984,810	2,030,411
Judicial	582,783	710,272	-	-	582,783	710,272
Public safety	1,970,284	1,962,164	-	-	1,970,284	1,962,164
Public works	2,127,170	2,180,081	-	-	2,127,170	2,180,081
Health and welfare	157,148	153,735	-	-	157,148	153,735
Recreation	63,673	150,875	-	-	63,673	150,875
Community and economic development	106,586	111,165	-	-	106,586	111,165
Interest on long-term debt	99,476	79,903	-	-	99,476	79,903
Water	-	-	643,441	669,785	643,441	669,785
Total expenses	7,091,930	7,378,606	643,441	669,785	7,735,371	8,048,391
Change in net assets before transfers	131,084	500,588	(276,528)	(169,295)	(145,444)	331,293
Transfers	(209,310)	41	209,310	(41)	-	-
Change in net assets	(78,226)	500,629	(67,218)	(169,336)	(145,444)	331,293
Net assets, beginning	8,988,829	8,910,603	6,663,654	6,596,436	15,652,483	15,507,039
Net assets, ending	$ 8,910,603	$ 9,411,232	$ 6,596,436	$ 6,427,100	$ 15,507,039	$ 15,838,332

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 2012 fiscal year, the County's governmental funds reported combined ending fund balances of $1,989,741 a decrease of $105,873 in comparison with the prior year. Specifically, unassigned general fund balance increased $15,058. 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 94.1% 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 $792,808 for which all was unassigned with the exception of $45,998. Of this, $34,586 was shown as nonspendable for prepaids and $11,412 was classified as assigned fund balance for the jail's commissary fund and the recreation fund. The fund balance of the County's total general fund increased by $19,806 during fiscal year 2012. The County's revenues collected in 2012 exceeded the final budget by $147,928. The County's expenditures were less than the final budget by $171,216. When combined with transfers out of the general fund ($25,243), the net result was the increase of $19,806.

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, 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 2012 fiscal year, the non major Capital Project funds (SPLOST Sheriff, Commissioners' SPLOST, SPLOST City Fund, SPLOST Bond Project Fund, and the Community Development Block Grant (CDBG) Road Fund) had a combined fund balance of $591,309. 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, street, and bridges, 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, 2012, the proprietary fund indicates total net assets of $6,427,100. This is a decrease in total net assets for the proprietary fund in the amount of $169,336.

Crawford County
Enterprise Net Operating Loss,
Nonoperating Expenses and Transfers

	2011	2012
Net operating (loss)/income:		
Water Fund	$ (108,703)	$ 53,042
Total net operating loss	(108,703)	53,042
Nonoperating expenses	(224,774)	(222,337)
Loss before transfers and contributions	(333,477)	(169,295)
Capital Contributions	56,949	-
Transfers in/(out)	209,310	(41)
Changes in net assets	$ (67,218)	$ (169,336)

Capital Asset and Debt Administration

Capital assets. Crawford County's investment in capital assets for its governmental activities as of September 30, 2012 increased $47,688 to $9,443,637 (net of accumulated depreciation). Additionally, the County's investment in capital assets for its business-type activities as of September 30, 2012 decreased by $241,431 to $11,563,893. 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	
	2011	2012	2011	2012	2011	2012
Land	$ 552,553	$ 560,553	$ 26,000	$ 26,000	$ 578,553	$ 586,553
Construction in progress	113,454	40,924	-	-	113,454	40,924
Buildings and improvements	3,446,860	3,489,702	40,587	37,205	3,487,447	3,526,907
Machinery and equipment	827,990	671,042	71,018	57,037	899,008	728,079
Vehicles	839,345	728,763	22,779	11,390	862,124	740,153
Infrastructure	3,431,005	3,783,867	11,644,940	11,432,261	15,075,945	15,216,128
Land improvements	184,742	168,786	-		184,742	168,786
Total	$ 9,395,949	$ 9,443,637	$ 11,805,324	$ 11,563,893	$ 21,201,273	$ 21,007,530

Major projects in 2012 included the following:

- Resurfacing projects conducted on various roads throughout the County;
- Completed paving of Cleveland/Tribble Roads. The Cleveland/Tribble Road project was substantially funded via a CDBG grant from the U.S. Department of Housing and Urban Development;
- Have begun clearing, widening, and draining Smith Chapel Road. Paving will commence on Smith Chapel Road during fiscal year 2014 via the Local Maintenance and Improvement Grant (LMIG) Program; and
- Completed construction of a recreation building. Building includes a concession stand and bathrooms.

Long-term debt. At the end of the current fiscal year, Crawford County had total outstanding debt of $7,417,582 of which $5,212,252 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 fifteen (15) years of monitoring remaining. The costs of monitoring have been estimated based on what it would cost to perform all postclosure care in 2012. 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	$ 1,830,000	$	$ 435,000	$ 1,395,000	$ 450,000
Notes payable	203,076		39,128	163,948	72,188
Capital leases	287,199	-	30,818	256,381	31,898
Landfill postclosure	417,497	-	27,496	390,001	26,000
	$ 2,737,772	$ -	$ 532,442	$ 2,205,330	$ 580,086
Business-type activities:					
Revenue bonds	$ 5,046,178	$ -	$ 70,268	$ 4,975,910	$ 73,195
Notes payable	258,523	-	22,181	236,342	23,232
Total	$ 5,304,701	$ -	$ 92,449	$ 5,212,252	$ 96,427

Economic Factors

- The unemployment rate for Crawford County is at 9.5% which is higher than the Middle Georgia rate of 9.0% and the State of Georgia rate of 8.6%. (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, 2012

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Crawford County Development Authority	Crawford County Health Department
ASSETS					
Cash and cash equivalents	$ 1,758,604	$ 12,935	$ 1,771,539	$ 150,310	$ 221,223
Investments	29,944	-	29,944	-	-
Receivables, net of allowance					
Taxes	233,206	-	233,206	-	-
Accounts	56,938	34,224	91,162	7,807	6,978
Notes receivable	183,277	-	183,277	272,244	-
Due from other governments	153,627	-	153,627	-	-
Internal balances	41,804	(41,804)	-	-	-
Prepaid items	34,586	-	34,586	-	-
Due from component unit	803	-	803	-	-
Restricted cash	-	129,579	129,579	-	-
Deferred charges	27,533	-	27,533	-	-
Capital assets					
Non depreciable	601,477	26,000	627,477	60,276	-
Depreciable assets, net	8,842,160	11,537,893	20,380,053	2,341,348	-
Total Assets	11,963,959	11,698,827	23,662,786	2,831,985	228,201
LIABILITIES					
Accounts payable	220,584	2,777	223,361	1,214	1,805
Accrued salaries and benefits	66,747	992	67,739	-	-
Accrued interest	18,123	16,378	34,501	-	-
Other liabilities	7,853	-	7,853	-	-
Unearned revenue	-	34,103	34,103	10,087	-
Due to primary government	-	-	-	803	-
Customer deposits payable	-	5,225	5,225	-	-
Due to other governments	34,090	-	34,090	-	-
Noncurrent liabilities:					
Due within one year	580,086	96,427	676,513	65,136	3,432
Due in more than one year	1,625,244	5,115,825	6,741,069	153,586	14,628
Total Liabilities	2,552,727	5,271,727	7,824,454	230,826	19,865
NET ASSETS					
Invested in capital assets, net of related debt	7,628,308	6,351,641	13,979,949	2,182,902	-
Restricted for					
Capital outlay	591,309	-	591,309	-	-
Other restrictions	409,267	129,579	538,846	-	-
Unrestricted	782,348	(54,120)	728,228	418,257	208,336
Total Net Assets	$ 9,411,232	$ 6,427,100	$ 15,838,332	$ 2,601,159	$ 208,336

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, 2012

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	$ 2,030,411	$ 442,872	$ 9,054	$ -	$ (1,578,485)	$ -	$ (1,578,485)		
Public safety	1,962,164	4,617	6,200	-	(1,951,347)	-	(1,951,347)		
Public works	2,180,081	613,669	228,679	499,948	(837,785)	-	(837,785)		
Judicial	710,272	245,335	1,872	-	(463,065)	-	(463,065)		
Health and welfare	153,735	6,229	57,067	-	(90,439)	-	(90,439)		
Culture and recreation	150,875	77,075	-	51,900	(21,900)	-	(21,900)		
Housing and development	111,165	-	-	-	(111,165)	-	(111,165)		
Interest on long-term debt	79,903	-	-	-	(79,903)	-	(79,903)		
Total governmental activities	7,378,606	1,389,797	302,872	551,848	(5,134,089)	-	(5,134,089)		
Business-type Activities									
Water Fund	669,785	500,484	-	-	-	(169,301)	(169,301)		
Total business-type activities	669,785	500,484	-	-	-	(169,301)	(169,301)		
Total Primary Government	$ 8,048,391	$ 1,890,281	$ 302,872	$ 551,848	(5,134,089)	(169,301)	(5,303,390)		
Component Units:									
Development Authority	$ 157,778	$ 140,949	$ 71,351	$ -				$ 54,522	$ -
Health Department	286,130	114,102	175,828	-				-	3,800
Total Component Units	$ 443,908	$ 255,051	$ 247,179	$ -				54,522	3,800
			General Revenues						
			Property tax		3,965,231	-	3,965,231	-	-
			Sales tax		1,031,003	-	1,031,003	-	-
			Other tax		572,932	-	572,932	-	-
			Interest revenue		4,456	6	4,462	10,954	871
			Miscellaneous		61,055	-	61,055	-	-
			Total General Revenues		5,634,677	6	5,634,683	10,954	871
			Transfers		41	(41)	-	-	-
			Total General Revenues and Transfers		5,634,718	(35)	5,634,683	10,954	871
			Change in Net Assets		500,629	(169,336)	331,293	65,476	4,671
			Net Assets - Beginning of Year		8,910,603	6,596,436	15,507,039	2,535,683	203,665
			Net Assets - End of Year		$ 9,411,232	$ 6,427,100	$ 15,838,332	$ 2,601,159	$ 208,336

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

CRAWFORD COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2012

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	$ 766,746	$ 991,858	$ 1,758,604
Investments	29,944	-	29,944
Taxes receivable	233,206	-	233,206
Accounts receivable, net	56,938	-	56,938
Notes receivable	-	183,277	183,277
Due from other governments	86,157	67,470	153,627
Due from other funds	46,111	546	46,657
Due from component unit	803	-	803
Prepaid items	34,586	-	34,586
Total Assets	$ 1,254,491	$ 1,243,151	$ 2,497,642
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 214,572	$ 6,012	$ 220,584
Accrued liabilities	65,484	1,263	66,747
Deferred revenues	181,627	-	181,627
Due to other governments	-	34,090	34,090
Due to other funds	-	4,853	4,853
Total Liabilities	461,683	46,218	507,901
Fund Balances:			
Nonspendable	34,586	183,277	217,863
Restricted	-	1,000,576	1,000,576
Assigned	11,412	13,080	24,492
Unassigned	746,810	-	746,810
Total Fund Balances	792,808	1,196,933	1,989,741
Total Liabilities and Fund Balances	$ 1,254,491	$ 1,243,151	$ 2,497,642

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, 2012

Total Fund Equity per Balance Sheet of Governmental Funds	$	1,989,741
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		27,533
Capital Assets		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost of the assets		17,564,346
Accumulated depreciation		(8,120,709)
Net pension obligation is not available during the current period and therefore, is not reported in the funds.		
Other liabilities		(7,853)
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.		181,627
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		(1,395,000)
Notes payable		(163,950)
Capital leases payable		(256,380)
Landfill		(390,000)
Accrued interest payable		(18,123)
Total Net Assets of Governmental Activities	$	9,411,232

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, 2012

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues:			
Property taxes	$ 3,921,727	$ -	$ 3,921,727
Sales taxes	441,878	589,125	1,031,003
Other taxes	572,932	-	572,932
Licenses and permits	56,438	-	56,438
Intergovernmental revenue	236,751	617,969	854,720
Charges for services	1,253,609	6,229	1,259,838
Fines and forfeitures	49,336	24,185	73,521
Interest earnings	2,987	1,469	4,456
Other miscellaneous revenues	48,092	12,963	61,055
Total Revenues	6,583,750	1,251,940	7,835,690
Expenditures:			
Current:			
General government	1,953,277	-	1,953,277
Judicial	655,299	5,024	660,323
Public safety	1,772,448	23,285	1,795,733
Public works	1,824,654	28,995	1,853,649
Health and welfare	54,761	92,386	147,147
Culture and recreation	123,741	-	123,741
Housing and community development	109,407	-	109,407
Intergovernmental	-	76,586	76,586
Debt Service			
Principal	39,129	465,819	504,948
Interest	5,985	73,918	79,903
Capital Outlay	-	636,890	636,890
Total Expenditures	6,538,701	1,402,903	7,941,604
Excess (Deficiency) of Revenues Over (Under) Expenditures	45,049	(150,963)	(105,914)
Other Financing Sources (Uses):			
Transfers from other funds	41	127,805	127,846
Transfers to other funds	(25,284)	(102,521)	(127,805)
Total other financing sources (uses)	(25,243)	25,284	41
Net change in fund balances	19,806	(125,679)	(105,873)
Fund Balance, beginning of year	773,002	1,322,612	2,095,614
Fund Balance, end of year	$ 792,808	$ 1,196,933	$ 1,989,741

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, 2012

Net Change in Fund Balances - Governmental Funds	$	(105,873)
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		626,431
Total depreciation		(578,743)
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		(3,799)
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		435,000
Notes payable		39,128
Capital leases		30,818
Landfill		27,496
Accrued interest on debt		4,534
Amortization of issuance costs		(17,867)
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 increased by this amount during the fiscal year.		43,504
Change in Net Assets of Governmental Activities	$	500,629

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, 2012

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property taxes	$ 3,966,973	$ 3,966,973	$ 3,921,727	$ (45,246)
Sales taxes	430,715	430,715	441,878	11,163
Other taxes	594,800	594,800	572,932	(21,868)
Licenses and permits	47,500	49,500	56,438	6,938
Intergovernmental revenue	-	245,213	236,751	(8,462)
Charges for services	977,500	988,735	1,253,609	264,874
Fines and forfeitures	62,000	62,000	49,336	(12,664)
Interest earnings	-	-	2,987	2,987
Other miscellaneous revenues	91,056	97,886	48,092	(49,794)
Total Revenues	6,170,544	6,435,822	6,583,750	147,928
Expenditures				
Current				
General government:				
County administrator	33,300	39,337	39,337	-
County commission	903,583	1,014,763	1,014,763	-
Grounds maintenance	196,133	196,133	190,561	5,572
Elections	131,236	131,236	95,737	35,499
Planning and zoning	120,060	123,160	123,160	-
Tax assessors	311,835	311,835	291,605	20,230
Tax commissioner	195,211	205,546	198,114	7,432
Total general government	1,891,358	2,022,010	1,953,277	68,733
Judicial:				
District attorney	3,888	4,167	4,167	-
Magistrate court	139,365	139,365	134,681	4,684
Probate court	104,476	104,900	104,900	-
Superior court	209,890	253,328	253,328	-
Clerk of superior court	149,835	158,223	158,223	-
Total judicial:	607,454	659,983	655,299	4,684

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, 2012
(CONTINUED)

	Budget			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Expenditures				
Current				
Public safety:				
Coroner	31,109	35,037	35,037	-
Fire department	121,499	121,499	105,698	15,801
Emergency management	21,800	29,806	21,905	7,901
Jail	450,229	472,918	472,918	-
Dispatcher	306,464	306,464	293,524	12,940
Sheriff	844,342	844,841	843,366	1,475
Total public safety	1,775,443	1,810,565	1,772,448	38,117
Public works:				
Roads	760,505	993,218	981,484	11,734
Shop	288,129	288,129	272,216	15,913
Waste collection	513,000	515,089	515,089	-
Waste disposal	54,995	55,865	55,865	-
Total public works	1,616,629	1,852,301	1,824,654	27,647
Health and welfare:				
Health and welfare	48,000	48,000	47,931	69
Older Americans Council	4,250	4,250	2,830	1,420
Welfare	4,000	4,000	4,000	-
Total health and welfare	56,250	56,250	54,761	1,489
Culture and recreation:				
Recreation	10,150	93,087	93,087	-
Libraries	25,593	30,654	30,654	-
Total culture and recreation	35,743	123,741	123,741	-

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, 2012
(CONTINUED)

	Budget			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Expenditures				
Current				
Housing and community development:				
Forest resources	16,239	16,239	16,239	-
Extension office	31,361	31,361	28,403	2,958
Conservation	22,266	23,244	23,244	-
Community services	22,114	22,139	16,784	5,355
Development authority	24,737	24,737	24,737	-
Total housing and community development	116,717	117,720	109,407	8,313
Total current expenditures	6,099,594	6,642,570	6,493,587	148,983
Debt service:				
Principal	61,067	61,067	39,129	21,938
Interest	6,280	6,280	5,985	295
Total debt service	67,347	67,347	45,114	22,233
Total expenditures	6,166,941	6,709,917	6,538,701	171,216
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,603	(274,095)	45,049	319,144
Other Financing Uses:				
Transfers in from other funds	-	-	41	41
Transfers to other funds	(3,603)	(25,284)	(25,284)	-
Total Other Financing Uses	(3,603)	(25,284)	(25,243)	41
Net Change in fund balance	-	(299,379)	19,806	319,185
Fund Balance, beginning of year	773,002	773,002	773,002	-
Fund Balance, end of year	$ 773,002	$ 473,623	$ 792,808	$ 319,185

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, 2012

	Business-type Activities - Enterprise Fund
	Water Fund
ASSETS	
Current assets:	
Cash	$ 12,935
Restricted cash	129,579
Accounts receivable, net of allowance for uncollectible accounts	34,224
Total current assets	176,738
Noncurrent assets:	
Capital assets:	
Nondepreciable	26,000
Depreciable, net	11,537,893
Total capital assets	11,563,893
Total noncurrent assets	11,563,893
Total assets	11,740,631
LIABILITIES	
Current liabilities:	
Accounts payable	2,777
Accrued liabilities	992
Accrued interest	16,378
Customer deposits payable	5,225
Deferred revenue	34,103
Due to other funds	41,804
Current maturities of long term debt	96,427
Total current liabilities	197,706
Long-term liabilities:	
Long-term debt, net of current portion	5,115,825
Total long-term liabilities	5,115,825
Total liabilities	5,313,531
NET ASSETS	
Invested in capital assets, net of related debt	6,351,641
Restricted	129,579
Unrestricted	(54,120)
Total net assets	$ 6,427,100

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, 2012

	Business-type Activities - Enterprise Fund
	Water Fund
Operating Revenues:	
Charges for services	$ 500,484
Total operating revenues	500,484
Operating Expenses:	
Cost of sales and services	113,372
General and administration	92,639
Depreciation	241,431
Total Operating Expenses	447,442
Operating income	53,042
Non-Operating Revenues (Expense):	
Interest income	6
Interest expense	(222,343)
Total Non-Operating Expenses	(222,337)
Loss before contributions and transfers	(169,295)
Transfers out	(41)
Change in net assets	(169,336)
Net assets - beginning of year	6,596,436
Net assets - end of year	$ 6,427,100

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, 2012

	Business-type Activities - Enterprise Fund
Cash Flows from Operating Activities:	Water Fund
Receipts from customers and users	$ 496,995
Payments to employees	(78,898)
Payments to suppliers for goods and services provided	(97,995)
Net Cash Provided by Operating Activities	320,102
Cash Flows from Noncapital Financing Activities:	
Transfers out	(41)
Net Cash Provided by Noncapital Financing Activities	(41)
Cash Flows from Capital and Related Financing Activities:	
Principal payments on long-term debt	(92,449)
Interest payments on long-term debt	(222,711)
Net Cash Used for Capital and Related Financing Activities	(315,160)
Cash Flows from Investing Activities:	
Interest received	6
Net Cash Provided by Investing Activities	6
Net Increase in Cash and Cash Equivalents	4,907
Cash and Cash Equivalents - Beginning of Year	137,607
Cash and Cash Equivalents - End of Year	$ 142,514
Classified as:	
Cash	$ 12,935
Restricted Cash	129,579
	$ 142,514

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, 2012
(CONTINUED)

	Business-type Activities - Enterprise Fund Water Fund
Reconciliation of Operating Loss to Net Cash Provided by Operating Activities:	
Operating Loss	$ 53,042
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:	
Depreciation	241,431
Changes in Assets and Liabilities:	
Increase in accounts receivables	(3,489)
Decrease in accounts payable	(2,198)
Decrease in accrued liabilities	(414)
Increase in due to other funds	31,730
Total adjustments	267,060
Net Cash Provided by Operating Activities	$ 320,102

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

CRAWFORD COUNTY, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
SEPTEMBER 30, 2012

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 172,621
Certificates of deposit	78,774
Total Assets	$ 251,395
LIABILITIES	
Due to State of Georgia	$ 215
Due to Board of Education	11,864
Due to other governments	44
Funds held in escrow	179,125
Due to others	60,147
Total Liabilities	$ 251,395

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, 2012 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.

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.

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 $222,343. For the fiscal year ending September 30, 2012, 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. Through resolution, the Board has authorized the County finance director or designee to assign fund balances.
- 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, 2012:

	General Fund	Nonmajor Governmental	Total
Fund Balances			
Nonspendable:			
Prepaids	$ 34,586	$ -	$ 34,586
Notes receivable	-	183,277	183,277
Restricted for:			
Capital outlay	-	591,309	591,309
Public safety	-	35,492	35,492
Law library	-	88,110	88,110
Drug education	-	45,985	45,985
Revolving loan	-	178,485	178,485
Crime victim	-	61,195	61,195
Assigned			
Transit	-	13,080	13,080
Jail concession	11,412	-	11,412
Unassigned	746,810	-	746,810
Total fund balances	$ 792,808	$ 1,196,933	$ 1,989,741

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, 2012, the County's only investments were in certificates of deposit.

At September 30, 2012, the County's investments in certificates of deposit were as follows:

Investment	Maturity	Amount
Certificates of deposit - Agency Funds	91 days	$ 78,774
Certificate of deposit - General Fund	12 months	29,944
		$ 108,718

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, 2012, 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, 2012, consist of the following:

Receivables:	General Fund	Non-Major Funds	Water Fund	Total
Taxes	$ 233,206	$ -	$ -	$ 233,206
Notes receivable	-	183,277	-	183,277
Accounts	62,163	-	50,824	112,987
	295,369	183,277	50,824	529,470
Less allowance for uncollectibles	(5,225)	-	(16,600)	(21,825)
Total receivables	$ 290,144	$ 183,277	$ 34,224	$ 507,645

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 2012 is as follows:

Lien date	July 7, 2012
Levy date	September 28, 2011
Payment due date	December 20, 2011
Delinquency date	December 21, 2011
Collection Dates	September 28, 2011 through December 20, 2011

NOTE 5 – DUE FROM OTHER GOVERNMENTS

Amounts due from other governments at September 30, 2012, for the County's individual major funds and nonmajor funds in the aggregate are as follows:

	General Fund	Non-Major Funds	Total
Receivables:			
Federal	$ 900	$ 12,908	$ 13,808
State	40,263	53,682	93,945
Other	44,994	880	45,874
Total receivables	$ 86,157	$ 67,470	$ 153,627

NOTE 6 – CAPITAL ASSETS

A. Primary Government

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 552,553	$ 8,000	$ -	$ -	$ 560,553
Construction in progress	113,454	24,386	-	(96,916)	40,924
Total	666,007	32,386	-	(96,916)	601,477
Capital assets, being depreciated:					
Buildings and improvements	4,531,107	130,394	-	1,800	4,663,301
Equipment	1,496,402	-	-	-	1,496,402
Vehicles	2,656,680	-	(14,962)	-	2,641,718
Infrastructure	7,090,446	463,657	-	95,116	7,649,219
Land improvements	512,229	-	-	-	512,229
Total	16,286,864	594,051	(14,962)	96,916	16,962,869
Less accumulated depreciation for:					
Buildings and improvements	(1,084,247)	(89,352)	-	-	(1,173,599)
Equipment	(668,412)	(156,948)	-	-	(825,360)
Vehicles	(1,817,335)	(110,582)	14,962	-	(1,912,955)
Infrastructure	(3,659,441)	(205,911)	-	-	(3,865,352)
Land improvements	(327,487)	(15,956)	-	-	(343,443)
Total	(7,556,922)	(578,749)	14,962	-	(8,120,709)
Total capital assets, being depreciated, net	8,729,942	15,302	-	96,916	8,842,160
Govemmental activities capital assets, net	$ 9,395,949	$ 47,688	$ -	$ -	$ 9,443,637

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities					
Capital assets, not being depreciated:					
Land	$ 26,000	$ -	$ -	$ -	$ 26,000
Total	26,000	-	-	-	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	12,760,758	-	-	-	12,760,758
Total	13,003,695	-	-	-	13,003,695
Less accumulated depreciation for:					
Buildings and improvements	(10,146)	(3,382)	-	-	(13,528)
Vehicles	(55,697)	(11,389)	-	-	(67,086)
Equipment	(42,710)	(13,981)	-	-	(56,691)
Water improvements	(1,115,818)	(212,679)	-	-	(1,328,497)
Total	(1,224,371)	(241,431)	-	-	(1,465,802)
Total capital assets, being depreciated, net	11,779,324	(241,431)	-	-	11,537,893
Business-type activities capital assets, net	$ 11,805,324	$ (241,431)	$ -	$ -	$ 11,563,893

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

Governmental activities:	
General government	$ 9,286
Judicial	49,949
Public safety	166,431
Public works	317,603
Health and welfare	6,588
Culture and recreation	27,134
Housing and community development	1,758
Total depreciation expense - governmental activities	$ 578,749
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	3,213,711	-	-	3,213,711
Buildings improvements	19,341	-	-	19,341
Infrastructure - roads	5,575	-	-	5,575
Total	3,288,556	-	-	3,288,556
Less accumulated depreciation for.				
Land improvements	(47,212)	(1,494)	-	(48,706)
Buildings	(838,399)	(53,562)	-	(891,961)
Buildings improvements	(644)	(322)	-	(966)
Infrastructure - roads	(5,575)	-	-	(5,575)
Total	(891,830)	(55,378)	-	(947,208)
Total capital assets, being depreciated, net	2,396,726	(55,378)	-	2,341,348
Total capital assets, net	$ 2,457,002	$ (55,378)	$ -	$ 2,401,624

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	(27,042)	-	-	(27,042)
Total	(27,042)	-	-	(27,042)
Total capital assets, being depreciated, net	-	-	-	-
Total capital assets, net	$ -	$ -	$ -	$ -

NOTE 7 – LONG-TERM DEBT

The following is a summary of long-term debt activity for the fiscal year ended September 30, 2012.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds	$ 1,830,000	$ -	$ 435,000	$ 1,395,000	$ 450,000
Notes payable	203,076	-	39,128	163,948	72,188
Capital leases payable	287,199	-	30,818	256,381	31,898
Landfill postclosure	417,497	-	27,496	390,001	26,000
Governmental activities long-term liabilities	$ 2,737,772	$ -	$ 532,442	$ 2,205,330	$ 580,086
Business-type activities:					
Notes payable	$ 258,523	$ -	$ 22,181	$ 236,342	$ 23,232
Revenue bonds payable	5,046,178	-	70,268	4,975,910	73,195
Business-type activities long-term liabilities	$ 5,304,701	$ -	$ 92,449	$ 5,212,252	$ 96,427
Component unit-Development Authority:					
Notes payable	$ 318,938	$ -	$ 100,216	$ 218,722	$ 65,136
Development Authority long-term liabilities	$ 318,938	$ -	$ 100,216	$ 218,722	$ 65,136
Component unit-Health Department					
Compensated absences	$ 15,088	$ 11,759	$ 8,787	$ 18,060	$ 3,432
Health Department long-term liabilities	$ 15,088	$ 11,759	$ 8,787	$ 18,060	$ 3,432

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, 2012:

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.	$ 108,991

$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%.	54,957
Total Governmental Activities	$ 163,948

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.	$ 236,342

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

Year ending September 30,	Principal	Interest
2013	$ 72,189	$ 4,052
2014	17,921	3,361
2015	18,639	2,643
2016	19,386	1,896
2017	20,164	1,118
2018	15,649	310
Total	$ 163,948	$ 13,380

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

Year ending September 30,	Principal	Interest
2013	$ 23,232	$ 10,588
2014	24,331	9,489
2015	25,481	8,339
2016	26,688	7,132
2017	27,950	5,870
2018-2021	108,660	9,710
Total	$ 236,342	$ 51,128

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, 2012 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,	
2013	$ 40,871
2014	40,871
2015	198,171
Total minimum lease payments	279,913
Less amount representing interest	(23,532)
Present value of minimum lease payments	$ 256,381

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, 2012, are as follows:

Description	Original Amount	Interest Rate	Due Date	Amount
Water system construction	$ 1,329,500	3.25%	2042	$ 1,152,389
Water system construction	806,200	4.50%	2042	720,994
Water system extensions	3,227,200	4.50%	2048	3,102,527
				$ 4,975,910

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

Year ending September 30,	Principal	Interest
2013	73,195	208,145
2014	76,246	205,094
2015	79,428	201,912
2016	82,745	198,595
2017	86,204	195,136
2018-2022	488,292	918,408
2023-2027	599,840	806,860
2028-2032	737,466	669,234
2033-2037	907,383	499,317
2038-2042	1,034,259	290,444
2043-2047	779,666	99,454
2048	31,186	187
Total	$ 4,975,910	$ 4,292,786

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, 2012, are as follows.

Description	Original Due	Interest Rate	Due Date	Outstanding Amount
Various construction projects within the County	$ 2,610,000	3.49%	2015	$ 1,395,000
				$ 1,395,000

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

Year ending September 30,	Principal	Interest
2013	450,000	48,686
2014	465,000	32,981
2015	480,000	16,751
Total	$ 1,395,000	$ 98,418

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, 2012, 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 $390,001 over the remaining 15-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, 2012. The County has estimated the post closure costs associated with the landfill to be $683,815. 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, 2012 is $183,277.

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, 2012 are $35,445 and $36,401, 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.

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

Year ending September 30,	Principal	Interest
2012	$ 65,136	$ 8,490
2013	31,213	6,970
2014	32,810	5,373
2015	34,489	3,695
2016	36,254	1,930
2017-2018	18,820	275
Total	$ 218,722	$ 26,733

NOTE 8 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of September 30, 2012, is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor governmental funds	$ 4,307
	Water Fund	41,804
Nonmajor governmental funds	Nonmajor governmental funds	546
		$ 46,657

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
General Fund	Water Fund	$ 41
Nonmajor governmental funds	General Fund	25,284
	Nonmajor governmental funds	102,521
		$ 127,846

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	$	117,425
Interest on Net Pension Obligation		314
Amortization of Net Pension Obligation		(336)
Annual Pension Cost	$	117,403

Derivation of Net Pension Obligation		
Net Pension Obligation as of End of Prior Year	$	4,054
Annual Pension Cost for Current Year		117,403
Actual Contributions to Plan for Current Year		(113,604)
Increase in Net Pension Obligation		3,799
Net Pension Obligation as of End of the Year	$	7,853

Basis of Valuation

Current Valuation Date	January 1, 2012
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)
1/1/2012	$ 117,403	$ 113,604	97%	4,054
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

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
12/31/2011	$ 1,625,723	$ 2,062,001	$ 436,278	78.84%	$ 1,455,314	30.0%
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, 2012. 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, 2012, 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, 2012, the County's contribution to the plan was $18,296. 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, 2012, 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 coverage’s.

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. 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 – SUBSEQUENT EVENTS

Magistrate Court

In March 2013, the Georgia Bureau of Investigation conducted an investigation of an employee of the Magistrate Court. The focus of the investigation was on activity of the Court for the period October 1, 2012 to March 4, 2013. At this time, the ultimate resolution of this matter is unknown.

REQUIRED SUPPLEMENTARY INFORMATION

CRAWFORD COUNTY, GEORGIA

SCHEDULE OF FUNDING PROGRESS
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012
(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}
12/31/2011	$ 1,625,723	*	$ 2,062,001	$ 436,278	78.8%	$ 1,455,314	30.0%
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%

* 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.

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year	Annual Required Contribution	Percentage Contributed
2012	$ 135,971	83.6%
2011	117,425	87.0%
2010	104,716	106.6%

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.

CRAWFORD COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2012

	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	$ 88,110	$ 15,745	$ 45,864	$ 19,963	$ 1,435	$ 178,485	$ 64,742
Notes receivable	-	-	-	-	-	183,277	-
Due from other governments	-	-	302	-	12,908	-	578
Due from other funds	-	-	-	-	-	-	181
Total Assets	$ 88,110	$ 15,745	$ 46,166	$ 19,963	$ 14,343	$ 361,762	$ 65,501
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	$ -	$ -	$ -	$ 216	$ -	$ -	$ -
Accrued liabilities	-	-	-	-	1,263	-	-
Due to other governments	-	-	-	-	-	-	-
Due to other funds	-	-	181	-	-	-	4,306
Total Liabilities	-	-	181	216	1,263	-	4,306
Fund Balances:							
Nonspendable	-	-	-	-	-	183,277	-
Restricted	88,110	15,745	45,985	19,747	-	178,485	61,195
Assigned	-	-	-	-	13,080	-	-
Total Fund Balances	88,110	15,745	45,985	19,747	13,080	361,762	61,195
Total Liabilities and Fund Balances	$ 88,110	$ 15,745	$ 46,166	$ 19,963	$ 14,343	$ 361,762	$ 65,501

CRAWFORD COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2012
(CONTINUED)

	Capital Projects Funds					Total Nonmajor Governmental Funds
	SPLOST Bond Project	Commissioners' SPLOST	SPLOST City Fund	SPLOST Sheriff	CDBG Road Fund	
ASSETS						
Cash and cash equivalents	$ 264,795	$ 249,302	$ 33,725	$ 29,691	$ 1	$ 991,858
Notes receivable	-	-	-	-	-	183,277
Due from other governments	-	53,682	-	-	-	67,470
Due from other funds	-	-	365	-	-	546
Total Assets	$ 264,795	$ 302,984	$ 34,090	$ 29,691	$ 1	$ 1,243,151
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	$ 5,796	$ -	$ -	$ -	$ -	$ 6,012
Accrued liabilities	-	-	-	-	-	1,263
Due to other governments	-	-	34,090	-	-	34,090
Due to other funds	-	365	-	-	1	4,853
Total Liabilities	5,796	365	34,090	-	1	46,218
Fund Balances:						
Nonspendable	-	-	-	-	-	183,277
Restricted	258,999	302,619	-	29,691	-	1,000,576
Assigned	-	-	-	-	-	13,080
Total Fund Balances	258,999	302,619	-	29,691	-	1,196,933
Total Liabilities and Fund Balances	$ 264,795	$ 302,984	$ 34,090	$ 29,691	$ 1	$ 1,243,151

CRAWFORD COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012

	Special Revenue Funds						
	Law Library	Sheriff's Department Drug Fund	Drug Education Fund	Jail	Transit System	Revolving Loan	Crime Victim Fund
Revenues:							
Sales taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	1,518	-	52,374	9,054	3,175
Charges for services	-	-	-	-	6,229	-	-
Fines & forfeitures	4,769	1,596	1,161	13,389	-	-	3,270
Interest earnings	124	-	-	-	-	1,345	-
Other revenue	-	638	-	2,325	-	-	-
Total Revenues	4,893	2,234	2,679	15,714	58,603	10,399	6,445
Expenditures:							
Current:							
Judicial	5,024	-	-	-	-	-	-
Public safety	-	1,764	-	20,921	-	-	-
Public works	-	-	-	-	-	-	-
Health and welfare	-	-	1,587	-	85,322	-	5,477
Intergovernmental	-	-	-	-	-	-	-
Debt Service							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Total Expenditures	5,024	1,764	1,587	20,921	85,322	-	5,477
Excess (Deficiency) of Revenues Over (Under) Expenditures	(131)	470	1,092	(5,207)	(26,719)	10,399	968
Other Financing Sources (Uses):							
Transfer from other funds	-	-	-	-	25,284	-	-
Transfer to other funds	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	25,284	-	-
Net change in fund balances	(131)	470	1,092	(5,207)	(1,435)	10,399	968
Fund Balances, beginning of year	88,241	15,275	44,893	24,954	14,515	351,363	60,227
Fund Balances, end of year	$ 88,110	$ 15,745	$ 45,985	$ 19,747	$ 13,080	$ 361,762	$ 61,195

CRAWFORD COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012
(CONTINUED)

	Capital Projects Funds					Total Nonmajor Governmental Funds
	SPLOST Bond Project	Commissioners' SPLOST	SPLOST City Fund	SPLOST Sheriff	CDBG Road Fund	
Revenues:						
Sales taxes	$ -	$ 589,125	$ -	$ -	$ -	$ 589,125
Intergovernmental	51,900	-	-	-	499,948	617,969
Charges for services	-	-	-	-	-	6,229
Fines & forfeitures	-	-	-	-	-	24,185
Interest earnings	-	-	-	-	-	1,469
Other revenue	10,000	-	-	-	-	12,963
Total Revenues	61,900	589,125	-	-	499,948	1,251,940
Expenditures:						
Current:						
Judicial	-	-	-	-	-	5,024
Public safety	-	-	-	600	-	23,285
Public works	-	-	-	-	28,995	28,995
Health and welfare	-	-	-	-	-	92,386
Intergovernmental	-	-	76,586	-	-	76,586
Debt Service						
Principal	30,819	435,000	-	-	-	465,819
Interest	10,052	63,866	-	-	-	73,918
Capital Outlay	191,872	-	-	-	445,018	636,890
Total Expenditures	232,743	498,866	76,586	600	474,013	1,402,903
Excess (Deficiency) of Revenues Over (Under) Expenditures	(170,843)	90,259	(76,586)	(600)	25,935	(150,963)
Other Financing Sources (Uses):						
Transfer from other funds	25,935	-	76,586	-	-	127,805
Transfer to other funds	-	(76,586)	-	-	(25,935)	(102,521)
Total other financing sources (uses)	25,935	(76,586)	76,586	-	(25,935)	25,284
Net change in fund balances	(144,908)	13,673	-	(600)	-	(125,679)
Fund Balances, beginning of year	403,907	288,946	-	30,291	-	1,322,612
Fund Balances, end of year	$ 258,999	$ 302,619	$ -	$ 29,691	$ -	$ 1,196,933

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, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenue:			
Fines and forfeitures	$ 5,200	$ 4,769	$ (431)
Interest earnings	125	124	(1)
Total Revenues	5,325	4,893	(432)
Expenditures:			
Current:			
Judicial	5,024	5,024	-
Total Expenditures	5,024	5,024	-
Net change in fund balance	301	(131)	(432)
Fund Balance - Beginning of Year	88,241	88,241	-
Fund Balance - End of Year	$ 88,542	$ 88,110	$ (432)

CRAWFORD COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
SHERIFF'S DEPARTMENT DRUG FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenue:			
Fines and forfeitures	$ 2,500	$ 1,596	$ (904)
Other revenue	-	638	638
Total Revenues	2,500	2,234	(266)
Expenditures:			
Current:			
Public Safety	2,500	1,764	736
Total Expenditures	2,500	1,764	736
Net change in fund balance	-	470	470
Fund Balance - Beginning of Year	15,275	15,275	-
Fund Balance - End of Year	$ 15,275	$ 15,745	$ 470

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, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenue:			
Intergovernmental	$ 1,000	$ 1,518	$ 518
Fines & forfeitures	1,800	1,161	(639)
Interest earnings	100	-	(100)
Total Revenues	2,900	2,679	(221)
Expenditures:			
Current:			
Health and Welfare	1,587	1,587	-
Total Expenditures	1,587	1,587	-
Net change in fund balance	1,313	1,092	(221)
Fund Balance - Beginning of Year	44,893	44,893	-
Fund Balance - End of Year	$ 46,206	$ 45,985	$ (221)

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, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenue:			
Fines and forfeitures	$ 11,000	$ 13,389	$ 2,389
Other revenue	50	2,325	2,275
Total Revenues	11,050	15,714	4,664
Expenditures:			
Current:			
Public Safety	20,921	20,921	-
Total Expenditures	20,921	20,921	-
Net change in fund balance	(9,871)	(5,207)	4,664
Fund Balance - Beginning of Year	24,954	24,954	-
Fund Balance - End of Year	$ 15,083	$ 19,747	$ 4,664

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, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenue:			
Intergovernmental	$ 54,306	$ 52,374	$ (1,932)
Charges for services	8,900	6,229	(2,671)
Total Revenues	63,206	58,603	(4,603)
Expenditures:			
Current:			
Health and welfare	85,322	85,322	-
Total Expenditures	85,322	85,322	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(22,116)	(26,719)	(4,603)
Other Financing Sources:			
Transfers from General Fund	3,603	25,284	21,681
Total Other Financing Sources	3,603	25,284	21,681
Net change in fund balance	(18,513)	(1,435)	17,078
Fund Balance - Beginning of Year	14,515	14,515	-
Fund Balance - End of Year	$ (3,998)	$ 13,080	$ 17,078

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, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenue:			
Intergovernmental	$ 38,184	$ 9,054	$ (29,130)
Interest earnings	-	1,345	1,345
Total Revenues	38,184	10,399	(27,785)
Expenditures:			
Current:			
General government	-	-	-
Total Expenditures	-	-	-
Net change in fund balance	38,184	10,399	(27,785)
Fund Balance - Beginning of Year	351,363	351,363	-
Fund Balance - End of Year	$ 389,547	$ 361,762	$ (27,785)

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, 2012

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenue:			
Intergovernmental	$ 2,784	$ 3,175	$ 391
Fines and forfeitures	908	3,270	2,362
Total Revenues	3,692	6,445	2,753
Expenditures:			
Current:			
Health and welfare	5,477	5,477	-
Total Expenditures	5,477	5,477	-
Net change in fund balance	(1,785)	968	2,753
Fund Balance - Beginning of Year	60,227	60,227	-
Fund Balance - End of Year	$ 58,442	$ 61,195	$ 2,753

CRAWFORD COUNTY, GEORGIA

COMMUNITY DEVELOPMENT BLOCK GRANT
#10p-y-039-1-5309
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES-BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2012

	Prior Years	Current Year	Total to Date	Project Authorization
Revenues:				
Department of Community Affairs	$ -	$ 499,948	$ 499,948	$ 499,948
Total Revenues	-	499,948	499,948	499,948
Expenditures:				
A-21A-00 Administration	-	28,995	28,995	28,996
P-03K-01 Street Improvements	-	368,801	368,801	394,735
P-03K-02 Flood and Drainage Facilities	-	36,560	36,560	36,560
C-022-00 Contingencies - Unprogramed Funds	-	39,657	39,657	39,657
Total Expenditures	-	474,013	474,013	499,948
Excess of Revenues Over (Under) Expenditures	-	25,935	25,935	-
Other Financing Sources (Uses):				
Transfer to SPLOST Fund	-	(25,935)	(25,935)	-
Total Other Financing Sources (Uses)	-	(25,935)	(25,935)	-
Net change in fund balances	-	-	-	-
Fund Balance - beginning of year	-	-	-	-
Fund balance - end of year	$ -	$ -	$ -	$ -

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, 2012

	Balance October 1, 2011	Additions	Deletions	Balance September 30, 2012
Total - All Agency Funds				
Assets				
Cash and cash equivalents	$ 194,998	$ 4,549,901	$ 4,572,278	$ 172,621
Certificates of deposit	78,276	498	-	78,774
Total Assets	$ 273,274	$ 4,550,399	$ 4,572,278	$ 251,395
Liabilities				
Due to State of Georgia	$ 9,292	$ 444,176	$ 453,253	$ 215
Due to Board of Education	49,466	3,748,623	3,786,225	11,864
Due to Other Governments	121	4,892	4,969	44
Funds held in escrow	169,638	86,108	76,621	179,125
Due to others	44,757	266,600	251,210	60,147
Total Liabilities	$ 273,274	$ 4,550,399	$ 4,572,278	$ 251,395

CRAWFORD COUNTY, GEORGIA

AGENCY FUNDS
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012

	Balance October 1, 2011	Additions	Deletions	Balance September 30, 2012
Superior Court				
Assets				
Cash and cash equivalents	$ 38,096	$ 89,978	$ 88,955	$ 39,119
Certificates of deposit	78,276	498	-	78,774
Total Assets	$ 116,372	$ 90,476	$ 88,955	$ 117,893
Liabilities				
Funds held in escrow	$ 109,907	$ 3,681	$ 3,610	$ 109,978
Due to others	6,465	86,795	85,345	7,915
Total Liabilities	$ 116,372	$ 90,476	$ 88,955	$ 117,893
Magistrate Court				
Assets				
Cash and cash equivalents	$ 15,604	$ 89,734	$ 95,206	$ 10,132
Total Assets	$ 15,604	$ 89,734	$ 95,206	$ 10,132
Liabilities				
Funds held in escrow	$ 7,690	$ 40,804	$ 48,494	$ -
Due to others	7,914	48,930	46,712	10,132
Total Liabilities	$ 15,604	$ 89,734	$ 95,206	$ 10,132

CRAWFORD COUNTY, GEORGIA

AGENCY FUNDS
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012
(CONTINUED)

	Balance October 1, 2011	Additions	Deletions	Balance September 30, 2012
Probate Court				
Assets				
Cash and cash equivalents	$ 6,030	$ 54,948	$ 54,011	$ 6,967
Total Assets	$ 6,030	$ 54,948	$ 54,011	$ 6,967
Liabilities				
Due to others	$ 6,030	$ 54,948	$ 54,011	$ 6,967
Total Liabilities	$ 6,030	$ 54,948	$ 54,011	$ 6,967
Sheriff's Department				
Assets				
Cash and cash equivalents	$ 9,644	$ 45,691	$ 34,614	$ 20,721
Total Assets	$ 9,644	$ 45,691	$ 34,614	$ 20,721
Liabilities				
Due to Others	$ 9,644	$ 45,691	$ 34,614	$ 20,721
Total Liabilities	$ 9,644	$ 45,691	$ 34,614	$ 20,721

CRAWFORD COUNTY, GEORGIA

AGENCY FUNDS
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012
(CONTINUED)

	Balance October 1, 2011	Additions	Deletions	Balance September 30, 2012
Tax Commissioner's Office				
Assets				
Cash and cash equivalents	$ 125,304	$ 4,266,270	$ 4,296,202	$ 95,372
Total Assets	$ 125,304	$ 4,266,270	$ 4,296,202	$ 95,372
Liabilities				
Due to State of Georgia	$ 9,292	$ 444,176	$ 453,253	$ 215
Due to Board of Education	49,466	3,748,623	3,786,225	11,864
Due to Other Governments	121	4,892	4,969	44
Funds held in escrow	52,041	41,623	24,517	69,147
Due to others	14,384	26,956	27,238	14,102
Total Liabilities	$ 125,304	$ 4,266,270	$ 4,296,202	$ 95,372
Aternative Dispute Resolution				
Assets				
Cash and cash equivalents	$ 320	$ 3,280	$ 3,290	$ 310
Total Assets	$ 320	$ 3,280	$ 3,290	$ 310
Liabilities				
Due to others	$ 320	$ 3,280	$ 3,290	$ 310
Total Liabilities	$ 320	$ 3,280	$ 3,290	$ 310

CRAWFORD COUNTY, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012

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	$ 2,125,269	$ -	$ 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	600	670,279
Totals	$ 4,400,000	$ 4,400,000	$ 3,691,368	$ 600	$ 3,691,968

CRAWFORD COUNTY, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012

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	$ 1,447,643	$ 78,657	$ 1,526,300
Government Facility	467,600	467,600	-	-	-
Public Safety Facilities and Equipment	935,200	935,200	295,510	14,297	309,807
Recreation	233,800	233,800	128,060	61,954	190,014
Courthouse	233,800	233,800	569,469	-	569,469
Economic and Communicty Development	327,320	327,320	-	-	-
City of Roberta Water / Wastewater and Public Safety Equipment	607,880	607,880	188,422	76,586	265,008
Totals	$ 4,676,000	$ 4,676,000	$ 2,629,104	$ 231,494	$ 2,860,598

Note 1:

The difference in SPLOST expenditures by project and the expenditures noted in the various SPLOST Funds represents debt service payments totaling $498,866 ($435,000 in principal and $63,866 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 2012, the County requested reimbursement of $51,900 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.

Note 3:

In FY2012, the County received a Community Development Block Grant (CDBG) to be used for various approved SPLOST road projects. The CDBG required a $200,000 local match. During the close out period for the CDBG it was determined that the County had provided excess local matching funds to the road projects. The County was approved to reimburse the SPLOST fund $25,935 for excess in-kind match provided for the road projects. The total roads current year expenditures reported above have been reduced for the $25,935 reimbursed by the CDBG Fund.

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CRAWFORD COUNTY, GEORGIA

BALANCE SHEET
CRAWFORD COUNTY DEVELOPMENT AUTHORITY
COMPONENT UNIT
SEPTEMBER 30, 2012

ASSETS		
Cash and cash equivalents	$	150,310
Accounts receivable		7,807
Note receivable		272,244
Total Assets	$	430,361
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	$	1,214
Due to primary government		803
Deferred revenues		10,087
Total Liabilities		12,104
Fund Balance:		
Nonspendable		45,433
Unassigned		372,824
Total Fund Balance		418,257
Total Liabilities and Fund Balance	$	430,361

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, 2012

Revenues:		
Intergovernmental revenue	$	70,294
Rental income		136,468
Utility income		4,481
Interest earnings		10,954
Other miscellaneous revenues		1,057
Total Revenues		223,254
Expenditures:		
Current:		
Economic development		84,315
Debt Service		
Principal		100,216
Interest		11,927
Capital Outlay		6,158
Total Expenditures		202,616
Net change in fund balance		20,638
Fund Balance, beginning of year		397,619
Fund Balance, end of year	$	418,257

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GOVERNMENTAL REPORTS

CRAWFORD COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012

Federal/Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Housing and Urban Development			
Passed through Georgia Department of Community Affairs			
Community Development Block Grant (CDBG) - Street and Drainage Improvements	14.228	10p-y-039-1-5309	$ 499,948
Total Pass-through Programs			499,948
Total Department of Housing and Urban Development			499,948
U.S. Department of Transportation			
Passed through Georgia Department of Transportation			
Rural Operating Assistance Grant	20.509	T-0038-42	39,466
Rural Operating Assistance Grant	20.509	T-0042-96	12,908
Total Pass-through Programs			52,374
Total Department of Housing and Urban Development			52,374
U.S. Department of Interior			
Passed through Georgia Department of Natural Resources			
Land and Water Conservation Fund Grant (LWCF) Crawford County Park	15.916	13-00917	51,900
Total Pass-through Programs			51,900
Total U.S. Department of Justice			51,900
U.S. Department of Justice			
Passed through Council of Juvenile Court Judges of Georgia			
Juvenile Offenders Grant Program	16.523	JB-09ST-004	6,200
Total Pass-through Programs			6,200
Total U.S. Department of Justice			6,200
U.S. Department of Homeland Security			
Passed through GEMA			
Emergency Management Performance Grant	97.042	OEM 11-041	5,000
Total Pass-through Programs			5,000
Total U.S. Department of Homeland Security			5,000
Total Expenditures of Federal Awards			$ 615,422

See accompanying notes to schedule of expenditures of federal awards

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying schedule of expenditures of Federal Awards includes the federal grant activity of Crawford County, Georgia under programs of the federal government for the fiscal year ended September 30, 2012. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the schedule presents only a selected portion of the operations of Crawford County, Georgia, it is not intended to and does not present the financial position, changes in net assets or cash flows of Crawford County, Georgia.

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

Measurement Focus

The determination of when an award is expended is based on when the activity related to the award occurs.

Program Type Determination

Type A programs are defined as Federal programs with Federal expenditures exceeding the larger of $300,000 or three percent of total Federal expenditures. The threshold of $300,000 was used in distinguishing between Type A and Type B programs.

Method of Major Program Selection

The risk-based approach was used in the selection of Federal programs to be tested as major programs. The County did not qualify as a low-risk auditee for the fiscal year ended September 30, 2012.

CRAWFORD COUNTY, COUNTY

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012

FEDERAL AWARD FINDINGS

Findings Noted on the Report on compliance with Requirements Applicable to Each Major Program and Internal control over Compliance in Accordance with OMB Circular A-133:

NONE REPORTED

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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, 2012, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 17, 2013. Our report includes a reference to other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Crawford County Health Department, as described in our report on the County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

Management of Crawford County is responsible for establishing and maintaining effective 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of 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 questioned costs, 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 questioned costs to be material weaknesses. 2012-001, 2012-002, 2012-003, 2012-004, 2012-005

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 July 17, 2013.

Crawford County, Georgia's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. 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
July 17, 2013

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY OMB CIRCULAR A-133

Board of Commissioners
Crawford County, Georgia

Report on Compliance for Each Major Federal Program

We have audited Crawford County, Georgia's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Crawford County, Georgia's major federal programs for the fiscal year ended September 30, 2012. Crawford County, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Crawford County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Crawford County, Georgia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Crawford County, Georgia's compliance.

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Opinion on Each Major Federal Program

In our opinion, Crawford County, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended September 30, 2012.

Report on Internal Control Over Compliance

Management of Crawford County, Georgia is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Crawford County, Georgia's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Crawford County, Georgia's internal control over compliance.

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

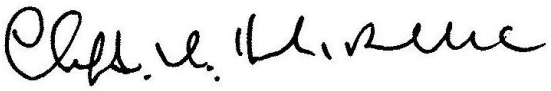
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the financial statements of Crawford County, Georgia as of and for the year ended September 30, 2012, and have issued our report thereon dated July 17, 2013, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Macon, Georgia
July 17, 2013



CRAWFORD COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2012

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unqualified
Internal control over financial reporting:	
Material weakness(es) identified?	Yes
Significant deficiency(ies) identified that are not considered to be material weakness(es)	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	None Reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section .510(a) of OMB Circular A-133?	No

Identification of Major Programs:

CFDA Numbers	Name of Federal Program
14.228	Community Development Block Grant

Dollar threshold used to distinguish between Type A and Type B program	$ 300,000
Auditee qualified as low-risk auditee	No

Section II – Financial Statement Findings

2012-001 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

Adequate records are not being maintained in order to identify the proper recipient of funds collected each month. Court funds are not being disbursed in a timely manner.

CONTEXT

The Clerk of Superior Court office showed $6,495 of excess or unidentified cash in a operating bank account from January 2011. This is an increase of $343 from the excess cash of $6,152 reported by the County in fiscal year 2011.

CAUSE

The Clerk of Superior Court has not yet completed the research on the case files to proceed with the disbursement of the funds.

EFFECT

Failure to adequately monitor, reconcile and disburse the funds could increase the likelihood of misappropriation of funds or errors going undetected.

RECOMMENDATION

The Clerk of Superior Court should determine the appropriate plan to identify the legal payees and disburse the funds in accordance with State Law.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

We concur with the finding. The County will work towards strengthening the internal control system that is currently in place at the Clerk of Superior Court's office. Specifically, the Clerk of Court will be instructed to work diligently towards identifying the owners of the funds left in the old operating account. Subsequently, payouts will be made as owners are identified. As stated in the finding above, a majority of the funds were left over from a prior Clerk of Court's administration.

2012-002 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
The following agency funds had inadequate segregation of duties within the cash receipts and disbursements areas: Superior Court, Magistrate Court, and Probate Court.

CONTEXT
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 Chief Magistrate is responsible for preparing checks, signing the checks, and 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.

CAUSE
Incompatible accounting functions are assigned to single individuals.

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

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 work towards strengthening the internal control systems that are currently in place at the offices of the Clerk of Superior Court, Magistrate Court, and Probate Court. In turn, this will further mitigate the risks associated with the small number of employees assigned to each office. Each office will be strongly encouraged to implement the new controls and/or changes that are presented to them.

2012-003 Probate Court Deposits

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

CONDITION
The Probate Court is not making deposits to the bank accounts on a timely basis.

CONTEXT
During our testing of the Probate Court deposits it was determined that only nineteen deposits were made during the fiscal year.

CAUSE
The Probate Court lacked procedures requiring deposits on a timely basis.

EFFECT
Failure to make timely deposits could increase the likelihood of misappropriation of assets.

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).

2012-004 Magistrate Court Deposits

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

CONDITION
The Magistrate Court is not making deposits to the bank accounts on a timely basis.

CONTEXT
During our testing of the Magistrate Court deposits it was determined that only twenty deposits were made during the fiscal year, with only two months (June and July) having multiple deposits per month. For the majority of the fiscal year, there was only one deposit made per month.

CAUSE
The Magistrate Court lacked procedures requiring deposits on a timely basis.

EFFECT
Failure to make timely deposits could increase the likelihood of misappropriation of assets.

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 Magistrate Court to make more timely deposits (i.e., at least bi-weekly).

2012-005 Recreation Revenue

CRITERIA
Accounting and control procedures should be designed to insure that recreation funding is recorded and reported on a timely basis. Recreation deposits should be supported by program registration forms or concession stand sales reports.

CONDITION
The County took over the recreation activities during January 2012. The County did not instill adequate internal controls within the County's recreation department to capture supporting documentation to substantiate recreation deposits.

CONTEXT
During our testing of the recreation department revenues it was determined that the County did not have supporting documentation for program fees or concession stand sales.

CAUSE
The County did not establish adequate internal control policies and procedures over the collection and reconciliation of recreation revenue.

EFFECT
Failure to adequately monitor and reconcile recreation revenue could increase the likelihood of misappropriation of funds.

RECOMMENDATION
The County should redesign the internal control system for the recreation department and detail out the procedures for collecting registration fees and concession stand operations.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS
We concur with the finding. The County will implement adequate internal controls within the Recreation Department in order to substantiate recreation deposits that are made.

Section III – Federal Award Findings and Questioned Costs

No matters were reported.

2011-01 General Ledger Maintenance

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.

UPDATE
This matter was resolved during fiscal year 2012.

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

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

UPDATE
This matter was resolved during fiscal year 2012.

2011-03 Agency Fund Maintenance of Records – Superior Court

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.

UPDATE
Unresolved. See current year finding 2012-001.

2011-04 Segregation of Duties – Agency Funds

CONDITION
We noted various areas involving the internal controls of the County which were ineffective within the Clerk of Superior Court Office, Sheriff's Office, Magistrate Court Office, and Probate Court Office.

UPDATE
Unresolved. See current year finding 2012-002.

2011-05 Probate Court Deposits

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

UPDATE
Unresolved. See current year finding 2012-003.