CRISP COUNTY, GEORGIA

FINANCIAL REPORT

FOR THE
FISCAL YEAR ENDED JUNE 30, 2009

INTRODUCTORY SECTION

CRISP COUNTY, GEORGIA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

TABLE OF CONTENTS

I. INTRODUCTORY SECTION

Page

Table of Contents ..... i and ii
List of Principal Officials iii

II. FINANCIAL SECTION

Independent Auditor's Report ..... 1 and 2
Management's Discussion and Analysis ..... 3 - 11
Basic Financial Statements:
Government-Wide Financial Statements:
Statement of Net Assets ..... 12 and 13
Statement of Activities ..... 14 and 15
Fund Financial Statements:
Balance Sheet – Governmental Funds ..... 16 and 17
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds ..... 18 and 19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities 20
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget (GAAP Basis) and Actual – General Fund ..... 21 and 22
Statement of Revenues, Expenditures and Changes in Fund Balances – Budget (GAAP Basis) and Actual – CDBG Revolving Loan Fund 23
Statement of Net Assets – Proprietary Funds 24
Statement of Revenues, Expenses and Changes in Fund Net Assets – Proprietary Funds 25
Statement of Cash Flows – Proprietary Funds 26
Statement of Fiduciary Assets and Liabilities – Agency Funds 27
Notes to Financial Statements ..... 28 - 59
Required Supplementary Information:
Defined Benefit Retirement Plan – Schedule of Funding Progress 60
Combining and Individual Fund Statements and Schedules:
Combining Balance Sheet – Nonmajor Governmental Funds ..... 61 and 62
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds ..... 63 and 64
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds 65
Combining Statement of Assets and Liabilities – Agency Funds ..... 66 and 67

CRISP COUNTY, GEORGIA
FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

TABLE OF CONTENTS (CONTINUED)

III. COMPLIANCE SECTION

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* ..... **68 and 69**

Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133 ..... **70 and 71**

Schedule of Expenditures of Federal Awards ..... **72 and 73**

Note to Schedule of Expenditures of Federal Awards **74**

Schedule of Findings and Questioned Costs ..... **75 - 79**

Schedule of Prior Year Findings ..... **80 and 81**

IV. SUPPLEMENTAL SECTION

Independent Accountant's Report on Local Assistance Grants **82**

State of Georgia Grant Certification Form **83**

CRISP COUNTY, GEORGIA

LIST OF PRINCIPAL OFFICIALS
JUNE 30, 2009

ELECTED

James D. Harris, County Commissioner

Arthur James Nance, County Commissioner

Wallace Mathis, County Commissioner

William Culpepper, County Commissioner

Brad Faircloth, County Commissioner

STAFF

Lester E. Crapse, Jr., County Administrator

Sherrie Leverett, Finance Director

FINANCIAL SECTION

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
of Crisp County, Georgia
Cordele, 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 **Crisp County, Georgia**, as of and for the year ended June 30, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Crisp County, Georgia's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the component unit financial statements of the Crisp County Board of Health which statements reflect total assets of $318,733 and total revenues of $789,034 or the Regional Health Services, Inc. which statements reflect total assets of $80,605,000 and total revenues of $71,781,000 for the year ended June 30, 2009. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion on the basic financial statements, insofar as it relates to the amounts included for these component units, is based on the reports 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. The financial statements of the Crisp Regional Health Services were audited in accordance with auditing standards generally accepted in the United States of America but were not audited in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. 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 reports of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of the 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 Crisp County, Georgia as of June 30, 2009, and the respective changes in financial position, and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund and the Major Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 28, 2010, on our consideration of Crisp County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis (on pages 3 – 11) and the Required Supplementary Information on page 60 are not a required part of the basic financial statements, but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Crisp County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* and is not a required part of the basic financial statements of Crisp County, Georgia. The schedule of expenditures of special purpose local option sales tax proceeds is presented for purposes of additional analysis as required by Official Code of Georgia 48-8-121, and is not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules, the schedule of expenditures of federal awards and the schedule of expenditures of special purpose local option sales tax proceeds have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Mauldin & Jenkins, LLC

Albany, Georgia
April 28, 2010

As management of Crisp County, Georgia, (the County) we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the Crisp County, Georgia for the fiscal year ended June 30, 2009. 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 Primary Government's total assets exceeded its liabilities at June 30, 2009, by $67,618,277 (net assets). Of this amount, $12,001,697 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The Primary Government's total net assets decreased by $744,413 for the fiscal year ended June 30, 2009.
- Included in the total net assets of the Primary Government, is an investment of $54,664,475 in capital assets net of related debt.
- The County's General Fund unreserved fund balanced declined by $672,107 to $7,253,823 for the fiscal year. Including fund transfers, this equates to 52% of total General Fund expenditures.
- The fund balances of $3,770,085 from SPLOST and other governmental fund balances brings the County's combined ending fund balance to $10,930,528 as of the close of fiscal year 2009. This is a decrease in the amount of $7,383,218 or approximately 40% from the previous fiscal year.
- The County's capital lease, notes payable and revenue bond debt balance reported at June 30, 2009 was decreased by $472,721 during the current year. Additionally, in order to purchase needed equipment, capital lease debt was increased by $243,030.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Crisp County's basic financial statements. The County's basic financial statements comprise 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 statements themselves.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of Crisp 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. It is important to note that this statement consolidates the governmental fund's current financial resources (short-term) with capital assets and long-term liabilities.

The statement of activities presents information showing how the government's net assets changed during the 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.

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through administrative fees and charges (business-type activities). The governmental activities of the County include general government, judicial, public safety, public works, health and welfare, parks and recreation, housing and community development and economic development. The business-type activities of the County include the water system, the municipal solid waste landfill and the self-insurance health benefit fund.

The government-wide financial statements include not only Crisp County itself (known as the primary government), but also a legally separate board of health, a hospital authority, and an electric power commission. The County is financially accountable for each of these entities. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 12 - 15 of this report.

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. Crisp 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 (3) 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.

For the fiscal year ended June 30, 2009, the County maintained eleven (11) individual governmental funds to account for the following activities: General Fund, Law Library Fund, Asset Forfeiture Fund, DARE Fund, Jail Fund, E-911 Fund, Hotel/Motel Tax Fund, CDBG Revolving Loan Fund, Northside Water Distribution Fund, and Capital Project (SPLOST) 2000 and 2005 Funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the CDBG Revolving Loan Fund and the Sales Tax Funds, all of which are considered to be major funds. 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.

The County adopts an annual appropriated budget for all General and Special Revenue Funds. Budgetary comparison statements have been provided for the General Fund and Major Special Revenue Fund to demonstrate compliance with budget. Budgets for capital project funds are adopted on a project-length basis, however, they are reviewed and updated as needed during the annual budget process.

Proprietary Funds. The County maintains two (2) different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for water distribution and solid waste operations.

Internal service funds are an accounting devise used to accumulate and allocate cost internally among the County's various departments and divisions. The County has no internal service funds.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water System Fund, the Landfill Fund and the Self-Insurance Health Benefit Fund. All three funds are considered major funds of the County.

The basic proprietary fund financial statements can be found on pages 24 - 26 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held by agencies for benefit of parties outside the government. Those agencies include the Clerk of Superior Court, the Probate Judge, the Crisp County Sheriff, the Jail Inmate Fund, the Tax Commissioner and the Magistrate Court. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The Statement of Fiduciary Assets and Liabilities – Agency funds financial statements can be found on page 27 of this report. The combining statement of assets and liabilities for agency funds is located on pages 66 - 67.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28 - 59 of this report.

Other Information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 61 - 64 of this report.

Government-Wide Financial Analysis

Net assets generally serve over time as a useful indicator of a government's financial position. In the case of Crisp County, assets exceed liabilities by $67,618,277 at the close of the most recent fiscal year.

The largest portion of the County's net assets (81%) 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.

Crisp County's Net Assets
JUNE 30, 2009

	Governmental Activities	Governmental Activities	Business-type Activities	Business-type Activities	Total	
	FY 2008	FY 2009	FY 2008	FY 2009	FY 2008	FY 2009
Current and other assets	$ 19,894,237	$ 13,391,952	$ 3,916,010	$ 3,867,721	$ 23,810,247	$ 17,259,673
Capital assets	45,311,005	51,899,960	8,602,875	8,233,065	53,913,880	60,133,025
Total assets	65,205,242	65,291,912	12,518,885	12,100,786	77,724,127	77,392,698
Long-term liabilities outstanding	243,926	336,426	7,146,488	6,723,216	7,390,414	7,059,642
Other liabilities	1,140,642	1,810,129	830,381	904,650	1,971,023	2,714,779
Total liabilities	1,384,568	2,146,555	7,976,869	7,627,866	9,361,437	9,774,421
Net assets:						
Invested in capital assets, net of related debt	45,256,543	51,709,998	2,959,096	2,954,477	48,215,639	54,664,475
Restricted	6,001,373	814,683	136,998	137,422	6,138,371	952,105
Unrestricted	12,562,758	10,620,676	1,445,922	1,381,021	14,008,680	12,001,697
Total net assets	$ 63,820,674	$ 63,145,357	$ 4,542,016	$ 4,472,920	$ 68,362,690	$ 67,618,277

The remaining balance of unrestricted net assets ($12,001,697) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Crisp County is able to report positive balances in all three (3) categories of net assets for the governmental activities and business-type activities.

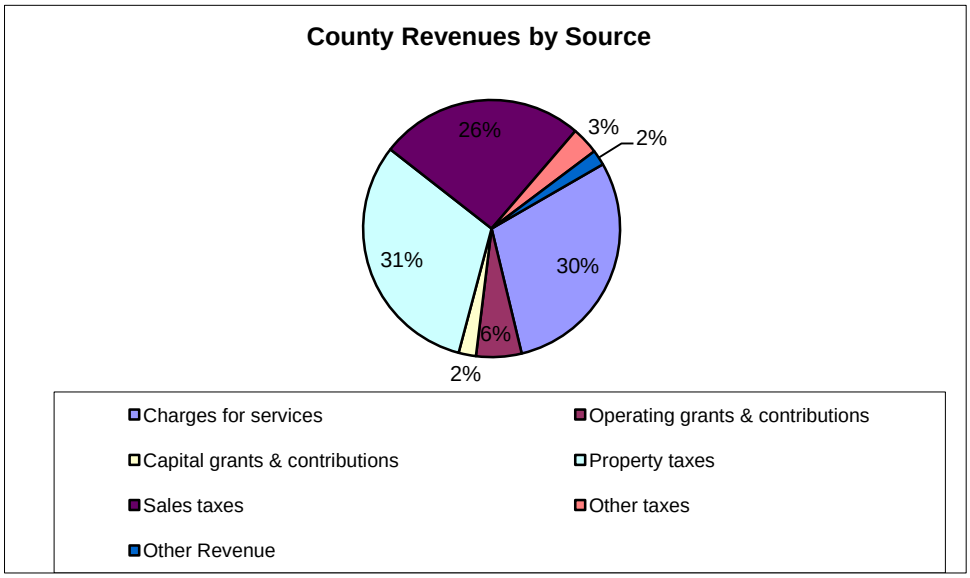
Governmental Activities. The County's net assets were actually reduced by governmental activities for the fiscal year by $675,317. As indicated by the following chart, governmental activities expenses exceeded program revenues by just over 3% or $595,317 for the twelve-month period of July 1, 2008 through June 30, 2009. An additional $80,000 in other expenses was recorded due to a transfer to the County's Landfill Fund.

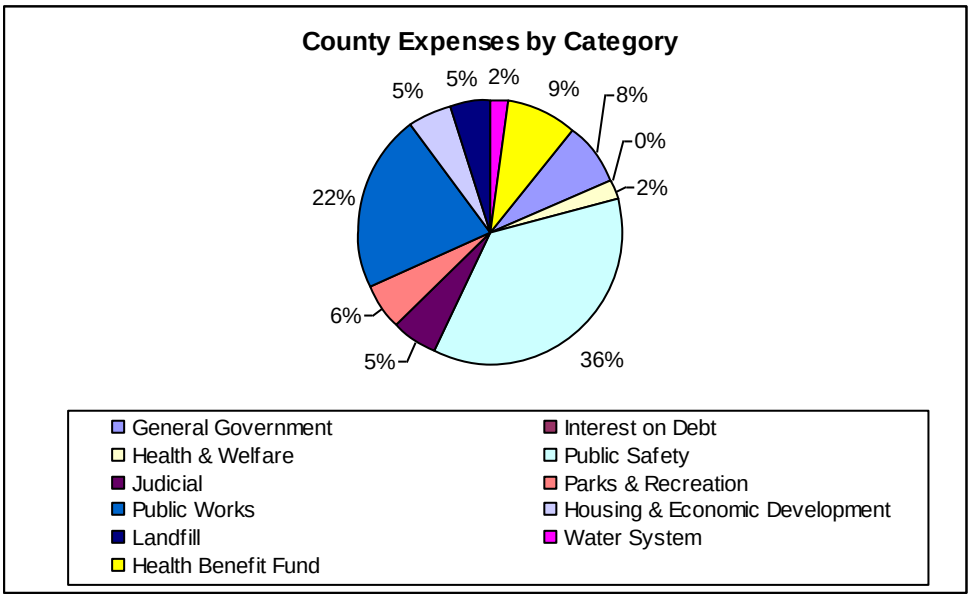
Business-type activities. Business-type activities also decreased the County's net assets for fiscal year 2009, by $69,096. Charges for services represented 97% of the total program revenue, while unrestricted investment earnings and other revenue combined for the remaining 3%. The following table also indicates the changes in net assets for business-type activities for the 2009 fiscal year:

CRISP COUNTY'S CHANGES IN NET ASSETS
June 30, 2009

	Governmental Activities		Business-type Activities		Total	
	FY 2008	FY 2009	FY 2008	FY 2009	FY 2008	FY 2009
Revenues:						
Program revenues:						
Charges for services	$ 3,574,061	$ 3,121,070	$ 4,194,526	$ 3,423,867	$ 7,768,587	$ 6,544,937
Operating grants and contributions	1,249,941	1,263,342	-	-	1,249,941	1,263,342
Capital grants and contributions	333,640	483,089	-	-	333,640	483,089
General revenues:						
Property taxes	6,826,518	6,958,770	-	-	6,826,518	6,958,770
Sales taxes	6,659,316	5,694,114	-	-	6,659,316	5,694,114
Franchise taxes	64,700	55,893	-	-	64,700	55,893
Insurance premimum tax	546,200	543,967	-	-	546,200	543,967
Other taxes	232,761	217,960	-	-	232,761	217,960
Unrestricted investment earnings	598,198	269,611	104,074	93,523	702,272	363,134
Other revenues	-	64,239	-	-	-	64,239
Total revenues	20,085,335	18,672,055	4,298,600	3,517,390	24,383,935	22,189,445
Expenses:						
General government	1,873,274	1,741,705	-	-	1,873,274	1,741,705
Judicial	1,353,827	1,243,695	-	-	1,353,827	1,243,695
Public safety	8,101,628	8,209,043	-	-	8,101,628	8,209,043
Public works	5,451,581	5,034,574	-	-	5,451,581	5,034,574
Health and welfare	73,413	572,260	-	-	73,413	572,260
Recreation	671,311	1,264,348	-	-	671,311	1,264,348
Housing and community development	542,626	1,198,697	-	-	542,626	1,198,697
Interest on long-term debt	10,828	3,050	-	-	10,828	3,050
Water	-	-	417,337	443,231	417,337	443,231
Landfill	-	-	1,295,833	1,206,900	1,295,833	1,206,900
Health Benefit Fund	-	-	2,508,548	2,016,355	2,508,548	2,016,355
Total expenses	18,078,488	19,267,372	4,221,718	3,666,486	22,300,206	22,933,858
Increase (decrease) in net assets before transfers	2,006,847	(595,317)	76,882	(149,096)	2,083,729	(744,413)
Transfers	-	(80,000)	-	80,000	-	-
Total increase (decrease) in net assets	2,006,847	(675,317)	76,882	(69,096)	2,083,729	(744,413)
Net assets, beginning of year	61,813,827	63,820,674	4,465,134	4,542,016	66,278,961	68,362,690
Net assets, end of year	$ 63,820,674	$ 63,145,357	$ 4,542,016	$ 4,472,920	$ 68,362,690	$ 67,618,277

Approximately 30% of the County's total revenue came from charges from services, 31% from property taxes, 26% from sales tax, while the remaining 13% came from various other revenues. The County's expenses cover a range of services. The largest expenses, 36%, are related to providing public safety, which includes law enforcement, fire protection, E-911 services, ambulance services, animal control, coroner and jail services.





Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the County's governmental funds reported a significant decrease in combined ending fund balances from the previous year of $7,383,218 reducing that total by 40% down to $10,930,528.

The General Fund is the chief operating fund of Crisp County and ended the fiscal year with a fund balance of $7,253,823. Of that amount $93,380 was reserved for prepaid items while the remaining $7,160,443 remains unreserved. As a measure of the General Fund's liquidity, it is useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance represents 52% of total General Fund expenditures.

The 2000 and 2005 Sales Tax Funds have a combined total fund balance of $836,419, all of which is unreserved.

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

Unrestricted net assets of the Water Fund at the end of the year amounted to $762,546. The Water Fund had operating income of $28,613 for fiscal year 2009. Combined with non-operating expenses of $44,919, this fund's net assets decreased by $16,306 during fiscal year 2009.

Unrestricted net assets of the Landfill Fund at the end of the year amounted to a negative $273,639. The Landfill Fund's operating income of $82,841 combined with non-operating expenses of $162,439 and transfers in from the General Fund of $80,000 provided an increase of only $402 over the previous year's net asset balance.

Capital Asset and Debt Administration

Capital Assets. Crisp County's investment in capital assets for its governmental and business-type activities as of June 30, 2009, amounts to $60,133,025 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, infrastructure, and construction in progress.

Crisp County's Capital Assets
(Net of Depreciation)

	Governmental Activities 2009	Business-type Activities 2009	Total
Land	$ 2,362,240	$ 765,223	$ 3,127,463
Construction in progress	9,109,014	192,039	9,301,053
Land improvements	4,903,171	-	4,903,171
Infrastructure	22,772,091	-	22,772,091
Plant & Buildings	10,114,162	6,531,394	16,645,556
Furniture, machinery & eq.	2,639,282	734,728	3,374,010
System Improvements	-	9,681	9,681
Total	$ 51,899,960	$ 8,233,065	$ 60,133,025

Major capital asset events during the current fiscal year included the following:

- Construction continued on the Northside Area Water & Sewer Improvement projects, funded by a combination of sources, primarily grant revenue received from the State of Georgia CDBG program. Other sources of revenue applied to this project came from the City of Cordele and the Crisp County General Fund.
- Construction continues and is near completion on the new, state of the art, Crisp County Courthouse, funding provided primarily by SPLOST and a small percentage of miscellaneous revenue.
- Construction was completed on the Airport Tee Hanger Project, funded primarily (95%) through grant revenue received from the Federal Aviation Administration and the Georgia Department of Transportation.
- New vehicles and equipment were purchased for the Crisp County Sheriff's office, Public Works and Sanitation Divisions, through a combination of SPLOST Funds, General Fund dollars, and lease purchase revenue.
- Over $27,000 was expended on County road projects, funded by SPLOST funds.
- Construction was completed on the combined project for improvements to the Crisp County Sheriff's Investigation offices, the Coroners office space and morgue addition, enhancements to the Animal Control facility, improvements and expansion to the Detention Center and remodeling of the Crisp County Health Department, all funded by SPLOST.
- $500,000 in SPLOST funding was expended for future economic development projects.
- Engineering and design phase for construction of two MSW cells and one C&D cell at the County's Landfill began in Fiscal Year 2009.
- Additional information on the County's capital assets can be found in Note 6 on pages 42 - 45 of this report.

Long-Term Debt. As of June 30, 2009, Crisp County's long-term debt consisted of notes payable, capital lease payable, compensated absences, revenue bonds payable and landfill closure and postclosure care.

The County's total long-term debt for its governmental activities increased by $106,924 and decreased for business-type activities by $406,270 during the current fiscal year.

Additional information on the County's long-term debt can be found in Note 7 on pages 46 – 49 of this report.

Economic Factors

- Crisp County, as included in the River Valley Regional Commission of the State of Georgia, reports an unemployment rate of 11.1%, which exceeds both the rate for the State of Georgia of 10.5% and the national average of 9.7%.

Requests for Information

This financial report is designed to provide a general overview of Crisp 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 Sherrie Leverett, Finance Director, 210 South 7th Street, Room 308, Cordele, Georgia 31015 or sleverett@crispcounty.com.

CRISP COUNTY, GEORGIA

STATEMENT OF NET ASSETS
JUNE 30, 2009

ASSETS	Primary Government		
	Governmental Activities	Business-type Activities	Total
Cash and cash equivalents	$ 3,361,816	$ 2,704,145	$ 6,065,961
Investments	5,815,533	1,219,321	7,034,854
Taxes receivable	608,479	-	608,479
Accounts receivable, net of allowances	67,247	239,969	307,216
Notes receivable	1,809,480	-	1,809,480
Internal balances	539,046	(539,046)	-
Due from other governments	899,873	-	899,873
Inventories	-	-	-
Prepaid items	93,380	1,500	94,880
Other assets	197,098	15,675	212,773
Restricted assets:			
Cash	-	226,157	226,157
Assets limited as to use	-	-	-
Goodwill	-	-	-
Deferred financing costs	-	-	-
Investment in affiliated companies	-	-	-
Capital assets:			
Nondepreciable	11,471,254	957,262	12,428,516
Depreciable, net of accumulated depreciation	40,428,706	7,275,803	47,704,509
Long-term intangible asset	-	-	-
Total assets	65,291,912	12,100,786	77,392,698
LIABILITIES			
Accounts payable	1,545,013	30,145	1,575,158
Accrued liabilities	75,310	26,278	101,588
Customer deposits payable from restricted assets	-	55,330	55,330
Claims payable	-	388,169	388,169
Other payables	-	-	-
Due to other governments	-	14,413	14,413
Capital leases due within one year	44,341	77,737	122,078
Capital leases due in more than one year	145,621	80,985	226,606
Notes payable due within one year	-	270,594	270,594
Notes payable due in more than one year	-	3,152,108	3,152,108
Bonds payable due within one year	-	33,405	33,405
Bonds payable due in more than one year	-	1,663,759	1,663,759
Compensated absences due within one year	145,465	8,579	154,044
Compensated absences due more than one year	190,805	11,885	202,690
Closure and postclosure care costs	-	1,814,479	1,814,479
Total liabilities	2,146,555	7,627,866	9,774,421
NET ASSETS			
Invested in capital assets, net of related debt	51,709,998	2,954,477	54,664,475
Restricted for debt service	-	69,353	69,353
Restricted for renewal and extension	-	68,069	68,069
Restricted for capital projects	814,683	-	814,683
Unrestricted	10,620,676	1,381,021	12,001,697
Total net assets	$ 63,145,357	$ 4,472,920	$ 67,618,277

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

Component Units		
Crisp County Power Commission	Crisp Regional Health Service, Inc.	Crisp County Board of Health
$ 4,245,429	$ 1,565,000	$ 283,887
-	-	-
-	-	-
5,235,205	7,898,000	-
-	1,173,000	-
-	-	-
-	-	34,846
839,561	858,000	-
1,020,324	-	-
-	1,347,000	-
-	-	-
471,150	34,919,000	-
-	728,000	-
-	695,000	-
-	461,000	-
807,451	2,157,000	-
17,675,786	28,804,000	-
1,727,158	-	-
32,022,064	80,605,000	318,733
1,996,020	2,116,000	-
516,491	3,640,000	-
471,150	-	-
-	-	-
-	66,000	-
-	-	34,846
-	-	-
-	-	-
-	473,000	-
-	651,000	-
-	1,100,000	-
-	19,135,000	-
-	-	-
-	-	79,245
-	-	-
2,983,661	27,181,000	114,091
18,483,237	10,726,000	-
-	-	-
-	-	-
-	-	-
10,555,166	42,698,000	204,642
$ 29,038,403	$ 53,424,000	$ 204,642

CRISP COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 1,748,556	$ 681,872	$ 391,583	$ -
Judicial	1,243,695	32,788	-	-
Public safety	8,202,192	2,231,247	326,463	195,427
Public works	5,034,574	3,831	542,296	-
Health and welfare	572,260	-	3,000	-
Parks and recreation	1,264,348	171,332	-	-
Housing and development	1,198,697	-	-	287,662
Interest on long-term debt	3,050	-	-	-
Total governmental activities	19,267,372	3,121,070	1,263,342	483,089
Business-type activities:				
Water system	443,231	416,114	-	-
Landfill	1,206,900	1,079,204	-	-
Self-insurance health benefit	2,016,355	1,928,549	-	-
Total business-type activities	3,666,486	3,423,867	-	-
Total primary government	$ 22,933,858	$ 6,544,937	$ 1,263,342	$ 483,089
Component unit:				
Crisp County Power Commission	35,932,745	35,978,737	-	-
Crisp Regional Health Services, Inc.	69,667,000	70,304,000	233,000	113,000
Crisp County Board of Health	829,615	149,344	637,868	-
Total component unit	$ 106,429,360	$ 106,432,081	$ 870,868	$ 113,000
General revenues:				
Property taxes				
Sales taxes				
Franchise fees				
Insurance premium tax				
Other taxes				
Unrestricted investment earnings				
Gain on sale of capital assets				
Transfers				
Total general revenues and transfers				
Change in net assets				
Net assets, beginning of year				
Net assets, end of year				

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

Net (Expenses) Revenues and Changes in Net Assets						
Primary Government			Component-units			
Governmental Activities	Business-type Activities	Total	Crisp County Power Commission	Crisp Regional Health Services, Inc.	Crisp County Board of Health
$ (675,101)	$ -	$ (675,101)	$ -	$ -	$ -
(1,210,907)	-	(1,210,907)	-	-	-
(5,449,055)	-	(5,449,055)	-	-	-
(4,488,447)	-	(4,488,447)	-	-	-
(569,260)	-	(569,260)	-	-	-
(1,093,016)	-	(1,093,016)	-	-	-
(911,035)	-	(911,035)	-	-	-
(3,050)	-	(3,050)	-	-	-
(14,399,871)	-	(14,399,871)	-	-	-
-	(27,117)	(27,117)	-	-	-
-	(127,696)	(127,696)	-	-	-
-	(87,806)				
-	(242,619)	(154,813)	-	-	-
(14,399,871)	(242,619)	(14,554,684)	-	-	-
-	-	-	45,992	-	-
-	-	-	-	983,000	-
-	-	-	-	-	(42,403)
$ -	$ -	$ -	$ 45,992	$ 983,000	$ (42,403)
6,958,770	-	6,958,770	-	-	-
5,694,114	-	5,694,114	-	-	-
55,893	-	55,893	-	-	-
543,967	-	543,967	-	-	-
217,960	-	217,960	-	-	-
269,611	93,523	363,134	184,766	1,128,000	1,822
64,239	-	64,239	-	3,000	-
(80,000)	80,000	-	-	-	-
13,724,554	173,523	13,898,077	184,766	1,131,000	1,822
(675,317)	(69,096)	(744,413)	230,758	2,114,000	(40,581)
63,820,674	4,542,016	68,362,690	28,807,645	51,310,000	245,223
$ 63,145,357	$ 4,472,920	$ 67,618,277	$ 29,038,403	$ 53,424,000	$ 204,642

CRISP COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2009

ASSETS	General	CDBG Revolving Loan Fund	2000 Sales Tax Fund
Cash and cash equivalents	$ 1,824,761	$ 229,274	$ 606,695
Investments	3,752,870	-	1,646,379
Receivables, net of allowance:			
Taxes	608,479	-	-
Accounts	35,795	-	-
Notes	-	1,809,480	-
Due from other funds	1,655,007	118,909	104,715
Due from other governments	447,632	-	-
Prepaid items	93,380	-	-
Total assets	$ 8,417,924	$ 2,157,663	$ 2,357,789
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 393,877	$ 463	$ 12,460
Accrued liabilities	65,024	-	-
Due to other funds	130,370	6,940	-
Deferred revenues	574,830	-	-
Total liabilities	1,164,101	7,403	12,460
FUND BALANCES			
Reserved for:			
Prepaid items	93,380	-	-
Noncurrent loans receivable	-	1,809,480	-
Unreserved, reported in:			
General fund	7,160,443	-	-
Special revenue funds	-	340,780	-
Capital project funds	-	-	2,345,329
Total fund balances	7,253,823	2,150,260	2,345,329
Total liabilities and fund balances	$ 8,417,924	$ 2,157,663	$ 2,357,789

Amounts reported for governmental activities in the statement of net assets are different because:
- Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.
- Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.
- Net pension obligation is not a financial liability in governmental activities and therefore is not reported in governmental funds.
- Certain liabilities are not due and payable in the current period and are therefore not reported in the funds.

Net assets of governmental activities

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

2005 Sales Tax Fund	Other Governmental Funds	Totals Governmental Funds
$ 318,357	$ 382,729	$ 3,361,816
-	416,284	5,815,533
-	-	608,479
-	31,452	67,247
-	-	1,809,480
747	28,859	1,908,237
452,241	-	899,873
-	-	93,380
$ 771,345	$ 859,324	$ 14,564,045
$ 1,080,377	$ 57,836	$ 1,545,013
-	10,286	75,310
1,130,705	101,176	1,369,191
69,173	-	644,003
2,280,255	169,298	3,633,517
-	-	93,380
-	-	1,809,480
-	-	7,160,443
-	711,762	1,052,542
(1,508,910)	(21,736)	814,683
(1,508,910)	690,026	10,930,528
$ 771,345	$ 859,324	
		51,899,960
		644,003
		197,098
		(526,232)
		$ 63,145,357

CRISP COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	General	CDBG Revolving Loan Fund	2000 Sales Tax Fund
Revenues			
Property taxes	$ 6,903,163	$ -	$ -
Sales taxes	1,782,567	-	-
Franchise taxes	55,893	-	-
Insurance premium taxes	543,967	-	-
Other taxes	174,351	-	-
Licenses and permits	74,185	-	-
Intergovernmental	1,274,192	-	81,738
Charges for services	914,640	-	-
Fines and forfeitures	1,179,831	-	-
Interest income	134,459	68,095	33,283
Other revenues	303,986	-	-
Total revenues	13,341,234	68,095	115,021
Expenditures			
Current:			
General government	1,721,854	-	-
Judicial	1,201,786	-	-
Public safety	6,979,317	-	-
Public works	1,980,040	-	-
Health and welfare	534,447	-	-
Parks and recreation	983,201	-	-
Housing and development	387,579	151,515	-
Capital outlay	-	-	451,295
Debt service:			
Principal	-	-	53,067
Interest	-	-	-
Total expenditures	13,788,224	151,515	504,362
Deficiency of revenues over expenditures	(446,990)	(83,420)	(389,341)
Other financing sources (uses)			
Proceeds from the sale of capital assets	221,420	-	-
Capital leases	-	-	243,030
Transfers in	21,805	-	-
Transfers out	(468,342)	-	-
Total other financing sources (uses)	(225,117)	-	243,030
Net change in fund balances	(672,107)	(83,420)	(146,311)
Fund balances, beginning of year	7,925,930	2,233,680	2,491,640
Fund balances, end of year	$ 7,253,823	$ 2,150,260	$ 2,345,329

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

2005 Sales Tax Fund	Other Governmental Funds	Total Governmental Funds
$ -	$ -	$ 6,903,163
3,809,864	-	5,592,431
-	-	55,893
-	-	543,967
-	43,609	217,960
-	-	74,185
-	390,501	1,746,431
-	443,543	1,358,183
-	199,091	1,378,922
22,654	11,120	269,611
-	5,794	309,780
3,832,518	1,093,658	18,450,526
-	-	1,721,854
-	33,440	1,235,226
-	1,006,662	7,985,979
-	407,122	2,387,162
-	-	534,447
-	-	983,201
-	21,804	560,898
10,247,552	-	10,698,847
54,463	-	107,530
3,050	-	3,050
10,305,065	1,469,028	26,218,194
(6,472,547)	(375,370)	(7,767,668)
-	-	221,420
-	-	243,030
-	388,342	410,147
-	(21,805)	(490,147)
-	366,537	384,450
(6,472,547)	(8,833)	(7,383,218)
4,963,637	698,859	18,313,746
$ (1,508,910)	$ 690,026	$ 10,930,528

CRISP 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 JUNE 30, 2009

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	$	(7,383,218)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		6,746,136
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets.		(157,181)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		157,290
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(135,500)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		97,156
	$	(675,317)

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

CRISP COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues:				
Property taxes	$ 7,152,143	$ 6,911,143	$ 6,903,163	$ (7,980)
Sales taxes	2,150,000	1,804,300	1,782,567	(21,733)
Franchise taxes	85,000	55,900	55,893	(7)
Insurance premium taxes	557,000	544,000	543,967	(33)
Other taxes	161,500	174,300	174,351	51
Licenses and permits	91,000	74,150	74,185	35
Intergovernmental	840,955	1,257,255	1,274,192	16,937
Charges for services	1,165,836	948,186	914,640	(33,546)
Fines and forfeitures	1,275,000	1,117,700	1,179,831	62,131
Interest revenue	225,000	133,400	134,459	1,059
Other revenues	133,112	303,212	303,986	774
Total revenues	13,836,546	13,323,546	13,341,234	17,688
Expenditures:				
Current:				
General government:				
Legislative	489,357	328,357	328,738	(381)
Executive	123,692	130,492	130,642	(150)
Elections	142,483	142,033	142,576	(543)
Financial administration	228,014	233,264	233,213	51
Data processing	55,349	47,599	47,783	(184)
Tax commissioner	264,224	267,174	267,134	40
Tax assessor	356,011	326,861	326,945	(84)
General government buildings and plant	246,002	244,708	244,823	(115)
Total general government	1,905,132	1,720,488	1,721,854	(1,366)
Judicial:				
Judicial administration	207,343	175,393	175,615	(222)
Clerk of superior court	369,963	372,713	372,983	(270)
District attorney	162,000	232,850	103,816	129,034
Magistrate court	203,394	211,044	211,812	(768)
Probate court	263,182	262,882	262,923	(41)
Juvenile court	37,553	38,203	38,295	(92)
Grand jury	25,000	17,800	17,712	88
Public defender	65,285	18,635	18,630	5
Total judicial	1,333,720	1,329,520	1,201,786	127,734
Public safety:				
Sheriff	2,611,051	2,583,051	2,603,047	(19,996)
Jail operations	2,005,501	2,184,951	2,185,783	(832)
Fire	1,231,052	1,373,682	1,373,650	32
EMS	423,137	558,687	558,894	(207)
Coroner	24,350	19,600	20,054	(454)
Other protection	82,208	237,258	237,889	(631)
Total public safety	6,377,299	6,957,229	6,979,317	(22,088)
Public works:				
Public works administration	1,434,810	1,321,660	1,321,689	(29)
Highways and streets	164,750	152,650	152,837	(187)
Solid waste collection	536,286	511,186	505,514	5,672
Total public works	2,135,846	1,985,496	1,980,040	5,456

(Continued)

CRISP COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Expenditures: (Continued)				
Health and welfare:				
Health	$ 342,050	$ 205,700	$ 205,658	$ 42
Welfare	28,575	13,275	13,238	37
Community services	16,650	306,400	306,425	(25)
Public education	2,000	8,900	9,126	(226)
Total health and welfare	389,275	534,275	534,447	(172)
Parks and recreation:				
Recreation	903,054	824,354	823,822	532
Parks	154,238	158,468	159,379	(911)
Total parks and recreation	1,057,292	982,822	983,201	(379)
Housing and development:				
Conservation	123,589	109,089	109,127	(38)
Planning and zoning	141,285	141,535	141,697	(162)
Economic development and assistance	115,225	122,425	122,536	(111)
Economic opportunity	10,100	14,200	14,219	(19)
Total housing and development	390,199	387,249	387,579	(330)
Debt service:				
Principal	1,188	2,288	-	2,288
Total debt service	1,188	2,288	-	2,288
Total expenditures	13,589,951	13,899,367	13,788,224	111,143
Excess (deficiency) of revenues over (under) expenditures	246,595	(575,821)	(446,990)	128,831
Other financing sources (uses)				
Proceeds from sale of assets	59,000	221,400	221,420	20
Capital leases	9,000	-	-	-
Transfers in	-	40,200	21,805	(18,395)
Transfers out	(353,854)	(473,854)	(468,342)	5,512
Total other financing sources (uses)	(285,854)	(212,254)	(225,117)	(12,863)
Net change in fund balances	(39,259)	(788,075)	(672,107)	115,968
Fund balances, beginning of year	7,925,930	7,925,930	7,925,930	-
Fund balances, end of year	$ 7,886,671	$ 7,137,855	$ 7,253,823	$ 115,968

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

CRISP COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
CDBG REVOLVING LOAN FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues:				
Interest revenue	$ 65,000	$ 68,100	$ 68,095	$ (5)
Total revenues	65,000	68,100	68,095	(5)
Expenditures:				
Current:				
Housing and development:				
Economic development and assistance	65,000	68,100	151,515	(83,415)
Total housing and development	65,000	68,100	151,515	(83,415)
Total expenditures	65,000	68,100	151,515	(83,415)
Deficiency of revenues over expenditures	-	-	(83,420)	(83,420)
Fund balances, beginning of year	2,233,680	2,233,680	2,233,680	-
Fund balances, end of year	$ 2,233,680	$ 2,233,680	$ 2,150,260	$ (83,420)

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

CRISP COUNTY, GEORGIA

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2009

	Crisp County Water System	Crisp County Landfill	Self-Insurance Health Benefit Fund	Totals
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	$ 519,272	$ 938,996	$ 1,245,877	$ 2,704,145
Investments	262,140	957,181	-	1,219,321
Accounts receivable, net of allowances	31,790	173,773	34,406	239,969
Prepaid expenses	1,500	-	-	1,500
Restricted assets, cash	226,157	-	-	226,157
Total current assets	1,040,859	2,069,950	1,280,283	4,391,092
NONCURRENT ASSETS				
Other assets	-	15,675	-	15,675
Capital assets:				
Nondepreciable	-	957,262	-	957,262
Depreciable, net of accumulated depreciation	4,243,969	3,031,834	-	7,275,803
Total noncurrent assets	4,243,969	4,004,771	-	8,248,740
Total assets	5,284,828	6,074,721	1,280,283	12,639,832
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	6,374	23,771	-	30,145
Claims payable	-	-	388,169	388,169
Accrued liabilities	4,615	21,663	-	26,278
Due to other funds	69,941	469,105	-	539,046
Due to other governments	-	14,413	-	14,413
Current portion - capital leases	-	77,737	-	77,737
Current portion - notes payable	-	270,594	-	270,594
Current portion - compensated absences	2,137	6,442	-	8,579
Payable from restricted assets:				
Customer deposits	55,330	-	-	55,330
Revenue bonds payable, current portion	33,405	-	-	33,405
Total current liabilities	171,802	883,725	388,169	1,443,696
NONCURRENT LIABILITIES				
Capital lease payable, net of current portion	-	80,985	-	80,985
Notes payable, net of current portion	-	3,152,108	-	3,152,108
Revenue bonds payable, net of current portion	1,663,759	-	-	1,663,759
Compensated absences, net of current portion	2,494	9,391	-	11,885
Closure and postclosure care costs	-	1,814,479	-	1,814,479
Total long-term liabilities	1,666,253	5,056,963	-	6,723,216
Total liabilities	1,838,055	5,940,688	388,169	8,166,912
NET ASSETS				
Invested in capital assets, net of related debt	2,546,805	407,672	-	2,954,477
Restricted for debt service	69,353	-	-	69,353
Restricted for renewal and extension	68,069	-	-	68,069
Unrestricted	762,546	(273,639)	892,114	1,381,021
Total net assets	$ 3,446,773	$ 134,033	$ 892,114	$ 4,472,920

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

CRISP COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Crisp County Water System	Crisp County Landfill	Self-Insurance Health Benefit Fund	Totals
OPERATING REVENUES				
Charges for services	$ 416,114	$ 1,079,080	$ 1,916,328	$ 3,411,522
Other revenue	-	124	12,221	12,345
Total operating revenues	416,114	1,079,204	1,928,549	3,423,867
OPERATING EXPENSES				
Personal services	118,943	335,718	-	454,661
Cost of sales and services	32,436	200,530	1,634,682	1,867,648
Supplies	31,662	105,973	-	137,635
Administration	20,000	90,000	381,673	491,673
Depreciation and amortization	184,460	264,142	-	448,602
Total operating expenses	387,501	996,363	2,016,355	3,400,219
Operating income (loss)	28,613	82,841	(87,806)	23,648
NONOPERATING INCOME (EXPENSES)				
Interest income	10,811	48,098	34,614	93,523
Interest expense	(55,730)	(210,537)	-	(266,267)
Total nonoperating income (expenses)	(44,919)	(162,439)	34,614	(172,744)
Loss before transfers	(16,306)	(79,598)	(53,192)	(149,096)
TRANSFERS IN	-	80,000	-	80,000
Change in net assets	(16,306)	402	(53,192)	(69,096)
NET ASSETS, beginning of year	3,463,079	133,631	945,306	4,542,016
NET ASSETS, end of year	$ 3,446,773	$ 134,033	$ 892,114	$ 4,472,920

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

CRISP COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Crisp County Water System	Crisp County Landfill	Self-Insurance Health Benefit Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from interfund users	$ -	$ -	$ 1,099,827	$ 1,099,827
Receipts from other customers	491,252	1,012,481	823,224	2,326,957
Payments to suppliers	(80,960)	(450,189)	(1,799,861)	(2,331,010)
Payments to employees	(118,272)	(333,634)	-	(451,906)
Net cash provided by operating activities	292,020	228,658	123,190	643,868
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers in	-	80,000	-	80,000
Net cash provided by noncapital financing activities	-	80,000	-	80,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	-	(76,604)	-	(76,604)
Principal paid on capital leases	-	(74,620)	-	(74,620)
Principal paid on bonds	(32,338)	-	-	(32,338)
Principal paid on notes payable	-	(258,233)	-	(258,233)
Interest paid	(55,730)	(211,739)	-	(267,469)
Net cash used in capital and related financing activities	(88,068)	(621,196)	-	(709,264)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	(6,499)	(20,242)	-	(26,741)
Interest and dividends received	12,229	50,934	34,614	97,777
Net cash provided by investing activities	5,730	30,692	34,614	71,036
Increase (decrease) in cash and cash equivalents	209,682	(281,846)	157,804	85,640
Cash and cash equivalents:				
Beginning of year	535,747	1,220,842	1,088,073	2,844,662
End of year	$ 745,429	$ 938,996	$ 1,245,877	$ 2,930,302
Classified as:				
Cash and cash equivalents	$ 519,272	$ 938,996	$ 1,245,877	$ 2,704,145
Restricted assets, cash	226,157	-	-	226,157
	$ 745,429	$ 938,996	$ 1,245,877	$ 2,930,302
Reconciliation of operating income (loss) to net cash provided by operating activities				
Operating income (loss)	$ 28,613	$ 82,841	$ (87,806)	$ 23,648
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation and amortization	184,460	264,142	-	448,602
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	6,022	(66,723)	(5,498)	(66,199)
Increase (decrease) in accounts payable	(1,477)	(151,419)	216,494	63,598
Increase (decrease) in accrued liabilities	4,615	(9,658)	-	(5,043)
Decrease in customer deposits	(85)	-	-	(85)
Increase in due to other funds	69,201	151,226	-	220,427
Increase in compensated absences	671	2,084	-	2,755
Decrease in closure and postclosure costs	-	(43,835)	-	(43,835)
Net cash provided by operating activities	$ 292,020	$ 228,658	$ 123,190	$ 643,868

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

CRISP COUNTY, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2009

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 509,868
Accounts receivable	16,861
Taxes receivable	934,094
Total assets	$ 1,460,823
LIABILITIES	
Due to others	$ 526,729
Uncollected taxes	934,094
Total liabilities	$ 1,460,823

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

Crisp County, Georgia was incorporated in the State of Georgia on August 17, 1905. The County is governed by an elected board of commissioners and an elected chairman of the board and provides the following services to the citizens of Crisp County: public safety (police and fire), public works, recreation, health and welfare services, education, judicial services, planning and community development, and general administrative services.

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 component units discussed below are included in the County's reporting entity because of the significance of their operational and financial relationships with the County. In conformity with accounting principles generally accepted in the United States of America, as set forth in Government Accounting Standards Board Statement No. 14, "The Financial Reporting Entity"; the component units' financial statements are discretely presented in the government-wide financial statements.

The Board of the **Crisp County Power Commission** (the "Commission") oversees the operations of the Crisp County Power Commission. Three of the seven board members are appointed by the Board of County Commissioners while the other four are appointed by the County grand jury. The Commission has a December 31 year-end. Complete financial statements can be obtained at the following address: Crisp County Power Commission, 202 South 7th Street, Cordele, GA 31015.

The **Crisp Regional Health Services, Inc.** oversees the hospital facilities and related healthcare support services for the citizens of the County. The board is appointed by the County Commissioners and the County has the ability to impose its will over the organization. Complete financial statements can be obtained at the following address: Crisp Regional Health Services, Inc., 902 7th Street North, Cordele, GA 31015.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

The **Crisp County Board of Health** (the "Board of Health) oversees the operations of the Crisp County Department of Public Health. The County provides financial support to the Department of Public Health and appoints a majority of the members of the Board of Health. Complete financial statements can be obtained at the following address: Crisp County Department of Public Health, 111 East 24th Avenue, Cordele, GA 31015

B. Government-Wide and Fund Financial Statements

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

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 segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and 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 compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, 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 County reports the following major governmental funds:

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 ***CDBG Revolving Loan Fund*** is a special revenue fund used to account 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 Department of Community Affairs.

The ***2000 Sales Tax Fund*** is a capital projects fund used to account for construction of roads, sidewalks, water system improvements, landfill development and construction of municipal buildings. Financing is provided by a special purpose sales and use tax.

The ***2005 Sales Tax Fund*** is a capital projects fund used to account for the acquisition, construction, equipping and installation of certain capital outlay projects for the benefit of all Crisp County citizens. Financing is provided by a special purpose sales and use tax.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The County reports the following major proprietary funds:

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

The ***Crisp County Landfill*** is an enterprise fund used to account for the revenues and expenses associated with the operation of the County's landfill.

The ***Self-Insurance Health Benefit Fund*** is used to account for the self-insured health benefit plan provided for the employees of the County, Crisp County Power Commission, Solid Waste Management Authority, and Southwest Georgia United Empowerment Zone.

Additionally, the County reports the following fund types:

The ***special revenue funds*** account for revenue sources that are legally restricted to expenditure for specific purposes.

The ***capital project funds*** account for the acquisition or construction of capital facilities.

The ***agency funds*** are used to account for assets held by the County as an agent for individuals, private organizations, other governmental units, and/or other funds.

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

Amounts reported as *program revenues* include 1) charges for services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principle operating revenues of the enterprise funds and internal service fund 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 nonoperating revenues and expenses.

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

D. Cash, Cash Equivalents and Investments

The County and 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.

State statutes authorize the County and discretely presented component units to invest in obligations of the U.S. Treasury, certificates of deposit, repurchase agreements, money market accounts, and the local government investment pool of the State of Georgia (Georgia Fund 1). Georgia Fund 1, created by OCGA 36-83-8, is a stable net asset value investment pool which follows Standard and Poor's criteria for AAAm rated money market funds and is regulated by the Georgia Office of Treasury and Fiscal Services. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings net of management fees on a monthly basis and determines participants' shares sold and redeemed based on $1.00 per share.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. In accordance with GASB 34, infrastructure assets acquired after June 30, 1980 have been capitalized. Capital assets are defined by the County as assets with an initial, individual cost of more than $1,500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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 is included as part of the capitalized value of assets constructed. No interest expense was capitalized during the fiscal year ending June 30, 2009.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets (Continued)

Capital assets of the primary government, the Crisp County Board of Health (component unit) and Crisp Regional Health Services (component unit) are depreciated using the straight line method over the following useful lives:

Asset Category	Years
Primary Government	
Furniture and fixtures	5-7
Machinery and equipment	5-15
System improvements	35
Buildings	20-50
Infrastructure	20
Crisp County Board of Health	
Machinery and equipment	10
Computers	5
Crisp Regional Health Service, Inc.	
Buildings and improvements	20-40
Fixed equipment	15-25
Movable equipment	3-15

Capital assets for the Crisp County Power Commission (component unit) include an electric plant that is stated at original cost, which includes applicable general and administrative costs. Plant retirements are charged against appropriate accumulated depreciation accounts. Depreciation of the electric plant is computed using the straight-line method over the expected life of the plant. Annual depreciation provisions, expressed as a percentage of average depreciable property, were as follows for 2008:

Intangible Plant	2.50%
Steam and Gas Plant	5.00%
Hydraulic Plant	4.00%
Transmission Plant	3.33%
Distribution Plant	4.00%
General Plant	2.0% - 20.00%
Vehicles	16.66%

The composite electric utility plant depreciation rates are based on engineering studies which are periodically updated.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

I. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the County does not have a policy to pay any amounts when the employees separate from service with the County. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

J. Fund Equity

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

K. 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 disclosure 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 these estimates.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and therefore are not reported in the funds." The details of this $526,232 difference are as follows:

Capital leases	$	189,962
Compensated absences		336,270
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net assets - governmental activities*	$	526,232

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their useful lives and reported as depreciation expense." The details of this $6,746,136 difference are as follows:

Capital outlay	$	9,860,816
Depreciation expense		(3,114,680)
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net assets of governmental activities*	$	6,746,136

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities (Continued)

Another element of that reconciliation explains that “Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. The details of this $97,156 difference are as follows:

Compensated absences	$	28,576
Net pension asset		68,580
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net assets of governmental activities*	$	97,156

Another element of that reconciliation states that "the issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets." The details of this $135,500 difference are as follows:

Debt issued - capital lease	$	(243,030)
Principal payments - capital lease		107,530
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net assets of governmental activities*	$	(135,500)

NOTE 3. LEGAL COMPLIANCE - BUDGETS

A. Budgets and Budgetary Accounting

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

1. No later than January 15th of each year, the County Commission shall approve the subsequent fiscal year’s budget calendar. This calendar shall include specific dates for completion of each task necessary to prepare, review, and approve the County’s operating budget. The budget calendar shall establish the date to have a completed budget approved and adopted.

NOTE 3. LEGAL COMPLIANCE - BUDGETS (CONTINUED)

A. Budgets and Budgetary Accounting (Continued)

2. After preparation of the departmental budgets by the department heads and the County Administrator, each department head formally presents the budget to the Board of Commissioners. The Board of Commissioners reviews each budget at this time.

3. After review of each departmental budget and revisions made by the department heads, the budget is adopted by the Board of Commissioners.

4. 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.

5. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are legally adopted for the General Fund and each special revenue fund.

6. The County budgets the capital projects funds on a project basis with the term of the project being longer than the County's fiscal period.

7. 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 Crisp County.

NOTE 3. LEGAL COMPLIANCE - BUDGETS (CONTINUED)

C. Excess of Expenditures Over Appropriations

For the year ended June 30, 2009, the following departments had excesses of actual expenditures over appropriations, which were funded by available fund balance of the General Fund:

	Excess
General Fund	
Legislative	$ 381
Executive	150
Elections	543
Data processing	184
Tax assessor	84
General government buildings and plant	115
Judicial administration	222
Clerk of superior court	270
Magistrate court	768
Probate court	41
Juvenile court	92
Sheriff	19,996
Jail operations	832
EMS	207
Coroner	454
Other protection	631
Public works administration	29
Highways and streets	187
Community services	25
Public education	226
Parks	911
Conservation	38
Planning and zoning	162
Economic development and assistance	111
Economic opportunity	19

NOTE 4. 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; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

At June 30, 2009, the County had the following investments:

Investments	Maturities	Fair Value
Primary government:		
Georgia Fund 1	41 day weighted average	$ 5,323,109
Certificates of deposit	181 day weighted average	1,711,745
		$ 7,034,854

As of June 30, 2009, the County's investments in Georgia Fund 1 were rated AAAm by Standard & Poor's.

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 June 30, 2009, none of the County deposits were exposed to custodial credit risk as uninsured and uncollateralized as defined by GASB pronouncements.

NOTE 5. RECEIVABLES

Receivables at June 30, 2009, for the County's individual major funds and nonmajor funds in the aggregate are as follows:

	General	CDBG Revolving Loan	Crisp County Water System	Crisp County Landfill
Receivables:				
Taxes	$ 649,493	$ -	$ -	$ -
Accounts	35,795		31,790	173,773
Notes	-	2,263,219	-	-
	685,288	2,263,219	31,790	173,773
Less allowance for uncollectibles	(41,014)	(453,739)	-	-
Total receivables	$ 644,274	$ 1,809,480	$ 31,790	$ 173,773

	Self-Insurance Health Benefit	Other Funds	Total
Receivables:			
Taxes	$ -	$ -	$ 649,493
Accounts	34,406	31,452	307,216
Notes	-	-	2,263,219
	34,406	31,452	3,219,928
Less allowance for uncollectibles	-	-	(494,753)
Total receivables	$ 34,406	$ 31,452	$ 2,725,175

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 2009 is as follows:

Levy date	September 9, 2008
Payment due date	December 20, 2008
Delinquency date	December 21, 2008
Collection dates	September 10, 2008 through December 20, 2008

Notes receivable consist of community development loans to individuals and businesses. Financing has been provided by various federal and state grants.

NOTE 6. CAPITAL ASSETS

A. Primary Government

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 2,512,053	$ 3,300	$ (153,113)	$ -	$ 2,362,240
Construction in progress	1,211,668	8,597,904	-	(700,558)	9,109,014
Total	3,723,721	8,601,204	(153,113)	(700,558)	11,471,254
Capital assets, being depreciated:					
Land improvements	6,790,099	19,633	(4,808)	-	6,804,924
Infrastructure	69,693,372	23,049	-	-	69,716,421
Plant and buildings	12,955,070	350,391	-	700,558	14,006,019
Furniture, machinery, and equipment	13,819,570	866,539	(1,319,353)	-	13,366,756
Total	103,258,111	1,259,612	(1,324,161)	700,558	103,894,120
Less accumulated depreciation for:					
Land improvements	(1,598,206)	(307,343)	3,796	-	(1,901,753)
Infrastructure	(45,201,975)	(1,742,355)	-	-	(46,944,330)
Plant and buildings	(3,553,461)	(338,396)	-	-	(3,891,857)
Furniture, machinery, and equipment	(11,317,185)	(726,586)	1,316,297	-	(10,727,474)
Total	(61,670,827)	(3,114,680)	1,320,093	-	(63,465,414)
Total capital assets, being depreciated, net	41,587,284	(1,855,068)	(4,068)	700,558	40,428,706
Governmental activities capital assets, net	$ 45,311,005	$ 6,746,136	$ (157,181)	$ -	$ 51,899,960

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 765,223	$ -	$ -	$ 765,223
Construction in progress	115,435	76,604	-	192,039
Total capital assets, not being depreciated	880,658	76,604	-	957,262
Capital assets, being depreciated:				
Plant and buildings	12,811,638	-	-	12,811,638
Furniture, machinery, and equipment	3,167,511	-	(7,148)	3,160,363
System improvements	213,954	-	-	213,954
Total	16,193,103	-	(7,148)	16,185,955
Less accumulated depreciation for:				
Plant and buildings	(6,064,771)	(215,473)	-	(6,280,244)
Furniture, machinery, and equipment	(2,206,986)	(225,797)	7,148	(2,425,635)
System improvements	(199,129)	(5,144)	-	(204,273)
Total	(8,470,886)	(446,414)	7,148	(8,910,152)
Total capital assets, being depreciated, net	7,722,217	(446,414)	-	7,275,803
Business-type activities capital assets, net	$ 8,602,875	$ (369,810)	$ -	$ 8,233,065

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

Governmental activities:	
General government	$ 97,493
Judicial	11,565
Public safety	647,829
Public works	1,876,554
Health and welfare	37,813
Parks and recreation	306,474
Housing and development	136,952
Total depreciation expense - governmental activities	$ 3,114,680
Business-type activities	
Water system	$ 184,460
Landfill	261,954
Total depreciation expense - business-type activities	$ 446,414

NOTE 6. CAPITAL ASSETS (CONTINUED)

B. Discretely Presented Component Unit – Crisp County Power Commission

	Balance January 1, 2008	Additions	Deletions	Transfers	Balance December 31, 2008
Capital assets, not being depreciated:					
Land and land rights	$ 572,295	$ -	$ -	$ -	$ 572,295
Construction in progress	169,177	1,441,241	-	(1,375,262)	235,156
Total capital assets, not being depreciated	741,472	1,441,241	-	(1,375,262)	807,451
Capital assets, being depreciated:					
Intangible plant	202,272	-	-	(96,656)	105,616
Steam and gas plant	6,119,421	-	-	-	6,119,421
Hydraulic plant	7,089,410	-	-	118,706	7,208,116
Transmission plant	2,423,084	-	(420)	-	2,422,664
Distribution plant	39,700,508	-	(45,991)	938,148	40,592,665
General plant	7,048,899	1,081	(73,359)	415,064	7,391,685
Total capital assets, being depreciated	62,583,594	1,081	(119,770)	1,375,262	63,840,167
Less accumulated depreciation for:					
Intangible plant	(63,463)	(2,208)	-	-	(65,671)
Steam and gas plant	(6,096,938)	(6,552)	-	-	(6,103,490)
Hydraulic plant	(5,954,361)	(164,144)	-	-	(6,118,505)
Transmission plant	(2,370,878)	(9,795)	420	-	(2,380,253)
Distribution plant	(24,883,388)	(1,539,801)	45,991	-	(26,377,198)
General plant	(4,935,146)	(257,477)	73,359	-	(5,119,264)
Total accumulated depreciation	(44,304,174)	(1,979,977)	119,770	-	(46,164,381)
Total capital assets, being depreciated, net	18,279,420	(1,978,896)	-	1,375,262	17,675,786
Total capital assets	$ 19,020,892	$ (537,655)	$ -	$ -	$ 18,483,237

NOTE 6. CAPITAL ASSETS (CONTINUED)

C. Discretely Presented Component Unit – Crisp Regional Health Services, Inc.

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, not being depreciated:				
Land	$ 1,913,000	$ -	$ -	$ 1,913,000
Construction in progress	5,290,000	6,683,000	(11,729,000)	244,000
Total	7,203,000	6,683,000	(11,729,000)	2,157,000
Capital assets, being depreciated:				
Building and improvements	24,004,000	11,007,000	-	35,011,000
Fixed equipment	9,450,000	611,000	(5,000)	10,056,000
Movable equipment	17,181,000	1,431,000	(294,000)	18,318,000
Total	50,635,000	13,049,000	(299,000)	63,385,000
Less accumulated depreciation for:				
Building and improvements	(12,971,000)	(934,000)	-	(13,905,000)
Fixed equipment	(7,127,000)	(478,000)	3,000	(7,602,000)
Movable equipment	(11,821,000)	(1,536,000)	283,000	(13,074,000)
Total	(31,919,000)	(2,948,000)	286,000	(34,581,000)
Total capital assets, being depreciated, net	18,716,000	10,101,000	(13,000)	28,804,000
Total capital assets, net	$ 25,919,000	$ 16,784,000	$ (11,742,000)	$ 30,961,000

D. Discretely Presented Component Unit – Crisp County Board of Health

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, being depreciated:				
Machinery and equipment	$ 10,300	$ -	$ -	$ 10,300
Computers	9,431	-	-	9,431
Total	19,731	-	-	19,731
Less accumulated depreciation for:				
Machinery and equipment	(10,300)	-	-	(10,300)
Computers	(9,431)	-	-	(9,431)
Total	(19,731)	-	-	(19,731)
Total capital assets, being depreciated, net	-	-	-	-
Crisp County Board of Health capital assets, net	$ -	$ -	$ -	$ -

NOTE 7. LONG-TERM DEBT

The following is a summary of long-term debt activity for the year ended June 30, 2009:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Capital leases payable	$ 54,462	$ 243,030	$ 107,530	$ 189,962	$ 44,341
Compensated absences	364,846	263,073	291,649	336,270	145,465
Governmental activities long-term liabilities	$ 419,308	$ 506,103	$ 399,179	$ 526,232	$ 189,806
Business-type activities:					
Notes payable	$ 3,680,935	$ -	$ 258,233	$ 3,422,702	$ 270,594
Capital leases payable	233,342	-	74,620	158,722	77,737
Revenue bonds payable	1,729,502	-	32,338	1,697,164	33,405
Compensated absences	17,709	17,585	14,830	20,464	8,579
Closure and postclosure care	1,858,314	-	43,835	1,814,479	-
Business-type activities long-term liabilities	$ 7,519,802	$ 17,585	$ 423,856	$ 7,113,531	$ 390,315
Component unit - Crisp Regional Health Services, Inc.					
Notes payable	$ 1,579,000	$ -	$ 455,000	$ 1,124,000	$ 473,000
Revenue bonds payable	21,115,000	-	880,000	20,235,000	1,100,000
Crisp Regional Health Services, Inc. long-term liabilities	$ 22,694,000	$ -	$ 1,335,000	$ 21,359,000	$ 1,573,000
Component unit - Crisp County Board of Health:					
Compensated absences	$ 75,962	$ 3,283	$ -	$ 79,245	$ -
Crisp County Board of Health long-term liabilities	$ 75,962	$ 3,283	$ -	$ 79,245	$ -

For governmental activities, compensated absences are generally liquidated by the General Fund. For business-type activities, compensated absences are liquidated by the Crisp County Water System and Crisp County Landfill Funds.

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government

Notes Payable. The County has incurred debt to the Georgia Environmental Facilities Authority (GEFA) for landfill improvements. These notes are as follows at June 30, 2009:

Purpose	Original Amount	Interest Rate	Due Date	Balance at June 30, 2008
Landfill improvements	$ 1,046,849	5.16%	2014	$ 382,008
Landfill improvements	1,508,343	4.24%	2020	964,958
Landfill improvements	1,289,280	5.35%	2021	900,724
Landfill improvements	1,417,970	3.98%	2024	1,175,012
				3,422,702
			Less current maturities	(270,594)
				$ 3,152,108

The Landfill Fund's notes payable debt service requirements to maturity, including interest are as follows:

Fiscal Year Payable	Total	Principal	Interest
2010	$ 433,808	$ 270,594	$ 163,214
2011	434,408	283,555	150,853
2012	435,039	297,147	137,892
2013	435,699	311,399	124,300
2014	345,940	249,861	96,079
2015 - 2019	1,603,856	1,290,242	313,614
2020 - 2024	758,022	694,369	63,653
2025	25,789	25,535	254
	$ 4,472,561	$ 3,422,702	$ 1,049,859

Capital Leases. The County has entered into lease agreements as lessee for financing the acquisition of 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 date of their inceptions. Total cost of assets under capital lease as of June 30, 2009, is $623,086, which consists of equipment, with $243,030 included in governmental activities and $380,056 included as business-type activities on the statement of net assets.

NOTE 7. LONG-TERM DEBT (CONTINUED)

Capital Leases (Continued). The County's total capital lease debt service requirements to maturity are as follows:

	Governmental Activities	Business-type Activities
Fiscal year ending June 30,		
2010	$ 53,067	$ 82,795
2011	53,067	82,795
2012	53,067	-
2013	53,068	-
Total minimum lease payments	212,269	165,590
Less amount representing interest	(22,307)	(6,868)
Present value of minimum lease payments	$ 189,962	$ 158,722

Revenue Bonds Payable. The County issued Series 1997A Water Revenue bonds in the principal amount of $1,941,340. These bonds matured and were reissued as Series 1999A Water Revenue Bonds in January 1999. Upon their maturity in December 1999, Series 1999B Water Revenue bonds were issued. These bonds were purchased by the United States Department of Agriculture and are being repaid over 40 years beginning December 28, 2000. These bonds are payable in monthly installments of $7,399 including interest at 3.25%. Final payment is due September 28, 2039.

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

Fiscal Year Payable	Total	Principal	Interest
2010	$ 88,068	$ 33,405	$ 54,663
2011	88,068	34,507	53,561
2012	88,068	35,645	52,423
2013	88,068	36,821	51,247
2014	88,068	38,036	50,032
2015 - 2019	440,340	209,848	230,492
2020 - 2024	440,340	246,821	193,519
2025 - 2029	440,340	290,309	150,031
2030 - 2034	440,340	341,458	98,882
2035 - 2039	440,340	401,620	38,720
2040	28,886	28,694	192
	$ 2,670,926	$ 1,697,164	$ 973,762

NOTE 7. LONG-TERM DEBT (CONTINUED)

B. Component Unit – Crisp Regional Health Services, Inc.

Notes Payable. Crisp Regional Health Services, Inc. has a note payable in the original principal amount of $1,200,000. The note is payable monthly in the amount of $22,123, including interest at 3.98%, is collateralized by equipment, and the final payment is due August 2010. Crisp Regional Health Services, Inc. also has a note payable in the original principal amount of $1,101,020. The note is payable monthly in the amount of $20,169, including interest at 3.73%, is collateralized by equipment, and the final payment is due March 2013.

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

Fiscal Year Payable	Total	Principal	Interest
2010	$ 507,000	$ 473,000	$ 34,000
2011	263,000	243,000	20,000
2012	242,000	231,000	11,000
2013	180,000	177,000	3,000
	$ 1,192,000	$ 1,124,000	$ 68,000

Revenue Bonds Payable. Crisp Regional Health Services, Inc. issued Series 1996 Revenue Bonds in the original principal amount of $16,000,000. Principal payments are due July 1 each year through 2015 with interest rates varying from 4.75% to 5.45%. These bonds are collateralized by the Crisp Regional Health Services, Inc.'s gross revenue and are guaranteed by Crisp County and an insurance policy. Crisp Regional Health Services, Inc. issued Series 2008A Revenue Bonds in the original principal amount of $10,000,000 and Series 2008B Revenue Bonds in the original principal amount of $3,000,000. Principal payments are due July 1 each year through 2027 with interest rates varying from 3.13% to 4.00%. These bonds are collateralized by the Crisp Regional Health Services, Inc.'s gross revenue and are guaranteed by Crisp County and an insurance policy.

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

Fiscal Year Payable	Total	Principal	Interest
2010	$ 2,049,000	$ 1,100,000	$ 949,000
2011	1,990,000	1,160,000	830,000
2012	1,989,000	1,220,000	769,000
2013	1,991,000	1,285,000	706,000
2014	1,995,000	1,355,000	640,000
2015 - 2019	7,738,000	5,500,000	2,238,000
2020 - 2024	5,916,000	4,570,000	1,346,000
2025 - 2028	4,440,000	4,045,000	395,000
	$ 28,108,000	$ 20,235,000	$ 7,873,000

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2009 is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Landfill Fund	$ 469,105
General Fund	Water System Fund	69,941
General Fund	2005 Sales Tax Fund	1,008,592
General Fund	CDBG Revolving Loan Fund	6,940
General Fund	Nonmajor Governmental Funds	100,429
2000 Sales Tax Fund	General Fund	101,511
2000 Sales Tax Fund	2005 Sales Tax Fund	3,204
2005 Sales Tax Fund	Nonmajor Governmental Funds	747
CDBG Revolving Loan Fund	2005 Sales Tax Fund	118,909
Nonmajor Governmental Funds	General Fund	28,859
		$ 1,908,237

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:

	Transfers Out		
Transfers In	General Fund	Nonmajor Governmental Funds	Total
General Fund	$ -	$ 21,805	$ 21,805
Nonmajor Governmental Funds	388,342	-	388,342
Landfill Fund	80,000		80,000
Total	$ 468,342	$ 21,805	$ 490,147

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. LANDFILL CLOSURE AND POSTCLOSURE CARE COST

State and federal laws and regulations require the County place a cover on its landfills when they are filled and perform certain maintenance and monitoring functions for 30 years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision is being recognized based on the estimated future closure and postclosure care costs to be incurred near or after the date the landfill no longer accepts waste. A liability equal to estimated future costs related to these requirements is recorded based on the percentage of landfill capacity used to date. The estimated total cost of the landfill closure and postclosure care costs is based on the amount that would be paid if all equipment facilities and services required to close, monitor and maintain the landfill were acquired or incurred as of June 30, 2009. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations.

At the present rate of disposal, it is estimated that the remaining lifespan of the Subtitle D Landfill is 27 years.

A summary of the liability recorded at June 30, 2009 for closure and postclosure care costs is as follows:

	Vertical Landfill	Subtitle D Landfill	Total
Estimated closure costs	$ -	$ 3,312,724	$ 3,312,724
Estimated postclosure care costs	843,810	2,523,766	3,367,576
	843,810	5,836,490	$ 6,680,300
Percentage of capacity filled, June 30, 2009	100%	16.63%	
Closure and postclosure care cost liability	$ 843,810	$ 970,669	$ 1,814,479

NOTE 10. DEFINED BENEFIT PENSION PLANS

A. Primary Government

Plan Description

The County sponsors the Association County Commissioners of Georgia Restated Pension Plan for Crisp County Employees (The Plan), which is a defined benefit pension plan. All full-time employees are eligible to participate in the County's noncontributory defined benefit pension plan after completion of three years of service.

The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The Plan, through execution of the 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, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of The Plan, as provided in Section 19.02 of the ACCG Plan document. Complete financial statements for the Association County Commissioners of Georgia (ACCG) Defined Benefit Pension Plan can be obtained from GEBCorp, 1100 Circle 75 Parkway, Suite 300, 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 the State of Georgia statutes. Plan participants do not contribute to the plan.

Annual Pension Cost

The County's annual pension cost and net pension asset for the pension plan for the current and prior years are as follows:

	2009	2008
Derivation of Annual Pension Cost		
Annual Required Contribution	$ 698,935	$ 677,879
Interest on Net Pension Obligation	(15,275)	(10,281)
Amortization of Net Pension Obligation	16,344	10,848
Annual Pension Cost	$ 700,004	$ 678,446

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

A. Primary Government (Continued)

Derivation of Net Pension Obligation

Annual Pension Cost for Fiscal Year 2008	$ 678,446
Actual Contributions to Plan for Fiscal Year 2008	747,026
Increase (Decrease) in Net Pension Obligation	(68,580)
Net Pension Obligation (Asset) as of June 30, 2008	(128,518)
Net Pension Obligation (Asset) as of June 30, 2009	$ (197,098)

Basis of Valuation

Current Valuation Date	January 1, 2008
Annual Return on Invested Plan Assets	7.8%
Projected Annual Salary Increases	5.0% -7.5% based on age
Expected Annual Inflation	3.0%
Actuarial Value of Assets	Market Value
Actuarial Funding Method	Projected Unit Credit
Amortization Method	Level Percent of Pay (Closed)

The period for amortizing the initial unfunded actuarial accrued liability is 15 years from 1983 and current changes in the unfunded actuarial accrued liability over 15 years for actuarial gains and losses, and over 30 years for changes in actuarial assumptions and cost methods.

Trend Information for The Plan

Fiscal Year Beginning	Annual Pension Cost (APC)	Actual County Contribution	Percentage of APC Contributed	Net Pension Obligation (Asset)
1/1/2007	$ 525,987	$ 563,007	107 %	$ (91,498)
1/1/2008	678,446	747,026	110	(128,518)
1/1/2009	700,004	N/A	N/A	(197,098)

Required Supplementary Information Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Annual Covered Payroll	Accrued Liability as a Percentage of Covered Payroll
12/31/2008	$ 6,608,597	$ 9,622,019	$ 3,013,422	68.7%	$ 5,326,001	56.6%

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan net assets is increasing or decreasing over time relative to the actuarial 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 long-term perspective. Calculations are based on the substantive plan in effect as of January 1, 2008.

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

B. Discretely Presented Component Unit – Crisp County Power Commission

Plan Description

The Commission provides a defined benefit pension plan to substantially all of its full time employees. The Crisp County Power Commission Retirement Plan, which is a single employer plan, is overseen by a Retirement Committee appointed by the Commission. The Commission is responsible for establishing and amending plan benefits. Employees are vested in the plan after 10 years of service. The normal form of benefit payment is a monthly life annuity with 60 payments guaranteed. The Plan's assets are held by and the Plan is administered by Edward Jones. Swerdlin & Company, the Plan's actuary, submits an annual report to the Commission. That report may be obtained by writing to Swerdlin & Company, 5901 Peachtree Dunwoody Road, B-170, Atlanta, Georgia 30328.

Funding Policy

The Commission is responsible for establishing obligations to contribute to the plan and for amending the funding policy. Contributions by the Commission are normal cost plus amortization of the unfounded provision of Georgia law. Currently, the Commission contributes 8% of the base pay of active participants to the plan. Plan members are neither required nor allowed to contribute to the plan. The total pension cost was $368,416 for 2008.

For the year ended December 31, 2008, the Commission's total payroll for all employees was $2,947,996. Covered payroll totaled $2,600,937. The plan has sixty (60) active participants, eleven (13) with deferred benefits, and twenty-eight (28) retirees or their beneficiaries currently receiving benefits in pay status.

The Commission's plan is revalued every year. Therefore, the most current valuation is as of January 1, 2007. This report was prepared using the projected unit credit actuarial cost method. The actuarial assumptions include a) 8% investment return, compounded annually and b) earnings progression of 4.5% compounded annually. The provision for expense includes amortization of prior service costs over a 40-year period for the initial plan and amortization of prior service costs over a 20-year period for the amendment made to the plan January 1, 1987.

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

B. Discretely Presented Component Unit – Crisp County Power Commission (Continued)

Trend Information

Trend information, which gives an indication of the progress made in accumulating sufficient assets to pay benefits when due, is presented below.

Fiscal Period Ending	Annual Pension Cost	Percentage of Annual Pension Cost Contributed	Net Pension Obligation
December 31, 2004	$ 191,190	100 %	$ -
December 31, 2005	266,640	100	-
December 31, 2006	362,967	100	-
December 31, 2007	367,144	100	-
December 31, 2008	368,416	100	-

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded (Overfunded) Accrued Liability	Funded Ratio	Annual Covered Payroll	Actuarial Accrued Liability as a Percentage of Covered Payroll
January 1, 2003	$ 4,668,491	$ 5,328,490	$ 659,999	87.6 %	$ 2,107,367	31.3 %
January 1, 2004	4,864,202	5,673,489	809,287	85.7	2,342,269	34.6
January 1, 2005	5,339,044	5,743,283	404,239	93.0	2,253,355	17.9
January 1, 2006	5,603,800	6,538,321	934,521	85.7	2,386,059	39.2
January 1, 2007	6,222,831	6,718,646	495,815	92.6	2,454,362	20.2
January 1, 2008	5,384,913	7,519,536	2,134,623	71.6	2,600,937	82.1

C. Discretely Presented Component Unit – Crisp County Board of Health

The employees of the Crisp County Board of Health participate in the Georgia State Employees' Retirement System (the "Plan"), a multi-employer defined contribution plan. The Plan is administered by the State of Georgia, and accumulated benefits and Plan assets are not determined or allocated to the individual participating governmental entities. The Georgia State Employees' Retirement System requires 10 years of continuous service to become fully vested. The total retirement contributions to the Georgia State Employees' Retirement System for the year ended June 30, 2009 were $50,518 based on qualifying salaries of $515,357. Ten year historical trend information and relevant actuarial information may be obtained from the Employees' Retirement System of Georgia.

NOTE 11. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in the Association of County Commissioners of Georgia (ACCG) Group Self-Insurance Workers' Compensation Fund and the Interlocal Risk Management Agency Property and Liability Insurance Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments.

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

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

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

The County, Crisp County Power Commission, the Solid Waste Management Authority of Crisp County and the Southwest Georgia United Empowerment Zone maintain a self-insured medical benefit plan for their employees. The plan is accounted for as an enterprise fund of the County, is funded according to plan experience, and serves to reduce overall healthcare costs of the County, Power Commission, Solid Waste Management Authority of Crisp County, Southwest Georgia United Empowerment Zone and their employees. The County purchases specific and aggregate stop loss insurance coverage to protect itself in unusual circumstances. Claims payable at June 30, 2009 were estimated based on the loss analysis report provided by a third-party administrator and pending specific stop loss reimbursements.

NOTE 11. RISK MANAGEMENT (CONTINUED)

Changes in medical claims payable for the years ended June 30 are as follows:

	June 30, 2009	June 30, 2008
Unpaid claims, beginning of fiscal year	$ 171,675	$ 98,576
Incurred claims (including IBNRs)	1,634,682	2,158,329
Claim payments and changes in estimates	(1,418,188)	(2,085,230)
Unpaid claims, end of fiscal year	$ 388,169	$ 171,675

NOTE 12. COMMITMENTS AND CONTINGENT LIABILITIES

A. 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.

B. 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.

C. Component Unit – Crisp County Power Commission

The Crisp County Power Commission has entered into contracts with the Municipal Electric Authority of Georgia ("MEAG") which require the Commission to purchase, from MEAG, some of the Commission's bulk power supply, other than power supplied by federally owned generation projects. These contracts contain certain minimum purchase requirements regardless of the Commission's actual usage. MEAG is authorized to establish rates and charges so as to produce revenues sufficient to cover its operating costs and to retire any bonds issued by MEAG. In the event that revenues are insufficient to cover all costs and retire such bonds, the Commission is obligated to pay its entitlement share of the costs of the output and services of generating units acquired or constructed by MEAG. These obligations, which extend through 2054, are general obligations of the Commission to which the Commission's full faith and credit are pledged (generation debt extends to 2024 and transmission debt to 2054). The Commission's obligations to MEAG for power supply costs are based on MEAG's costs and the Commission's demand for bulk power supply, subject to certain minimum amounts.

NOTE 12. COMMITMENTS AND CONTINGENT LIABILITIES (CONTINUED)

C. Component Unit – Crisp County Power Commission (Continued)

At December 31, 2008, MEAG's bonds were outstanding in the approximate principal amount of $3.84 billion. The Commission's entitlement share of that amount totals approximately $125 million at December 31, 2008.

On January 1, 1999, the Commission approved a resolution adopting the provisions of the Municipal Competitive Trust (the "Trust"), which was created by MEAG for the mutual benefit of MEAG and its wholesale customers which have elected to become beneficiaries. The Trust was established to provide MEAG and the trust's beneficiaries a means to mitigate the expected differential between market rates for power and the costs of power generated by MEAG facilities, after deregulation of the electric industry.

The Trust includes two (2) types of funds, which are held in the name of the Commission. The first type represents amounts that are available to the Commission for withdrawal without restriction. The second type represents amounts that are available to the Commission in the form of a loan or an off-set to billings from MEAG for power usage if certain criteria related to the difference between the cost of power generated by MEAG facilities and the market rates for power are met.

NOTE 13. JOINT VENTURES

A. Middle Flint Regional Development Center

Crisp County, in conjunction with cities and counties in the eight-county west central Georgia area, is a member of the Middle Flint Regional Development Center (RDC). During its year ended June 30, 2009, the County paid $12,415 in such dues. Membership in an RDC is required by Code of Georgia Section 50-8-34 that provides for the organizational structure of the RDC. The RDC Board membership includes the Chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a Regional Development Center. Information concerning the financial statements may be obtained from the Middle Flint Regional Development Center, P.O. Box 346, Camilla, Georgia 31730.

B. Crisp/Dooly Joint Development Authority

The County, in conjunction with Dooly County is a member of the Crisp/Dooly Joint Development Authority. The Authority has fiscal responsibility relative to the strategic plan adopted for the Crisp/Dooly Enterprise Community. The Authority's board members are appointed in an equal number by the Crisp and Dooly County Commissioners. The County does not have an equity interest in the Crisp/Dooly Joint Development Authority, and the joint venture is not expected to provide a financial benefit or burden to the County. Information concerning the financial statements may be obtained from the Crisp/Dooly Joint Development Authority.

NOTE 14. RELATED ORGANIZATION

Solid Waste Management Authority of Crisp County

The Solid Waste Management Authority (SWMA) is governed by a seven-member board consisting of the Board of Commissioners of Crisp County and two members appointed by the Commissioners. The SWMA was formed to provide solid waste disposal and recycling services to the citizens of the County.

The SWMA recycling facility and equipment were placed in operation in October 1998. Soon thereafter, the facility proved to be inadequate in handling the volume of waste necessary to support itself. Upon default of the bond payments in August 2001, the operations of the SWMA were taken over by its bond insurers, Financial Security Assurance, Inc. Subsequent thereto, the County landfill stopped taking SWMA waste. Because Crisp County has no influence over the operations of the SWMA, it does not have the ability to impose its will on the organization.

NOTE 15. HOTEL/MOTEL TAX

The County imposes a 3% hotel/motel tax on lodging facilities within the County. Revenues collected during the fiscal year ended June 30, 2009, were $43,609. Of this amount, 50%, or $21,804, was paid to the Cordele-Crisp County Tourism Association for the promotion of tourism. The remaining funds were expended by the County for tourism as required by O.C.G.A. 48-13-51.

NOTE 16. DEFICIT FUND BALANCE

The 2005 Sales Tax Fund reported deficit fund balance of $1,508,910, the Jail Fund reported deficit fund balance of $4,058, and Northside Water Distribution Fund reported a deficit fund balance of $21,736 at June 30, 2009. The 2005 Sales Tax Fund deficit is intended to be eliminated through collections of sales tax revenue. The Jail Fund deficit fund balance is intended to be eliminated through increased transfers from the General Fund. The Northside Water Distribution Fund deficit fund balance is intended to be eliminated through contributions from the City of Cordele.

REQUIRED SUPPLEMENTARY INFORMATION

DEFINED BENEFIT RETIREMENT PLAN
SCHEDULE OF FUNDING PROGRESS

Required Supplementary Information Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Annual Covered Payroll	Accrued Liability as a Percentage of Covered Payroll
12/31/2003	$ 3,572,266	$ 4,266,502	$ 694,236	83.7%	$ 4,061,847	17.1%
12/31/2004	3,980,504	4,680,846	700,342	85.0%	4,333,251	16.2%
12/31/2005	4,622,453	5,591,657	969,204	82.7%	4,788,050	20.2%
12/31/2006	5,341,971	5,876,744	534,773	90.9%	4,801,416	11.1%
12/31/2007	6,175,187	7,560,162	1,384,975	81.7%	4,846,281	28.6%
12/31/2008	6,608,597	9,622,019	3,013,422	68.7%	5,326,001	56.6%

Notes to the Schedule of Employer Contributions

1. The cost method used to determine the Annual Required Contribution is the Projected Unit Credit Method.
2. Economic assumptions are as follows: Investments return – 8.0% per year; and Salary Scale – 6.0% per year.

CRISP COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Law Library Fund — To account for revenues generated through special filing charges in the County court system which are used to acquire and maintain law library materials.

Asset Forfeiture Fund — To account for confiscated assets awarded to the Sheriff's Department to be spent on law enforcement at the discretion of the Sheriff.

DARE Fund — To account for the collection of additional penalties for certain drug related crimes and for expenditure of those funds solely and exclusively for drug abuse treatment and education programs relating to controlled substances and marijuana. (OCGA 15-21-100).

Jail Fund — To account for revenues collected by the imposition of a 10% add-on fine as provided for by the Georgia Jail Construction and Staffing Act.

E-911 Fund — To account for the costs of operating and maintaining the 911 Emergency Communication System for Crisp County. Financing is provided by a charge to each telephone subscriber whose exchange access lines are in areas served by the Crisp County "911" service and by contributions from the City of Cordele.

Hotel/Motel Tax Fund — To account for the collection and disbursement of hotel taxes.

Capital Project Funds

Northside Water Distribution Fund — To account for activities related to the study of distribution of water to the north side of Crisp County and improvements to the system.

CRISP COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2009

	Special Revenue Funds			
ASSETS	**Law Library Fund**	**Asset Forfeiture Fund**	**DARE Fund**	**Jail Fund**
Cash and cash equivalents	$ 78,233	$ 178,902	$ 2,983	$ 4,425
Investments	-	416,284	-	-
Accounts receivable	-	-	-	-
Due from other funds	-	-	825	2,990
Total assets	$ 78,233	$ 595,186	$ 3,808	$ 7,415
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ -	$ 28,510	$ -	$ 11,473
Accrued liabilities	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	-	28,510	-	11,473
FUND BALANCES (DEFICIT)				
Unreserved	78,233	566,676	3,808	(4,058)
Total fund balances	78,233	566,676	3,808	(4,058)
Total liabilities and fund balances	$ 78,233	$ 595,186	$ 3,808	$ 7,415

		Capital Projects Fund	
E911 Fund	Hotel/Motel Tax Fund	Northside Water Distribution Fund	Totals
$ 43,592	$ -	$ 74,594	$ 382,729
-	-	-	416,284
26,853	4,599	-	31,452
25,044	-	-	28,859
$ 95,489	$ 4,599	$ 74,594	$ 859,324
$ 17,353	$ -	$ 500	$ 57,836
10,286	-	-	10,286
747	4,599	95,830	101,176
28,386	4,599	96,330	169,298
67,103	-	(21,736)	690,026
67,103	-	(21,736)	690,026
$ 95,489	$ 4,599	$ 74,594	$ 859,324

CRISP COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2009

	Special Revenue Funds			
	Law Library Fund	Asset Forfeiture Fund	DARE Fund	Jail Fund
Revenues:				
Other taxes	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	32,788	28,856	26,490	110,957
Interest revenue	269	10,844	7	-
Other revenues	-	-	-	-
Total revenues	33,057	39,700	26,497	110,957
Expenditures:				
Current:				
Judicial	33,440	-	-	-
Public safety	-	39,345	24,123	193,100
Public works	-	-	-	-
Housing and development	-	-	-	-
Total expenditures	33,440	39,345	24,123	193,100
Excess (deficiency) of revenues over (under) expenditures	(383)	355	2,374	(82,143)
Other financing sources (uses):				
Transfers in	-	-	-	87,585
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	87,585
Net change in fund balances	(383)	355	2,374	5,442
Fund balances, beginning of year	78,616	566,321	1,434	(9,500)
Fund balances, end of year	$ 78,233	$ 566,676	$ 3,808	$ (4,058)

		Capital Projects Fund	
E911 Fund	Hotel/Motel Tax Fund	Northside Water Distribution Fund	Totals
$ -	$ 43,609	$ -	$ 43,609
-	-	390,501	390,501
443,543	-	-	443,543
-	-	-	199,091
-	-	-	11,120
5,794	-	-	5,794
449,337	43,609	390,501	1,093,658
-	-	-	33,440
750,094	-	-	1,006,662
-	-	407,122	407,122
-	21,804	-	21,804
750,094	21,804	407,122	1,469,028
(300,757)	21,805	(16,621)	(375,370)
300,757	-	-	388,342
-	(21,805)	-	(21,805)
300,757	(21,805)	-	366,537
-	-	(16,621)	(8,833)
67,103	-	(5,115)	698,859
$ 67,103	$ -	$ (21,736)	$ 690,026

CRISP COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Project Description	Original and Current Estimated Costs	Expenditures		
		Prior Years	Current Year	Total
2000 REFERENDUM				
Airport	$ 375,000	$ 347,016	$ 6,651	$ 353,667
County Buildings	1,517,655	1,457,507	-	1,457,507
EMS	224,000	217,986	112,597	330,583
E-911	383,248	380,162	-	380,162
Fire-Rescue	401,925	335,081	-	335,081
Parks and Recreation	2,400,000	3,017,813	-	3,017,813
Public Works/Sanitation	1,685,008	1,166,978	243,030	1,410,008
Sheriff/Jail/Training Facility	682,000	681,977	-	681,977
City of Arabi Projects	500,000	540,833	-	540,833
City of Cordele Projects	3,100,000	2,961,563	-	2,961,563
Industrial Development	855,000	1,097,863	-	1,097,863
County Road Project	3,876,164	2,725,114	7,279	2,732,393
Totals	$ 16,000,000	$ 14,929,893	$ 369,557	$ 15,299,450

Note: The difference between the above schedule and the Statement of Revenues, Expenditures and Changes in Fund Balances is due to a reimbursement for costs incurred related to the Airport of $10,052 and grant awards for County Road Projects of $71,686.

2005 REFERENDUM				
Judicial Center Project	$ 6,000,000	$ 118,354	$ 8,603,144	$ 8,721,498
Recreational Department Project	1,000,000	661,795	-	661,795
Airport Project	270,000	-	-	-
Sheriff Department Project	920,000	131,599	177,614	309,213
County Buildings Project	835,000	411,509	-	411,509
EMS Project	340,000	73,959	9,506	83,465
Emergency Management Project	200,000	-	-	-
Jail Project	295,000	2,300	91,894	94,194
Contingency Project	430,000	26,046	123,582	149,628
Development Authority Project	2,070,000	1,066,465	500,035	1,566,500
Cordele Industrial Project	1,000,000	-	-	-
City of Cordele Projects	2,350,000	1,596,820	691,102	2,287,922
Library Project	300,000	-	-	-
Emergency Signals Project	100,000	-	-	-
City of Arabi Projects	280,000	60,694	70,282	130,976
Fire Department Project	85,000	-	-	-
Animal Control Project	125,000	-	34,856	34,856
County Roads Project	3,400,000	-	-	-
Totals	$ 20,000,000	$ 4,149,541	$ 10,302,015	$ 14,451,556

Note: The difference between the above schedule and the Statement of Revenues, Expenditures and Changes in Fund Balances is due to equipment purchased through a capital lease being recognized as payments are being made. Principal payments made during the current year were $54,463.

CRISP COUNTY, GEORGIA

AGENCY FUNDS

Clerk of Superior Court	To account for all monies received by the Clerk of Court on behalf of individuals, private organizations, other governmental units, and other funds.
Probate Court	To account for the collection of fees for firearms licenses, certificates, marriage licenses, passports, etc., which are disbursed to other parties.
Sheriff's Office	To account for all monies received by the Sheriff's Department on behalf of individuals, private organizations, other governmental units, and other funds.
Jail Inmate	To account for all monies held on behalf of the inmates of Crisp County Jail.
Tax Commissioner	To account for the collection and payment to Crisp County and other taxing units of the property taxes levied, billed, and collected by the Tax Commissioner on behalf of Crisp County and other taxing units.
Magistrate Court	To account for the receipt and disbursement of court-ordered fines and fees made on behalf of third parties.

CRISP COUNTY, GEORGIA

COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2009

ASSETS	Clerk of Superior Court	Probate Court	Sheriff's Office
Cash and cash equivalents	$ 115,452	$ 131,041	$ 226,628
Accounts receivable	-	16,861	-
Taxes receivable	-	-	-
Total assets	$ 115,452	$ 147,902	$ 226,628
LIABILITIES			
Due to others	$ 115,452	$ 147,902	$ 226,628
Uncollected taxes	-	-	-
Total liabilities	$ 115,452	$ 147,902	$ 226,628

Jail Inmate	Tax Commissioner	Magistrate Court	Total
$ 5,669	$ 2,144	$ 28,934	$ 509,868
-	-	-	16,861
-	934,094	-	934,094
$ 5,669	$ 936,238	$ 28,934	$ 1,460,823
$ 5,669	$ 2,144	$ 28,934	$ 526,729
-	934,094	-	934,094
$ 5,669	$ 936,238	$ 28,934	$ 1,460,823

COMPLIANCE SECTION

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

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*

Board of Commissioners
of Crisp County, Georgia
Cordele, 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 Crisp County, Georgia as of and for the year ended June 30, 2009, which collectively comprise Crisp County Georgia's basic financial statements and have issued our report thereon dated April 28, 2010. We did not audit the financial statements of the Crisp County Board of Health or the Hospital Authority of Crisp County. Those financial statements were audited by other auditors whose report has been furnished to us. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2009-3 and 2009-4 to be material weaknesses.

A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies in the accompanying schedule of findings and questioned costs as items 2009-1, 2009-2, and 2009-5 to be significant deficiencies.

Compliance and Other Matters

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

We noted certain additional matters that we reported to management of Crisp County, Georgia in a separate letter dated April 28, 2010.

Crisp 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 Crisp County, Georgia's responses and accordingly, we express no opinion on them.

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

Mauldin & Jenkins, LLC

Albany, Georgia
April 28, 2010

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

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

Board of Commissioners
of Crisp County, Georgia
Cordele, Georgia

Compliance

We have audited the compliance of Crisp County, Georgia, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. Crisp County, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Crisp County, Georgia's management. Our responsibility is to express an opinion on Crisp County, Georgia's compliance based on our audit.

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 Crisp County, Georgia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Crisp County, Georgia's compliance with those requirements.

In our opinion, Crisp County, Georgia, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

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

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

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

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

Mauldin & Jenkins, LLC

Albany, Georgia
April 28, 2010

CRISP COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Agency or Pass-through Number	Federal Expenditures
U.S. Department of Justice			
Direct Award			
Bulletproof Vest Partnership	16.607	2008-AP-BX-0530	$ 1,304
Learn Network Grant	16.541	2006-JL-FX-0171	8,908
Passed through Criminal Justice Coordinating Council			
Victims Witness Assistance Program	16.576	2007-VA-GX-0050	8,970
Victims Witness Assistance Program	16.576	2008-VA-GX-0015	51,545
Byrne Formula Grant Program	16.579	2007-DJ-BX-0092	86,368
Passed through Juvenile Court Judges of Georgia			
Juvenile Accountability Incentive Block Grant	16.523	05B-ST-0001	2,990
Juvenile Accountability Incentive Block Grant	16.523	06B-ST-0001	3,350
Total U.S. Department Justice			163,435
U.S. Department of Transportation			
Passed through Georgia Department of Transportation			
Section 5311 Operating Assistance	20.509	MTG00-0139-00-79	38,442
Section 5311 Operating Assistance	20.509	MTG00-0143-00-103	162,961
Section 5311 Operating Assistance	20.509	MTG00-0139-00-171	42,529
Airport Improvement Grant	20.106	AP070-9900-21(081)	10,052
Total U.S. Department of Transportation			253,984
U.S. Department of Homeland Security			
Passed through Georgia Emergency Management Agency			
Local EMA Partnership Performance	97.042	E07-8-042	8,727
State Homeland Security Program	97.073	2005-GE-T5-0052	133,681
Total U.S. Department of Homeland Security			142,408
U.S. Department of Housing & Urban Development			
Passed through Georgia Department of Community Affairs			
Community Development Block Grant	14.228	06P-Y-040-1-3201	8,941
Community Development Block Grant	14.228	07P-Y-040-1-3351	324,447
Community Development Block Grant	14.228	08P-Y-040-1-5036	37,114
Total U.S. Department of Housing & Urban Development			370,502

CRISP COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Agency or Pass-through Number	Federal Expenditures
U.S. Department of Agriculture			
Direct Award			
Rural Business Opportunity Grant	10.773		6,304
Passed through SW Georgia United Empowerment Zone, Inc.			
CLOD Scholarship Program	10.772	None	11,085
Westside Revitalization	10.772	None	30,375
Total U.S. Department of Agriculture			47,764
Federal Emergency Management Agency			
Passed through Georgia Emergency Management Agency			
Disaster Recovery Program	97.036	FEMA-1833-DR-GA	60,083
Total Federal Emergency Management Agency			60,083
Total Expenditures of Federal Awards			$ 1,038,176

CRISP COUNTY, GEORGIA

NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE FISCAL YEAR ENDED JUNE 30, 2009

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Crisp County, Georgia and is prepared on the accrual basis of accounting. 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*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

CRISP COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	_X_ yes ____ no
Significant deficiencies identified not considered to be material weaknesses?	_X_ yes ____ none reported
Noncompliance material to financial statements noted?	____ yes _X_ no

Federal Awards

Internal Control over major programs:	
Material weaknesses identified?	____ yes _X_ no
Significant deficiencies identified not considered to be material weaknesses?	____ yes _X_ none reported
Type of auditor's report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section 510(a)?	____ yes _X_ no

Identification of major program:

CFDA Number	Name of Federal Program or Cluster
14.228	Community Development Block Grant
20.509	Section 5311 Operating Assistance Grant

Dollar threshold used to distinguish between Type A and Type B programs:	$300,000
Auditee qualified as low-risk auditee?	____ yes _X_ no

CRISP COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2009

SECTION II
FINDINGS: FINANCIAL STATEMENTS AUDIT

2009-1. Segregation of Duties

Criteria: Good, sound internal controls require a proper segregation of duties.

Condition: For the fiscal year ending June 30, 2009, we noted a lack of proper segregation of duties within several areas of Crisp County, Georgia's operations, including the Clerk of Court, Magistrate Court, Probate Court, Tax Commissioner's office, Sheriff's office, and County finance department. Examples of segregation of duties issues are as follows:

- Cash receipts are handled by the same individual(s) who also makes bank deposits, reconciles the bank accounts, and posts activity to the general ledger.
- Authorized check signers are not independent of voucher preparation and approval.
- Department heads are responsible for the purchasing function, receipt of goods and services and approval of invoices.
- Individuals responsible for maintaining personnel records are also responsible for the preparation of the County payroll.
- Individuals responsible for employee timekeeping also distribute paychecks.
- Property taxes and special assessments are billed by employees not independent of the collection function.
- Individuals responsible for monthly water system and landfill account billings are also involved in the receipt of customer payments and posting to customer accounts.
- Individuals responsible for the processing of invoices and related payables are also involved in the disbursement process and general ledger functions.
- Individuals responsible for maintaining the detail capital asset records are also involved with the general ledger, cash, purchasing, payable, and authorization functions.

Context: Several instances of overlapping duties were noted during interviews regarding internal control procedures.

Effect: The failure of Crisp County, Georgia to have a proper segregation of duties could lead to undetected misappropriation of funds or other irregularities.

Cause: The lack of segregation of duties is due to the limited number of individuals in each office to perform all of the duties.

Recommendation: Crisp County, Georgia should work to immediately eliminate the above deficiency.

Views of Responsible Officials and Planned Corrective Action: We concur. We will work with staff to segregate duties and apply compensating controls to the extent possible.

SECTION II
FINDINGS: FINANCIAL STATEMENTS AUDIT (CONTINUED)

2009-2. Maintenance of Records of Agency Fund Accounts

Criteria: Agency funds are used to account for resources held by the County in a purely custodial capacity, which means that all funds held are owed to other governments, organizations, or individuals. Due to the nature of these funds, it is important that adequate records be maintained to account for receipts, disbursements, and any residual funds that are held to be paid at a later date. Such listings should be reconciled to the respective cash balances maintained.

Condition: During our audit of the Probate Court as of June 30, 2009, we noted the detail listings of amounts payable to (or on behalf of) various parties were not being reconciled to the respective recorded cash balances.

Context: At the Probate Court, we noted approximately $266,000 of excess cash at June 30, 2009.

Effect: By not reconciling the cash balances on hand to the supporting detail listings, differences could occur and go undetected by the elected officials.

Cause: The excess funds have accumulated over several years due to the lack of adequate detailed listings and reconciliations performed on a monthly basis.

Recommendation: The County should maintain adequate records including detailed listings to support the balances held in the agency funds.

Views of Responsible Officials and Planned Corrective Action: We concur with the recommendation and changes will be implemented as soon as possible.

2009 - 3. Debt Transactions

Criteria: In the fund financial statements, governmental fund types recognize capital lease activity during the current period. The face amount of debt issued is reported as other financing sources and payments are reported debt service. Additionally, proprietary funds use the economic resources measurement focus, which requires those funds to report all assets and liabilities, including long-term debt. As part of that reporting process, the County should record the issuance of debt and debt related items in the statement of net assets for all proprietary funds.

Condition: The County did not properly record the issuance of capital leases in the 2000 Sales Tax Fund or payments of capital leases in the 2000 Sales Tax Fund and Landfill Fund.

Context: See above condition.

SECTION II
FINDINGS: FINANCIAL STATEMENTS AUDIT (CONTINUED)

2009 - 3. Debt Transactions (Continued)

Effect: An adjustment to decrease capital lease payable by $189,963, increase debt service by $53,067, and increase proceeds from capital leases by $243,030 was required to be recorded in the 2000 Sales Tax Fund. An entry to decrease capital lease payable by $68,284 and decrease expenses in the same amount was required to be recorded in the Landfill Fund.

Cause: See above condition.

Recommendation: We recommend the County record all capital lease activity appropriately as it occurs during the year.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We will record capital lease activity appropriately as it occurs during the year.

2009 - 4. Management of Accounts Receivable Accounts

Criteria: Generally accepted accounting principles require revenues to be recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. As a part of these processes, the County should review all revenue transactions to determine reporting in the proper period.

Condition: The County did not properly record fees receivable in the Water System Fund and Landfill Fund as of June 30, 2009.

Context: See above condition.

Effect: An adjustment to increase accounts receivable in the amount of $17,014 and to increase revenues in the same amount was required to be recorded in the Water System Fund. An adjustment to decrease accounts receivable in the amount of $8,073, and to decrease revenues in the same amount was required to be recorded in the Landfill Fund.

Cause: The County did not review all revenue transactions after year-end to determine reporting in the proper period.

Recommendation: We recommend the County establish procedures to review all revenue transactions after year-end to determine reporting in the proper period.

Views of Responsible Official and Planned Corrective Action: We concur. We will establish procedures to review all revenue transactions after year-end to determine reporting in the proper period.

SECTION II
FINDINGS: FINANCIAL STATEMENTS AUDIT (CONTINUED)

2009-5. Management of Due To / From (Internal) Accounts

Criteria: Generally accepted accounting principles require consideration of the collectibility of receivables of all kinds whether external or internal to the County. As part of that process, the County should review the amounts included in due to/from accounts (interfund receivables and payables) in each fund to determine the proper amount due during the fiscal year.

Condition: The County did not properly record the amounts due from other funds in the General Fund and Non-major Funds during the year ended June 30, 2009.

Context: See above condition.

Effect: Adjustments to increase due from other funds by $5,555, decrease due from agency funds by $16,062, increase revenues by $2,388, and decrease transfers in by $12,895 were required to be recorded in the General Fund. Adjustments to increase due from other funds by $12,414, decrease accounts receivable by $4,444, increase revenues by $13,525, and decrease transfers in by $5,555 were required to be recorded in the Non-major Funds.

Recommendation: We recommend the County begin recognizing and recording all necessary internal accounts receivable at the end of each financial reporting cycle.

Views of Responsible Officials and Planned Corrective Action: We concur with the finding. We will record all taxes receivable based on the above criteria.

SECTION III
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported

CRISP COUNTY, GEORGIA

SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2009

2008-1. Segregation of Duties

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

Condition: For the fiscal year ending June 30, 2008, appropriate segregation of duties did not exist within several areas of Crisp County, Georgia's operations, including the Clerk of Court, Magistrate Court, Probate Court, Tax Commissioner's office, Sheriff's office, and County finance department.

Auditee Response/Status: Unresolved – See current year audit finding 2009-1.

2008-2. Maintenance of Records of Agency Fund Accounts

Criteria: Agency funds are used to account for resources held by the County in a purely custodial capacity, which means that all funds held are owed to other governments, organizations, or individuals. Due to the nature of these funds, it is important that adequate records be maintained to account for receipts, disbursements, and any residual funds that are held to be paid at a later date. Such listings should be reconciled to the respective cash balances maintained.

Condition: During our audit of the various elected officials' offices as of June 30, 2008, we noted the detail listings of amounts payable to (or on behalf of) various parties were not being reconciled to the respective recorded cash balances. This situation was observed on certain accounts maintained at the Probate Court and the Sheriff's Office.

Auditee Response/Status: Resolved for the Sheriff's Office during the fiscal year ended June 30, 2009. Unresolved for the Probate Court – See current year audit finding 2009-2.

2008 - 3. Taxes Receivable

Criteria: Generally accepted accounting principles require revenue to be recognized in the accounting period in which it becomes both measurable and available to finance expenditures of the current period.

Condition: The County did not properly record the year end property taxes receivable in the General Fund during the year ended June 30, 2008.

Auditee Response/Status: This finding was resolved during the fiscal year ended June 30, 2009.

CRISP COUNTY, GEORGIA

SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2009

2008 - 4. Management of Due To / From (Internal) Accounts

Criteria: Generally accepted accounting principles require consideration of the collectibility of receivables of all kinds whether external or internal to the County. As part of that process, the County should review the amounts included in due to/from accounts (interfund receivables and payables) in each fund to determine the proper amount due during the fiscal year.

Condition: The County did not properly record the amounts due from agency funds in the General Fund during the year ended June 30, 2008.

Auditee Response/Status: Unresolved – See current year audit finding 2009-5.

2008 - 5. Management of Retainage Payable Liabilities

Criteria: Generally accepted accounting principles require reporting of all current liabilities whose liquidation is expected to require the use of current assets when the goods have been received or services have been performed.

Condition: The County did not properly record retainage payable within the Northside Water Distribution Fund as of June 30, 2008.

Auditee Response/Status: This finding was resolved during fiscal year ended June 30, 2009.

SUPPLEMENTAL SECTION

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT ACCOUNTANT'S REPORT ON LOCAL ASSISTANCE GRANTS

Board of Commissioners
of Crisp County, Georgia
Cordele, Georgia

We have examined management's assertion included in the accompanying State of Georgia Grant Certification Form about Crisp County, Georgia's compliance during the fiscal year ended June 30, 2009, with the requirement to use grant proceeds solely for the purpose or purposes for which the grant was made for the Local Assistance Grant #08-C-L-121. Management is responsible for Crisp County, Georgia's compliance with this requirement. Our responsibility is to express an opinion on management's assertion about Crisp County, Georgia's compliance based on our examination.

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

In our opinion, management's assertion that Crisp County, Georgia complied with the aforementioned requirement for the fiscal year ended June 30, 2009, is fairly stated, in all material respects.

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

Mauldin & Jenkins, LLC

Albany, Georgia
April 28, 2010

State of Georgia Grant Certification Form
Local Government Recipient (with no subrecipient)

LINE		
A	Local Government	**Crisp County, Georgia**
B	State Awarding Agency	**Department of Community Affairs State of Georgia**
C	Grant Identification Number	**08-C-L-121**
D	Grant Title	**Arts Alliance**
E	Grant Award Date	**07/30/07**
F	Grant Amount	**$5,000.00**

		COLUMN 1 **Current Year Activity** For the Year Ended: June 30, 2009	COLUMN 2 **Cumulative Grant Activity** Through the Year Ended: June 30, 2009
H	Balance - Prior Year (Cash or Accrued or Deferred Revenue)	$843.86	
I	Grant Receipts or Revenue Recognized	$1,250.00	$5,000.00
J	Grant Disbursements or Expenditures EXCLUDING AUDIT FEES	$2,093.86	$5,000.00
K	Disbursements or Expenditures for Audit Fees	$0.00	$0.00
L	Balance - Current Year (Cash or Accrued or Deferred Revenue) [Line H (col 1 only) + Line I - Line J - Line K]	$0.00	$0.00

Certification of Local Government Officials

I have reviewed the information presented above and certify that it is accurate and correct. I further certify that the proceeds of the grant award identified above were used solely for the express purpose or purposes for which the grant was made.

Signature of Chief Elected Official _____ Date_____

Signature of Chief Financial Officer_____ Date_____