EVANS COUNTY, GEORGIA

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
of Evans County, Georgia:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Evans County, Georgia (the "County"), as of and for the year ended June 30, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Evans County, Georgia's elected officials and management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Evans County Board of Health, a component unit. Those financial statements were audited by another auditor whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Evans County Board of Health, is based on the report of the other auditor.

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

In our opinion, based on our audit and the report of the other auditor, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Evans County, Georgia, as of June 30, 2010, the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparisons for the General Fund for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated March 29, 2011 on our consideration of Evans County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit, performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

As described in Note 1, the management's discussion and analysis is not included as a required part of the supplementary information for the year ended June 30, 2010.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Evans County, Georgia's basic financial statements. The combining and individual fund financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of the County. The combining and individual fund financial statements and supplemental schedules, including the Schedule of Expenditures of Special Sales Tax Proceeds, have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Herman Bargar

March 29, 2011

EVANS COUNTY, GEORGIA

STATEMENT OF NET ASSETS
JUNE 30, 2010

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Board of Health
ASSETS				
Cash	$ 5,663,267	$ 20,793	$ 5,684,060	$218,547
Receivables:				
Taxes (less allowance for uncollectible taxes)	268,055		268,055	
Tax Commissioner	69,583		69,583	
Accounts	649,222		649,222	8,132
Inventory, at cost		589	589	
Prepaid insurance	25,754		25,754	
Due from other funds	(18,576)	18,576		
Capital assets:				
Land and other non-depreciable assets	686,223	96,035	782,258	
Other capital assets, net of depreciation	4,021,168	740,995	4,762,163	14,293
Total assets	11,364,696	876,988	12,241,684	240,972
LIABILITIES				
Accounts payable	423,453	33,882	457,335	30
Other accrued liabilities	61,593		61,593	14,381
Accrued leave benefits	75,931	33,730	109,661	28,219
Landfill closure and post closure costs	580,889		580,889	
Note payable:				
Long-term	37,459		37,459	
Short-term	22,353	60,000	82,353	
Total liabilities	1,201,678	127,612	1,329,290	42,630
NET ASSETS				
Invested in capital assets, net of related debt	4,647,579	837,030	5,484,609	14,293
Restricted for:				
Capital projects	2,207,114	15,862	2,222,976	
Prior year program income				98,759
Unrestricted	3,308,325	(103,516)	3,204,809	85,290
TOTAL NET ASSETS	$10,163,018	$749,376	$10,912,394	$198,342

See the accompanying notes to financial statements.

EXHIBIT B

EVANS COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

Functions/Programs	Expenses	Program Revenues: Charges For Services	Program Revenues: Operations Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenues (Expenses) and Changes in Net Assets: Governmental Activities	Business-Type Activities	Total	Component Unit: Board of Health
Primary Government:								
Governmental Activities:								
General government	$1,206,718	$ 75,171			$(1,131,547)		$(1,131,547)	
Judiciary	721,963	222,228			(499,735)		(499,735)	
Public safety	1,553,568	621,514	$ 564,025		(368,029)		(368,029)	
Public roads	1,053,882			$ 219,802	(834,080)		(834,080)	
Sanitation	620,748	803,744			182,996		182,996	
Agriculture	86,971				(86,971)		(86,971)	
Intergovernmental	993,746				(993,746)		(993,746)	
Total governmental activities	6,237,596	1,722,657	564,025	219,802	(3,731,112)		(3,731,112)	
Business-Type Activities:								
Recreation	295,287	45,897				$ (249,390)	(249,390)	
TOTAL PRIMARY GOVERNMENT	$6,532,883	$1,768,554	$ 564,025	$ 219,802	(3,731,112)	(249,390)	(3,980,502)	
Component-Unit:								
Board of Health	$ 559,558	$ 129,445	$ 422,123					$ (7,990)
General Revenues:								
Property taxes					2,131,234		2,131,234	
Interest and fees on taxes					181,392		181,392	
Other taxes					130,244		130,244	
Special Purpose LOST					1,321,005		1,321,005	
Insurance premium tax					358,798		358,798	
Local Option Sales tax					872,016		872,016	
Interest					19,268		19,268	
Other					57,017		57,017	
Transfers					(272,128)	272,128		
Total general revenues/transfers					4,798,846	272,128	5,070,974	
Change in net assets					1,067,734	22,738	1,090,472	(7,990)
Net assets - beginning					9,095,284	726,638	9,821,922	206,332
Net assets - ending					$10,163,018	$ 749,376	$10,912,394	$198,342

See the accompanying notes to financial statments.

EVANS COUNTY, GEORGIA
GOVERNMENTAL FUNDS

BALANCE SHEET - JUNE 30, 2010

	General Fund	Special Multi-Purpose Sales Tax Fund	CDBG Fund	Other Fund	TOTAL
ASSETS					
CASH	$3,093,092	$2,151,709	$ 96,964	$321,502	$5,663,267
RECEIVABLES:					
Taxes (less allowance for uncollectible taxes)	268,055				268,055
Tax Commissioner	69,583				69,583
Other	243,643	113,703	98,125	193,751	649,222
DUE FROM OTHER FUNDS	118,968	176,410			295,378
PREPAID INSURANCE	25,754				25,754
TOTAL	$3,819,095	$2,441,822	$ 195,089	$515,253	$6,971,259
LIABILITIES AND FUND BALANCE					
LIABILITIES:					
Accounts payable	$ 199,625	$ 138,901	$ 18,585	$ 66,342	$ 423,453
Other accrued liabilities	31,807			22,825	54,632
Deferred taxes, etc.	218,412			5,470	223,882
Due to other funds	12,368	95,807	176,504	29,275	313,954
Total	462,212	234,708	195,089	123,912	1,015,921
FUND BALANCE:					
Reserved:					
Capital projects		2,207,114			2,207,114
Prepaid expenses	25,754				25,754
Unreserved	3,331,129			391,341	3,722,470
Total	3,356,883	2,207,114		391,341	5,955,338
TOTAL	$3,819,095	$2,441,822	$ 195,089	$515,253	$6,971,259

See the accompanying notes to financial statements

EVANS COUNTY, GEORGIA

RECONCILIATION OF NET ASSETS - GOVERNMENTAL FUNDS IN THE STATEMENT OF NET ASSETS TO TOTAL FUND BALANCE - GOVERNMENTAL FUNDS ON THE BALANCE SHEET FOR THE YEAR ENDED JUNE 30, 2010

Fund balance - total governmental funds	$ 5,955,338
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	4,707,391
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds	218,412
Some liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Compensated absences	(75,931)
Landfill closure and post closure costs	(580,889)
Accrued interest	(1,491)
Note payable	(59,812)
Net assets of governmental activities	$10,163,018

See the accompanying notes to financial statements.

EVANS COUNTY, GEORGIA
GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2010

	General Fund	Special Multi-Purpose Sales Tax Fund	CDBG Fund	Other Fund	TOTAL
REVENUES:					
Property taxes	$2,283,614				$2,283,614
Other taxes	1,361,058	$1,321,005			2,682,063
Licenses, permits and fees	34,119				34,119
Fees, fines and forfeitures	380,821				380,821
Intergovernmental	10,796		$ 219,802	$557,241	787,839
Other	1,200,625	8,790		152,436	1,361,851
Total revenues	5,271,033	1,329,795	219,802	709,677	7,530,307
EXPENDITURES:					
Current:					
General county government	1,073,771				1,073,771
Judiciary	721,696				721,696
Public safety	953,394			514,530	1,467,924
Public roads	600,704				600,704
Sanitation	562,701				562,701
Agriculture	87,156				87,156
Capital outlays		235,679	219,802	194,776	650,257
Intergovernmental	529,555	464,191			993,746
Total expenditures	4,528,977	699,870	219,802	709,306	6,157,955
EXCESS OF REVENUES OVER EXPENDITURES	742,056	629,925		371	1,372,352
OTHER FINANCING SOURCES (USES):					
Debt service	(55,000)				(55,000)
Transfers in	400,312				400,312
Transfers out	(200,000)	(472,440)			(672,440)
Total	145,312	(472,440)			(327,128)
NET CHANGE IN FUND BALANCE	887,368	157,485		371	1,045,224
FUND BALANCE, BEGINNING OF YEAR	2,469,515	2,049,629		390,970	4,910,114
FUND BALANCE, END OF YEAR	$3,356,883	$2,207,114	$ NIL	$391,341	$5,955,338

See the accompanying notes to financial statements.

EVANS COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2010

Net change in fund balances - Total Governmental Funds	$1,045,224
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays, reported as expenditures in governmental funds, are shown as capital assets in the Statement of Net Assets as follows:	
Capital outlay	303,868
Depreciation expenses on governmental capital assets are included in the governmental activities column in the Statement of Net Assets but are not shown in the governmental funds	(368,501)
Revenues in the Statement of Activities that do not provide financial resources are not reported as revenues in the funds. The amount of deferred revenues recognized as revenue in the statement of activities is as follows:	
Property taxes	29,012
Fire fees	2,604
Landfill fees	9,278
Ambulance fees	6,257
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:	
Interest	(1,148)
Compensated absences	(539)
Landfill closure and post closure costs	(8,509)
Other financing uses in the governmental funds decrease long-term liabilities in the Statement of Net Assets:	
Loan payments	50,188
Change in Net Assets of Governmental Activities	$1,067,734

See the accompanying notes to financial statements.

EVANS COUNTY, GEORGIA
GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts Original and Final	Actual Amounts	Variance With Final Budget Positive - (Negative)
REVENUES:			
Property taxes	$2,111,500	$2,283,614	$ 172,114
Other taxes	1,347,400	1,361,058	13,658
Licenses, permits and fees	37,100	34,119	(2,981)
Fees, fines and forfeitures	354,300	380,821	26,521
Intergovernmental	9,500	10,796	1,296
Other	932,100	1,200,625	268,525
Total revenues	4,791,900	5,271,033	479,133
EXPENDITURES:			
General county government	705,200	672,835	32,365
Judiciary	743,100	721,696	21,404
Public safety	823,300	856,179	(32,879)
Public roads	609,200	600,704	8,496
Sanitation	593,300	562,701	30,599
Agriculture	83,900	87,156	(3,256)
Other expenditures	1,245,400	1,027,706	217,694
Total expenditures	4,803,400	4,528,977	274,423
EXCESS OF REVENUES OVER EXPENDITURES	(11,500)	742,056	753,556
OTHER FINANCING SOURCES (USES):			
Debt service		(55,000)	(55,000)
Transfers in	223,000	400,312	177,312
Transfers out	(200,000)	(200,000)	
Total	23,000	145,312	122,312
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	11,500	887,368	875,868
FUND BALANCE, BEGINNING OF YEAR	2,469,515	2,469,515	
FUND BALANCE, END OF YEAR	$2,481,015	$3,356,883	$ 875,868

See the accompanying notes to financial statements.

EVANS COUNTY, GEORGIA
E-911 Fund

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
REVENUES:			
Surcharges		$ 138,669	$ 138,669
EXPENDITURES:			
Contractual services	$ 15,000	118,663	(103,663)
Training, etc.	900		900
Supplies	700	572	128
Total	16,600	119,235	(102,635)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(16,600)	19,434	36,034
FUND BALANCE, BEGINNING OF YEAR	46,956	46,956	
FUND BALANCE, END OF YEAR	$ 30,356	$ 66,390	$ 36,034

See the accompanying notes to financial statements.

EXHIBIT I

EVANS COUNTY, GEORGIA
DRUG TASK FORCE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010

	--Budgeted Amounts-- Original	Final	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
REVENUES:				
Intergovernmental - Grant	$252,681	$252,681	$272,488	$ 19,807
Intergovernmental - Cities/Counties	84,228	84,228	59,454	(24,774)
Forfeitures and other			13,044	13,044
Interest			723	723
Total	336,909	336,909	345,709	8,800
EXPENDITURES:				
Personnel	237,728	222,028	224,011	(1,983)
Equipment	40,204	42,100	67,806	(25,706)
Supplies	11,573	12,880	11,894	986
Travel	1,798	1,895	3,029	(1,134)
Other	45,606	58,006	58,032	(26)
Total	336,909	336,909	364,772	(27,863)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES			(19,063)	(19,063)
FUND BALANCE, BEGINNING OF YEAR	344,014	344,014	344,014	
FUND BALANCE, END OF YEAR	$344,014	$344,014	$324,951	$(19,063)

EVANS COUNTY, GEORGIA
PROPRIETARY FUND - RECREATION FUND

STATEMENT OF NET ASSETS
JUNE 30, 2010 AND 2009

	June 30, 2010	2009
ASSETS		
CURRENT ASSETS:		
Cash	$ 20,793	$ 37,407
Due from other funds	18,576	6,194
Inventory	589	589
Total	39,958	44,190
PROPERTY AND EQUIPMENT:		
Land	96,035	96,035
Building and other improvements	1,164,130	1,122,353
Furniture and fixtures	29,770	29,770
Equipment	391,469	367,973
Total	1,681,404	1,616,131
Less accumulated depreciation	844,374	803,876
Property and Equipment - Net	837,030	812,255
Total	876,988	856,445
LIABILITIES		
CURRENT LIABILITIES:		
Account payable	33,882	12,317
Notes payable	60,000	84,200
Other accrued expenses	33,730	33,290
Total liabilities	127,612	129,807
NET ASSETS		
Invested in capital assets, net of related debt	837,030	812,255
Restricted for capital projects	15,862	30,519
Unrestricted	(103,516)	(116,136)
TOTAL NET ASSETS	$ 749,376	$ 726,638

See the accompanying notes to financial statements.

EVANS COUNTY, GEORGIA
PROPRIETARY FUND - RECREATION FUND

STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

	June 30, 2010	2009
OPERATING REVENUES:		
Charges for service	$ 45,897	$ 43,499
OPERATING EXPENSES:		
Administration	179,210	196,646
Parks	17,158	15,225
Depreciation	40,498	38,501
Recreation	58,421	51,663
Total	295,287	302,035
LOSS BEFORE TRANSFERS AND CONTRIBUTIONS	(249,390)	(258,536)
TRANSFERS IN AND CONTRIBUTIONS:		
General Fund - transfer in	200,000	200,000
Special Multi-purpose Sales Tax Fund - capital contribution	72,128	74,344
Total	272,128	274,344
CHANGE IN NET ASSETS	22,738	15,808
NET ASSETS, BEGINNING OF YEAR	726,638	710,830
NET ASSETS, END OF YEAR	$ 749,376	$ 726,638

See the accompanying notes to financial statements.

EVANS COUNTY, GEORGIA
PROPRIETARY FUND - RECREATION FUND

STATEMENT OF CASH FLOWS - ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2010 AND 2009

	June 30, 2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers, users and grants	$ 58,393	$ 53,676
Cash paid to employees for services	(130,332)	(147,022)
Cash paid to suppliers	(114,974)	(131,508)
Total	(186,913)	(224,854)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Transfers in	187,933	200,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Property additions	(65,273)	(82,519)
Note payable	(24,200)	14,100
Capital contributions	71,839	75,832
Total	(17,634)	7,413
NET INCREASE (DECREASE) IN CASH	(16,614)	(17,441)
CASH, BEGINNING OF YEAR	37,407	54,848
CASH, END OF YEAR	$ 20,793	$ 37,407
RECONCILIATION OF NET INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Loss from operations	$ (249,390)	$ (258,536)
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Depreciation	40,498	38,501
Decrease (increase) in operating assets:		
Accounts receivable	(27)	
Inventory		1,130
Increase (decrease) in operating liabilities:		
Accounts payable	21,566	740
Due to other funds		(13,049)
Accrued expenses	440	6,360
Total	62,477	33,682
NET CASH USED IN OPERATING ACTIVITIES	$ (186,913)	$ (224,854)

See the accompanying notes to financial statements.

EVANS COUNTY, GEORGIA
FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2010

	Pension Trust Fund	Agency Funds
ASSETS		
CASH		$ 317,545
INVESTMENTS:		
Bonds	$1,022,793	
Principal Financial Group Stock	84,915	
TOTAL	$1,107,708	$ 317,545
LIABILITIES		
DUE TO OTHERS:		
Governmental units, retirement plans, etc.		$ 317,545
NET ASSETS		
HELD IN TRUST FOR PENSION BENEFITS - CASH AND INVESTMENTS (See Schedule of Funding Progress on Page 35)	$1,107,708	

See the accompanying notes to financial statements.

EVANS COUNTY, GEORGIA
FIDUCIARY FUNDS

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2010

	Pension Trust Fund
ADDITIONS:	
Investment income (loss)	$ 68,090
Contributions	37,166
Total	105,256
DEDUCTIONS:	
Benefits	32,736
Plan administration	16,988
Total	49,724
CHANGE IN NET ASSETS	55,532
NET ASSETS, JULY 1, 2009	1,052,176
NET ASSETS, JUNE 30, 2010	$1,107,708

See the accompanying notes to financial statements.

EVANS COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2010

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of Evans County, Georgia have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to Government units, except that the County did not include a management discussion and analysis (MD&A) section.

The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements. The more significant accounting policies established in GAAP and used by the County are described below.

In June, 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments.* Certain other significant changes in the Statement include the following.

For the current and prior fiscal years the financial statements include:

1. Financial statements prepared using full accrual accounting for all of the County's activities.

2. A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements). The County has plans to include the MD&A section in future years.

A. THE REPORTING ENTITY

Evans County was incorporated under the laws of the State of Georgia and operates under an elected Board of Commissioners form of government. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of Evans County (the primary government) and its component unit. The component unit discussed below is included in the reporting entity because the Evans County Board of Commissioners, directly or indirectly, appoints a majority of the component unit's board members and a financial benefit/burden relationship exists between the component unit and the County.

In conformity with generally accepted accounting principles, the financial statements of the component unit have been included as a discretely presented component unit. The component unit column in the government-wide financial statements includes the financial data for the

County's component unit, as reflected in their most recent audited financial statements. The fiscal year end of the component unit is June 30. Financial information of the component unit is reported in a column separate from the County's financial information to emphasize that it is legally separate from the County.

The Evans County Board of Health manages the local health department located in the County. It is governed by a seven member board that is composed of the following: the chief executive officer of the County, three members appointed by the County, the chief executive officer of the City of Claxton, one member appointed by the City of Claxton, and the County's superintendent of schools.

Complete financial statements of the discretely presented component unit can be obtained directly from their administrative office. The address for the administrative office is as follows: Evans County Board of Health, 4 N. Newton Street, Claxton, Georgia 30417.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

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

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF 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 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 provided 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 will be collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The County reports the following major governmental funds:

The **General Fund** is the general operating fund of Evans County, Georgia. It is used to account for all financial resources of the general Government, except those required to be accounted for in another fund.

The **Special Multi-Purpose Sales Tax Fund** accounts for the acquisition of fixed assets or construction of major capital projects not being financed by the General Fund.

The **Capital Projects Fund (CDBG)** - This fund accounts for the construction of capital projects being financed by a CDBG grant.

The County reports the following major enterprise fund:

The **Recreation Fund** accounts for activities for which a fee is charged to external users for goods or services, including recreation and exercise activities.

Additionally, the County reports the following fund types:

The **9-11 Fund** accounts for the activities of the County's emergency 911 systems for Evans County residents.

The **Drug Task Force fund** accounts for the activities of the County's drug task agency that serves Evans County and other local cities and counties.

The **JAG Fund** accounts for the activities relative to the Justice Assistance Grant obtained under the 2009 Recovery Act.

The **Pension Trust Funds, Fiduciary funds,** account for the activities of the County's defined benefit pension plan, which accumulate resources for pension benefit payments to qualified employees upon retirement.

The **Agency Funds** account for taxes and licenses collected on behalf of the County and other taxing entities; funds received and disbursed by the Clerk's Office in a fiduciary capacity; funds received and disbursed by the Sheriff's Office in a fiduciary capacity; and various other funds and fees received and disbursed in a fiduciary capacity.

GASB 34 eliminates the presentation of *Account Groups*, but provides for these records to be maintained and used to account for fixed assets and long-term liabilities that are not reflected on the balance sheet of Governmental type funds due to the current financial resources measurement focus that they use.

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

Governmental activities have been consolidated in the government-wide financial statements. Total governmental funds have been combined with general fixed assets and long term liabilities. The effect of interfund activity has been removed from the government-wide financial statements. Due to/from other funds have been eliminated as well as operating transfers between funds.

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

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

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

D. ASSETS, LIABILITIES AND NET ASSETS OR EQUITY

1. **Deposits and investments** - Cash includes amounts in both interest-bearing and non-interest-bearing demand deposits. State statutes authorize the Government to invest in obligations of the U.S. Treasury, obligations of the State of Georgia or any other states, obligations fully insured or guaranteed by the United States government or governmental agency, Local Government Investment Pool, commercial paper, corporate bonds, obligation of other political subdivisions of the State of Georgia, and repurchase agreements. Any bank deposit in excess of the total FDIC insured amount must be secured by an equivalent amount of State or U.S. obligations.

Investments are recorded at cost or amortized cost plus accrued interest, which approximates market value.

2. **Receivables and Payables** - During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. The current portion of these interfund receivables and payables are classified as "due from other funds" or "due to other funds" in the governmental funds.

Non-current portions of long-term interfund loans receivable/payable are reported as "advances to other funds" or "advances from other funds". Advances receivable in the Governmental funds are offset equally by a fund balance reserve account, which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation and are not expendable available financial resources.

Property tax receivables are shown net of an allowance for uncollectibles. The property tax receivable allowance is equal to 10 percent of outstanding property taxes at June 30, 2010. Property taxes are levied as of January 1, on property values assessed as of the same date.

Collections of property taxes are made throughout the year. They become delinquent after December 20. During the current fiscal year, the County levied property taxes on July 30, 2009.

3. **Prepaid Items** - For prepaid expenditures in the government-wide and fund financial statements, the County reports the expenditures during the benefiting period.

4. **Capital Assets** - Capital assets, which include property and plant equipment are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $1,000 and an estimated useful life in excess of two years. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Major outlays for capital assets and improvements are capitalized as projects are constructed. GASB statement 37 prohibits the capitalization of interest related to assets constructed for use in

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

Assets	Years
Buildings	50
Furniture and fixtures	10
Machinery and equipment	5-15
Vehicles	5

5. **Compensated Absences** - It is the government'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 government does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide 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.

6. **Long-term Obligations** - In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

7. **Fund Equity** - Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

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

9. **Inventories** - Inventories consist of various vending food and maintenance supplies. Inventories are valued at cost, using the average cost method. Inventories of governmental funds are recorded as expenditures when purchased rather than when consumed.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETS AND BUDGETARY ACCOUNTING

The annual budget is the financial plan for the operation of Evans County, Georgia for the ensuing annual period. The budget process provides for a professional management approach to the establishment of priorities and the implementation of work programs while providing an orderly means for control and evaluation of the financial posture of the Government. Evans County budgets are adopted on a basis generally consistent with GAAP; except that encumbrances are treated as budgeted expenditures in the year the commitment to purchase is incurred. Annual appropriated budgets are adopted for the general fund. All unencumbered appropriations lapse at fiscal year end. Project-length financial plans are adopted for all capital projects funds. The Drug Task Force's Control Group adopts an annual budget in connection with application for grant through the State of Georgia Criminal Justice Coordinating Council.

The Evans County budget process begins in April, with the department and agency heads submitting their departmental budgets. The County administrator formulates and remits the budget to all members of the Evans County Commission. The County Administrator and County Commissioners conduct budget hearings with all departments and agencies with any unresolved differences being presented to the Board of Commissioners. After review by the Commissioners, a final budget is approved when the budget resolution is adopted.

No increase in the departmental budget for the County may be made without the approval of the Board of Commissioners and amendment to the budget. Mid-year budget amendments are presented, where necessary, for adoption by the Commissioners. The general fund is subject to budgetary control on a department basis. During the year, the budget was not amended.

Unencumbered appropriations in the annual operating budget lapse at fiscal year end while encumbered appropriations are paid from reserved fund balances. When the County's expenditures reach the authorization provided by the operating budget, the Board of Commissioners approves supplemental appropriations.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting-under which purchase orders, contracts and other commitments for the expenditures of resources are recorded to reserve that portion of the applicable appropriation - is not utilized in the Governmental funds. Encumbrances outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the goods or services are yet to be received.

B. EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN INDIVIDUAL FUNDS OF THE GENERAL FUND

The individual funds, which had expenditures in excess of appropriations, as well as the object level within each fund at which the excess was incurred, are as follows:

	Expenditures	Appropriations	Expenditures Over Appropriations
General Fund:			
Current Operating Expenditures:			
Public safety . . .	$856,179	$823,300	$ 32,879
Agriculture	$ 87,156	$ 83,900	$ 3,256

The major budget overruns occurred in the Sheriff's department due to increases in prisoners' medical/meals, and housing.

The Board of Commissioners plan to closely monitor the budget in future years and adopt the necessary formal budget amendments in order to properly appropriate expenditures at the departmental level.

	Expenditures	Appropriations	Expenditures Over Appropriations
Drug Task Force Fund:			
Current operating expenditures	$364,772	$336,909	$ 27,863

The major budget overrun was related to equipment purchases from confiscated funds, increases in supplies and other costs.

The Drug Task Force plans to closely monitor the budget in future years and adopt the necessary budget amendments in order to properly appropriate its expenditures.

III. DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

Deposits - At year-end, the carrying amount of the primary Government's deposit was $6,001,605 and the bank balances were $6,102,778. Of the bank balance, $881,146 was covered by federal depository insurance and $5,221,632 of the balance was covered by collateral held in the pledging institution's trust departments in the Government's name. Statutes require collateral at 110% of pledged deposits to be held in the Government's name by the trust department.

At year-end, the carrying amount of the component units' deposits was $218,547. The bank balance was covered by federal depository insurance.

Investments - The County did not have any investments as of June 30, 2010.

B. PROPERTY TAXES

State law requires that property taxes be based on assessed value, which is 40% of fair market value. All real and personal property (including motor vehicles) are valued as of January 1, of each year and must be

declared and reported on a return for tax purposes by May 1. With the exception of motor vehicles and the property of public utilities, which are valued by the State Revenue Department, the Board of Tax Assessors of Evans County makes all assessments.

Upon completion of all assessments and tax returns, the information is turned over to the Evans County Tax Commissioner for compilation of the tax digest. The completed tax digest must be submitted to the State Revenue Commissioner for approval. The State Revenue Commissioner must ascertain that real property on the tax digest has been assessed at the State mandated forty percent (40%) of fair market value. If not, the commissioner may require an across the board percentage adjustment to all real property. The County Tax Commissioner distributes tax notices and collects tax payments. Motor vehicle taxes must be paid by the birth date of the owner of the vehicle. Property taxes are usually levied on October 20, of each year. Real and personal property taxes are due by December 20, and considered delinquent by December 20. Property taxes are attached as an enforceable lien on the day the taxes become delinquent. The total real and personal property tax levy is recorded as revenue in the fiscal year in which such amounts will be available (collected within 60 days of year-end) as net current assets.

In the accompanying financial statements, the portion of the property tax levy for the tax year 2009 collected during the current year has been recognized as revenue.

Property taxes receivable at June 30, 2010, is composed of the following:

Year of Levy:	
2009	$ 197,843
Prior to 2009	88,418
Total	286,261
Less - allowance for uncollectible	18,206
Net receivable	$ 268,055

C. ACCOUNTS RECEIVABLE

Primary Government

Receivables at June 30, 2010 for the County's individual major funds and nonmajor funds in the aggregate, including applicable allowances for uncollectible accounts, are as follows:

	General	Special Multi-Purpose Sales Tax Fund	Drug Task Force Fund	E-911 FUND	JAG FUND	Total
Receivables:						
Taxes	$ 286,261					$ 286,261
Accounts	245,393	$113,703	$142,519	$27,893	$23,339	552,847
Tax Commissioner	69,583					69,583
Gross Receivables	$601,237	$113,703	$142,519	$27,893	$23,339	$908,691
Less: allowance for uncollectibles	19,956					19,956
Net total receivables	$581,281	$113,703	$142,519	$27,893	$23,339	$888,735

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

Property taxes	$ 218,412
Accounts receivable	5,470
Total	$ 223,882

D. CAPITAL ASSETS

Primary Government

Capital asset activity for the year ended June 30, 2010 was as follows:

	------Primary Government------		
	Beginning Balance	Increase	Ending Balance
Governmental activities:			
Capital assets not being depreciated:			
Land	$ 686,223		$ 686,223
Other capital assets:			
Buildings and other improvements	4,713,467	$ 19,649	4,733,116
Machinery and equipment . .	3,571,422	284,219	3,855,641
Total other capital assets at historical cost	8,284,889	303,868	8,588,757
Less accumulated depreciation:			
Buildings, etc.	1,809,890	102,603	1,912,493
Machinery and equipment . .	2,389,198	265,898	2,655,096
Total accumulated depreciation	4,199,088	368,501	4,567,589
Other capital assets,net	4,085,801	(64,633)	4,021,168
Governmental activities capital assets, net	$4,772,024	$(64,633)	$4,707,391

	Primary Government		
	Beginning Balance	Increase	Ending Balance
Business-type activities:			
Recreation fund:			
Capital assets not being depreciated:			
Land	$ 96,035		$ 96,035
Other capital assets:			
Building and other improvements	1,122,353	$ 41,777	1,164,130
Equipment	397,743	23,496	421,239
Total other capital assets at historical cost	1,520,096	65,273	1,585,369
Less accumulated depreciation:			
Building, etc.	433,171	26,965	460,136
Equipment	370,705	13,533	384,238
Total accumulated depreciation	803,876	40,498	844,374
Other capital assets - net	716,220	24,775	740,995
Business-type activities, capital assets, net	$ 812,255	$ 24,775	$ 837,030

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

Governmental activities:	
General government	$ 104,985
Judiciary	4,334
Public safety	98,364
Agricultural assistance	748
Roads and bridges	100,630
Sanitation	39,491
Other	19,949
Total governmental activities depreciation expense.	$ 368,501

Capital asset activity for the Board of Health for the year ended June 30, 2010 was as follows:

	---Public Health Center---		
	Beginning Balance	Increase	Ending Balance
Other capital assets:			
Equipment	$ 90,890		$ 90,890
Less accumulated depreciation	70,230	$ 6,367	76,597
Other capital assets, net	$ 20,660	$ 6,367	$ 14,293

E. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

As of June 30, 2010, due to/from other funds which are considered current in nature, were as follows:

	Due From	Due To
Major Funds:		
General Fund	$118,968	$ 12,368
Special multi-purpose sales tax fund	176,410	95,807
TOTAL	$295,378	$108,175
Non-major Funds:		
JAG		28,139
CDBG		176,504
E-911 Fund		1,136
TOTAL	$ NIL	$205,779

	Transfers Out	Transfers In
Interfund Transfers:		
General Fund	$200,000	$400,312
Special Multi-purpose Sales Tax Fund	472,440	
Business-type activities - Recreation Fund		272,128
TOTAL	$672,440	$672,440

These balances resulted from the time lags 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 receivables and payables have been eliminated from the government-wide Statement of Net Assets except for those amounts due between governmental and business-type activities. Such amounts are reported at the net amount as "internal balances" and offset each other to result in a zero balance in the total column.

Generally transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, and (2) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

The current year transfers of $200,000 from the General Fund to the Recreation Fund was related to the General Fund's budgetary and other contributions to the Recreation Fund. The transfers of $472,440 from the SPLOST Fund to the Recreation Fund ($72,128) and General Fund ($400,312) were related to amounts allocated under the SPLOST referendum.

F. SHORT-TERM DEBT:

The following is a summary of the changes in the short-term debt for the business-type activities:

	Balance 06/30/09	Increase	Balance 06/30/10
3.00% Note payable to Claxton Bank, due December 31, 2010	$ 84,220	$ 24,200	$ 60,000

The note payable to Claxton Bank was obtained to complete certain park improvement projects at the Evans County Recreation Park.

G. LONG-TERM DEBT

Closure and Postclosure Care Costs

State and federal laws and regulations require that the County place a final cover on its landfills when closed and to perform certain maintenance and monitoring functions at the landfill sites for five to thirty years after closure. The amount of costs recognized in each period is based on the relative amount of waste received during the period, even though some of the closure and postclosure care costs will be paid after the landfills are closed. The County currently provided $580,889 of estimated costs for the previously closed landfill site and the current operating C&D landfill site in its government-wide financial statements.

The amount of the remaining estimated cost for landfill closure and postclosure care will be recognized on a pro rata basis as the remaining estimated capacity of usable space is filled. The County closed two of its landfills during a prior fiscal year. All amounts recognized are based on what it would cost to perform all closure and postclosure care at year-end; however, actual costs may be higher due to inflation. The County is required by state and federal laws and regulations to provide funds to finance closure and postclosure care. The County is currently providing for these funds by charging a landfill fee to users, plus certain funds have been provided through the special multi-purpose sales tax.

It is anticipated that future inflation costs and additional costs that might arise from changes in postclosure requirements (due to changes in technology or more rigorous environmental regulations, for example), may need to be covered by charges to future landfill users, taxpayers, or both.

The amount of the remaining estimated cost for landfill closure and postclosure care of $2,030,968 will be recognized on a pro rata basis as the remaining estimated capacity of 3,132,524 cubic yards of usable space is filled.

The County's municipal solid waste landfill site has an estimated remaining capacity of seventy-six years with 2.43% of the capacity used to date.

The following is a summary of the changes in the long-term debt for the year ended June 30, 2010:

	Balance 06/30/09	Additions	Reductions	Balance 06/30/10	Current Portion
Primary Government:					
Governmental Activities:					
Closure and post-closure landfill care costs . .	$572,380	$ 8,509		$580,889	
Loan - USDA .	110,000		$50,187	59,813	$22,353
Compensated absences . .	75,392	539		75,931	
TOTAL . .	$757,772	$ 9,048	$50,187	$716,633	$22,353
Business-type Activities:					
Compensated absences . . .	$ 33,290	$ 440	$ NIL	$ 33,730	$ NIL
Component Unit:					
Compensated absences . . .	$ 41,589	$ 15,742	$29,112	$ 28,219	$ NIL

Payments of compensated absences are made by the General Fund for governmental activities.

IV. OTHER INFORMATION

A. Defined Benefit Pension Plan

PRIMARY GOVERNMENT:

1. Plan Description

During 1986, the County instituted a pension plan covering many of its employees and implemented it effective retroactively to January 1, 1985. The County contributes to the Evans County Retirement Plan, which is a

single-employer, defined benefit plan administered by the Principal Mutual Life Insurance Company. Principal functions as an investment and administrative agent for the County with respect to the pension plan. The County's payroll for employees covered for the plan year beginning January 1, 2010 was $1,215,436, with the total County's payroll being $1,894,256.

The Authority to establish and amend benefit provisions rests with the Board of County Commissioners. The County's retirement plan does not issue a publicly available financial report. However, pertinent actuarial and historical information is presented in Principal's annual actuarial valuation report. Such report may be obtained by contacting Principal Life Insurance Company, P.O. Box 9396, Des Moines, Iowa 50306-9396.

All full-time County employees who are twenty-one years of age or older with one full year of service are eligible to participate in the plan. Benefits vest on a graduated scale starting at five years, with full vesting after ten years' service. County employees who retire at or after age 65 are entitled to a monthly retirement benefit, payable for life, in an amount equal to 1/2% of average monthly compensation multiplied by credited service, plus 1/2% of average compensation in excess of $550, multiplied by credited service (maximum thirty-five years), plus $3 multiplied by credited service.

County employees are not required to contribute to the Plan. The annual County contribution to the Plan is determined using actuarial methods and assumptions approved by the Plan's trustees and must satisfy the minimum contribution requirement contained in the State of Georgia Statute 47-20. The required contribution for the 2010 plan year was $111,497. This amount represents 9.17% of covered payroll.

Participant counts as of January 1, 2010 (the most recent actuarial valuation date) and covered compensation (based on covered earnings for the preceding year) are shown below:

Retirees and beneficiaries currently receiving benefits	14
Terminated plan members entitled to but not yet receiving benefit	11
Active employees participating in the Plan	45
TOTAL	70
Covered compensation for active participants	$1,215,436

2. Contributions

The County is required to contribute at an actuarially determined rate. Section 47-20 of the Georgia Code sets forth the funding standards for state and local Governmental pension plans. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement.

The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish and amend from time to time, the contribution rates for the County and its plan participants.

3. Annual Pension Cost, Net Pension Obligation, and Reserves

Current year annual pension costs for the Plan are shown in the trend information provided below. Annual required contributions were made to the Plan. There were no net pension obligations for the Plan.

There are no assets legally reserved for purposes other than the payment of plan member benefits for either plan. There are no long-term contracts for contributions.

The County's five year trend information is as follows:

ANNUAL PENSION COST

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
06/30/10	$111,497	100%	$ NIL
06/30/09	$ 78,274	100%	$ NIL
06/30/08	$ 74,301	100%	$ NIL
06/30/07	$ 55,671	100%	$ NIL
06/30/06	$ 41,090	100%	$ NIL

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Funded Ratio (a/b)	Assets In Excess of (Unfunded) AAL(UAAL) b-a	Annual Payroll Covered ©	AAL As A Percentage Of Covered Payroll (b-a)/c)
2006	$ 946,015	$1,053,500	89.8%	$(107,485)	$ 810,436	13.26%
2007	$ 925,414	$1,053,500	87.8%	$(128,086)	$ 982,596	13.04%
2008	$1,025,977	$1,164,577	88.1%	$(138,600)	$1,048,321	13.22%
2009	$1,089,178	$1,218,086	88.0%	$(148,908)	$1,096,688	13.58%
2010	$1,148,738	$1,437,647	80.0%	$(288,909)	$1,215,436	23.77%

The aggregate actuarial cost method was used to determine the actuarial value of assets. This method does not identify or separately amortize unfunded actuarial liabilities.

There have been no changes in plan benefits, actuarial cost method, or actuarial assumptions or procedures affecting comparability of costs between periods.

The plan uses 6.5% as an assumption rate for investment return and post retirement benefit increases. Also, the plan uses a 4.5% projected salary increase rate and inflation rate assumptions.

4. Actuarially Determined Contribution Requirements and Contributions Made

The Plan's funding policy provides for actuarially determined periodic contributions at rates that increase gradually over time so that sufficient assets will be available to pay benefits when due. The contribution rate for normal cost is determined using the aggregate actuarial cost method with the total cost of projected pension benefits for all employees spread over the average remaining years to retirement for the employees. The cost is generally spread as an even percentage of compensation.

The significant actuarial assumptions used to compute the actuarially determined contribution requirements are the same as those used to compute the pension benefit obligation as described above.

The contribution to the system for 2010 of $111,497 was made in accordance with actuarially determined requirements computed through an actuarial evaluation performed as of January 1, 2010. The contribution consisted of (1) $104,692 normal cost (7.01 percent of current covered payroll), increased by (b) $6,805 interest accrued for one year. This is defined by Section 47-20-10 of the State of Georgia Code.

COMPONENT UNIT:

1. Plan Description

The Evans County Board of Health is a member of the State of Georgia Employee's Retirement System, which is cost-sharing multiple-employer Public Employee Retirement System (PERS).

All full-time state merit employees are eligible and must participate in the State PERS. The pension plan provides pension benefits, deferred allowances, and death and disability benefits. A member may retire and receive normal retirement benefits after completion of 10 years of creditable service and attainment of age 65. A member may retire early and elect to receive reduced retirement benefits after completion of 10 years of creditable service and attainment of age 60,or after completion of 30 years of creditable service regardless of age. (Certain employees can retire having completed 34 or more years of service, regardless of age, and receive the same benefits as if they retired at age 65.) Benefits under the PERS ar based on salary, years of service, age and various plan options.

The plan provides employees who have at least 13 years and 4 months of creditable service with certain disability and death benefits.

2. Contributions Required and Made

Employees are required to pay either 1.25% of gross earnings, for those employees eligible to and who have elected to be treated under an old plan, or .25% of gross earnings for all others, to the plan. The Evans County Board of Health makes annual contributions to the pension plan equal to the amount required as set by the Board of Trustees of the PERS as determined by the system's actuary. Employer contributions amounted to 5.66% and 10.41% of covered compensation for the fiscal year for participants in the old and new plan respectively, for the year ended June 30, 2010. Employer contributions made for the year ended June 30, 2010 totaled $36,791.

3. Administration and Funding

A Board of Trustees is responsible for administration of the PERS.

All contributions are paid into the Employee's Retirement Fund for the exclusive benefit of members of the System and their beneficiaries. All benefits are paid out of this fund.

The ability of the fund to meet future obligations is examined each year by an independent actuarial firm which specializes in pension and retirement plans. Based on this examination a yearly evaluation of the System is furnished to the Board of Trustees. Every five years an actuarial experience study is performed. In addition, the PERS has an annual examination by an independent accounting firm in accordance with generally accepted auditing standards.

Pertinent actuarial and historical information is presented in the State of Georgia Employee's Retirement System Annual Financial Report.

B. Contingent Liabilities

1. Federally Assisted Grant Programs

The County receives a number of grants which are subject to program compliance audits by the grantors. Non-compliance with the terms and provisions of these grant agreements could result in contingent liabilities to the grantor agencies.

Grants from the Federal Government to the County did exceed $500,000 for the year ended June 30, 2010, thus there are requirements for the Agency's compliance with the provisions of the Single Audit Act of 1984.

A report on the County's internal control over financial reporting and on compliance and other matters is included in another audit report. Also, the report on the schedule of expenditures of Federal Awards is part of a separate audit report.

2. Risk Management and Litigation

The County is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. The County has joined together with other counties in the state as part of the Interlocal Risk Management Agency (IRMA) for property and liability insurance and the ACCG-Group Self-Insurance Workers' Compensation Fund (WCSIF), public

entity risk pools currently operating as common risk management and insurance programs for member local governments. The Association of County Commissioners of Georgia (ACCG) administers both risk pools.

As part of these risks 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 governments' contracts and in accordance with the workers' compensation laws of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

The County's attorney advises that there is one claim filed against Evans County and the Evans County EMS involving an accident. There is insurance coverage available to settle all claims, and Evans County is immune from an excess judgment.

3. Joint Venture

Under Georgia law, the County, in conjunction with other cities and counties in the seventeen county heart of Georgia area, is a member of the Heart of Georgia Altamaha Regional Development Center (RDC) and is required to pay annual dues thereto. During its year ended June 30, 2010, the County paid dues of $7,808. Membership in a RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RDC in Georgia. The RDC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a RDC. Separate financial statements may be obtained from:

Heart of Georgia
Altamaha Regional Development Center
501 Oak Street
Eastman, Georgia 31023

EVANS COUNTY, GEORGIA
GENERAL FUND

BALANCE SHEET - JUNE 30, 2010 AND 2009

	June 30, 2010	2009
ASSETS		
CASH	$3,093,092	$2,263,455
RECEIVABLES:		
Taxes receivable (less allowance for uncollectible taxes)	268,055	150,498
Tax Commissioner	69,583	66,045
Other	243,643	243,061
DUE FROM OTHER FUNDS	118,968	564
UNEXPIRED INSURANCE PREMIUMS	25,754	72,682
TOTAL	$3,819,095	$2,796,305
LIABILITIES AND FUND BALANCE		
LIABILITIES:		
Accounts payable	$ 199,625	$ 79,336
Other accrued liabilities	31,807	25,792
Due to Special Multi-purpose Sales Tax Fund		50,401
Due to Recreation Fund	12,368	
Deferred taxes	218,412	171,261
Total liabilities	462,212	326,790
FUND BALANCE	3,356,883	2,469,515
TOTAL	$3,819,095	$2,796,305

EVANS COUNTY, GEORGIA
GENERAL FUND

STATEMENT OF REVENUES
FOR THE YEAR ENDED JUNE 30, 2010 AND 2009

	June 30, 2010	2009
PROPERTY TAXES:		
General property	$2,102,222	$2,100,596
Commissions for collections	77,804	77,970
Penalties and interest	103,588	95,575
Total	2,283,614	2,274,141
OTHER TAXES:		
Other	17,672	16,754
Intangible recording tax	17,769	21,437
Real estate transfer tax	6,431	5,866
Alcoholic beverage tax	82,189	85,120
Local option sales tax	872,016	898,981
Hotel/motel tax	6,183	6,703
Life insurance and property and casualty insurance premium taxes	358,798	364,017
Total	1,361,058	1,398,878
LICENSES, PERMITS AND FEES:		
Alcoholic beverage licenses	22,688	26,005
Qualifying fees	1,311	658
Building permits	5,770	8,330
Franchise fees	4,350	
Total	34,119	34,993
FEES, FINES AND FORFEITURES:		
Superior Court	17,083	27,926
State Court	156,262	125,408
Magistrate Court	40,988	51,126
Sheriff	49,809	75,899
Recording fees	51,915	55,333
Probate Court	14,791	19,037
Other	49,973	42,672
Total	380,821	397,401
INTERGOVERNMENTAL REVENUES:		
EMA Supplement	6,784	6,534
Juvenile offender program	4,012	5,961
Total	10,796	12,495

Evans County, Georgia
Statement of Revenues - General Fund
For the years ended June 30, 2010 and 2009

	June 30, 2010	2009
OTHER:		
Landfill charges	$ 794,466	$ 744,155
Interest	9,781	16,786
Property rent	40,186	38,053
Pipe sale, etc.	12,680	4,923
Ambulance fee	223,648	222,668
Fire protection fees	87,731	82,010
Tax map services	866	2,174
Timber sales	24,080	
Miscellaneous	7,187	6,351
Total	1,200,625	1,117,120
TOTAL	$5,271,033	$5,235,028

EVANS COUNTY, GEORGIA
GENERAL FUND

STATEMENT OF EXPENDITURES
FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

	June 30, 2010	2009
GENERAL COUNTY GOVERNMENT:		
County Commissioners:		
Salaries	$ 196,958	$ 183,809
Payroll taxes	14,977	14,415
Group insurance	10,846	18,125
Dues	665	685
Training, school and seminars	962	757
Telephone	3,324	4,259
Postage	1,544	1,437
Repairs and maintenance		90
Legal advertising		189
Supplies	2,511	1,545
Capital outlay		2,195
Total	231,787	227,506
Tax Appraisal and Assessors:		
Salaries	89,808	87,016
Payroll taxes	6,495	6,274
Group insurance	15,713	17,694
Conventions, dues and travel	94	70
Training schools and seminars	3,311	3,889
Telephone	1,346	1,513
Postage	1,214	408
Supplies	1,706	1,866
Capital outlay	178	1,038
Contractual services	17,305	27,674
Repairs and maintenance	65	159
Legal advertising		120
Total	137,235	147,721
Tax Commissioner:		
Salaries	116,385	114,452
Payroll taxes	8,180	7,967
Group insurance	15,771	17,752
Conventions, dues and travel	596	1,492
Telephone	849	1,127
Postage	5,028	5,761
Repairs and maintenance		118
Legal and advertising	1,526	247
Data processing services	7,739	9,833
Supplies	2,244	2,333
Capital outlay	183	565
Total	158,501	161,647

	June 30, 2010	2009
GENERAL COUNTY GOVERNMENT (CON'T):		
Building and Grounds:		
Salaries	$ 24,664	$ 24,855
Group insurance	5,191	5,855
Payroll taxes	1,793	1,802
Heat, lights and water	72,112	72,316
Repairs and maintenance	14,630	16,284
Supplies	12,617	10,736
Contractual services	12,430	8,895
Telephone	236	248
Capital outlay	1,639	1,313
Total	145,312	142,304
Total	672,835	679,178
JUDICIARY:		
Superior Court:		
Salaries	141,061	152,751
Payroll taxes	10,141	11,023
Group insurance	26,256	29,534
Jurors and witnesses	19,485	17,879
Court recorder	19,316	22,900
Public defender fees	59,477	53,313
Convention, dues and travel	250	250
Training, schools and seminars	1,818	3,580
Telephone	1,859	2,333
Postage	3,389	2,612
Legal advertising	1,719	1,616
Contractual services	9,894	15,152
Atlantic Judicial Circuit	63,581	62,823
Supplies	6,380	7,387
Capital outlays	512	350
Victim Assistance	6,878	17,904
Total	372,016	401,407

	June 30, 2010	2009
JUDICIARY (CON'T):		
State Court:		
Salaries	$ 66,164	$ 58,415
Payroll taxes	4,160	3,489
Group insurance	10,485	11,805
Court recorder	6,340	3,374
Public defender's fees	400	338
Miscellaneous	125	200
Total	87,674	77,621
Probate Court:		
Salaries	79,390	79,051
Payroll taxes	5,873	5,845
Group insurance	5,913	6,078
Recording fees	278	452
Conventions, dues and travel	640	1,302
Telephone	1,717	1,460
Postage	395	590
Legal advertising	40	152
Contractual services		309
Training	1,195	1,365
Capital outlays	658	1,040
Supplies	2,172	1,974
Total	98,271	99,618
Magistrate Court:		
Salaries	90,524	84,222
Payroll taxes	6,923	6,344
Group insurance	10,514	11,834
Constable fees	11,305	11,300
Training, schools and seminars	1,022	530
Telephone	1,716	2,091
Postage	968	926
Capital outlay	523	122
Legal advertising, etc.	1,463	361
Supplies	1,696	2,331
Total	126,654	120,061

	June 30, 2008	2007
JUDICIARY (CON'T):		
Juvenile Court:		
Group insurance	$ 8,120	$ 6,557
Contractual services	8,789	7,618
Public defender fees	13,433	4,901
Court reporters	5,962	6,443
Training		342
Witness fees	75	525
Convention, dues and travel	637	220
Supplies and miscellaneous	65	40
Total	37,081	26,646
Total	721,696	725,353
PUBLIC SAFETY:		
Sheriff:		
Salaries	554,580	567,169
Payroll taxes	36,249	42,136
Group insurance	72,055	82,761
Conventions, dues and travel	986	745
Uniforms	5,583	2,356
Training, schools and seminars	4,661	1,514
Telephone	8,949	7,068
Postage	349	458
Repairs and maintenance	15,584	16,822
Medical costs - prisoners	30,405	14,256
Legal advertising	390	670
Contractual services	17,512	11,744
Supplies	24,159	20,138
Gasoline, oil and tires	3,542	2,442
Prisoners' meals/housing	56,452	40,876
Capital outlay	9,107	9,017
Tri-Circuit Drug Task Force	15,616	15,616
Total	856,179	835,788

	June 30, 2010	2009
PUBLIC ROADS:		
Salaries	$ 307,340	$ 298,578
Payroll taxes	22,508	21,657
Group insurance	47,808	53,511
Training, schools and seminars	1,065	824
Telephone	3,471	3,316
Repairs and maintenance	40,013	43,307
Legal advertising	48	96
Contractual work	4,953	4,232
Supplies	8,136	9,001
Gasoline, oil and tires	143,096	115,246
Capital outlay	716	3,129
Road projects	12,139	12,830
Uniforms	6,390	5,165
Utilities	3,021	5,834
Total	600,704	576,726
SANITATION:		
Sanitation Department:		
Salaries	25,899	25,366
Payroll taxes	1,938	1,891
Group insurance	5,234	5,917
Repairs and maintenance	6,317	1,338
Supplies	763	1,063
Gasoline, oil and tires		561
Capital outlay		376
Telephone	213	249
Contractual services	385,687	377,234
Total	426,051	413,995

	June 30, 2010	2009
SANITATION (CON'T):		
Sanitary Landfill:		
Salaries	$ 30,033	$ 29,668
Payroll taxes	1,844	1,757
Group insurance	5,234	5,756
Utilities	1,118	1,051
Repairs and maintenance	6,155	10,484
Contractual work	40,965	33,133
Supplies	1,580	1,414
Gasoline, oil and tires	701	125
Disposal fees	47,590	60,311
Telephone	985	1,230
Capital outlay		382
Training, schools, and seminars	445	500
Total	136,650	145,811
Total	562,701	559,806
AGRICULTURE:		
Salaries	40,069	39,284
Payroll taxes	3,055	3,501
Retirement	3,890	3,645
Telephone	1,818	2,193
Postage	795	991
Repairs and maintenance	1,324	464
4-H Programs	24,462	16,911
Supplies	5,783	4,935
Convention, dues and travel	4,238	4,090
Capital outlay	1,722	1,869
Total	87,156	77,883

	June 30, 2010	2009
OTHER EXPENDITURES:		
Retirement	$ 98,714	$ 81,703
Elections	33,605	117,128
Telephone	2,794	5,082
Repairs and maintenance	372	2,091
Professional fees	99,457	98,121
Legal advertising	1,013	2,345
APDC Dues	10,660	10,350
Insurance and bonds	124,406	129,262
Fire protection	85,144	85,144
Health Department	71,000	71,000
Department of Family & Children's Services	5,397	5,661
Emergency Management	30,039	30,840
Library	88,000	88,000
Forestry Commission	2,307	2,409
Ambulance service	187,000	237,401
Airport	27,200	27,200
Pineland Mental Health	6,000	6,000
Industrial Development - Land purchase	12,100	12,100
Contingencies	6,942	21,697
Supplies	4,300	4,059
Computer services	18,673	16,269
Code Enforcement	47,079	42,309
Coroner	20,097	19,242
Tourism/chamber	6,407	7,762
Chamber of Commerce	39,000	39,000
Debt services:		
Principal	50,187	
Interest	4,813	
Total	1,082,706	1,162,175
TOTAL	$4,583,977	$4,616,909

EVANS COUNTY, GEORGIA
SPECIAL MULTI-PURPOSE SALES TAX FUND

BALANCE SHEET
JUNE 30, 2010 AND 2009

	June 30, 2010	2009
ASSETS		
CASH	$2,151,709	$1,943,885
RECEIVABLES:		
Due from General Fund		50,401
Due from CDBG Fund	176,410	
Other	113,703	139,777
TOTAL	$2,441,822	$2,134,063
LIABILITIES AND FUND BALANCE		
LIABILITIES:		
Accounts payable	$ 138,901	$ 84,434
Due to General Fund	95,807	
Total	234,708	84,434
FUND BALANCE	2,207,114	2,049,629
TOTAL	$2,441,822	$2,134,063

EVANS COUNTY, GEORGIA
SPECIAL MULTI-PURPOSE SALES TAX FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

	June 30, 2010	2009
REVENUES:		
Multi-purpose Local Option Sales Tax	$1,321,005	$1,361,610
State of Georgia - DOT		288,973
Miscellaneous	26	9,209
USDA - Grant		30,000
Interest on investments	8,764	19,401
Total	1,329,795	1,709,193
EXPENDITURES:		
Public Roads:		
Equipment	12,577	121,911
Road projects	33,950	281,456
Road improvements	88,076	315,368
Total	134,603	718,735
Sanitation:		
Equipment	459	66,448
Landfill	24,843	16,366
Total	25,302	82,814
Other Expenditures:		
Courthouse	37,142	39,539
Industrial Development	40,026	41,257
Library	4,756	4,902
Evans Memorial Hospital	136,064	140,246
Airport	19,287	19,880
Public Safety Equipment	38,632	108,971
City of Claxton	120,079	123,770
City of Hagan	80,053	82,514
City of Bellville	31,958	32,961
City of Daisy	31,968	32,951
Total	539,965	626,991
Total	699,870	1,428,540
EXCESS OF REVENUES OVER EXPENDITURES	629,925	280,653

Evans County, Georgia - Special Multi-Purpose Sales Tax Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
For the years ended June 30, 2010 and 2009
Page 2

	June 30, 2010	2009
OTHER FINANCING SOURCES (USES):		
Transfer to other funds	$ (472,440)	$ (178,050)
USDA - Loan		110,000
Total	(472,440)	(68,050)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	157,485	212,603
FUND BALANCE, BEGINNING OF YEAR	2,049,629	1,837,026
FUND BALANCE, END OF YEAR	$2,207,114	$2,049,629

EVANS COUNTY, GEORGIA
E-911 FUND

BALANCE SHEET
JUNE 30, 2010 AND 2009

	June 30, 2010	2009
ASSETS		
CURRENT ASSETS:		
Cash	$ 46,594	$ 29,084
Accounts receivable	27,893	18,436
TOTAL	$ 74,487	$ 47,520
LIABILITIES AND FUND BALANCE		
CURRENT LIABILITIES:		
Accounts payable	$ 6,961	
Due to General Fund	1,136	$ 564
Total	8,097	564
FUND BALANCE	66,390	46,956
TOTAL	$ 74,487	$ 47,520

EVANS COUNTY, GEORGIA
E-911 FUND

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2010 AND 2009

	June 30, 2010	2009
REVENUES:		
Surcharge	$ 138,669	$ 132,884
EXPENDITURES:		
Training		455
Supplies	572	
Contract costs	118,663	120,239
Total	119,235	120,694
EXCESS OF REVENUES OVER EXPENDITURES	19,434	12,190
FUND BALANCE, BEGINNING OF YEAR	46,956	34,766
FUND BALANCE, END OF YEAR	$ 66,390	$ 46,956

EVANS COUNTY, GEORGIA
DRUG TASK FORCE FUND

BALANCE SHEET
JUNE 30, 2010 AND 2009

	June 30, 2010	June 30, 2009
ASSETS		
CASH	$ 264,590	$ 351,142
RECEIVABLES:		
Other	142,519	38,961
TOTAL	$ 407,109	$ 390,103
LIABILITIES AND FUND BALANCE		
LIABILITIES:		
Accounts payable	$ 58,784	$ 16,050
Escrow accounts	17,904	30,039
Deferred revenue	5,470	
Total	82,158	46,089
FUND BALANCE	324,951	344,014
TOTAL	$ 407,109	$ 390,103

EVANS COUNTY, GEORGIA
DRUG TASK FORCE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

	June 30, 2010	2009
REVENUES:		
Intergovernmental - Grant	$ 272,488	$ 158,835
Intergovernmental - Cities/Counties	59,454	53,278
Forfeitures and other	13,044	58,542
Interest	723	725
Total	345,709	271,380
EXPENDITURES:		
Personnel	224,011	175,899
Equipment	67,806	11,059
Supplies	11,894	11,741
Other	58,032	47,345
Travel	3,029	
Total	364,772	246,044
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(19,063)	25,336
FUND BALANCE, BEGINNING OF YEAR	344,014	318,678
FUND BALANCE, END OF YEAR	$ 324,951	$ 344,014

EVANS COUNTY, GEORGIA
CAPITAL PROJECTS FUND (CDBG)

BALANCE SHEET
June 30, 2010

ASSETS

CURRENT ASSETS:	
Cash	$ 96,964
Accounts receivable	98,125
TOTAL	$ 195,089

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES:	
Accounts payable	$ 18,585
Due to other funds	176,504
Total	195,089
FUND BALANCE	NIL
TOTAL	$ 195,089

EVANS COUNTY, GEORGIA
CAPITAL PROJECTS FUND (CDBG)

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2010

REVENUES:	
CDBG grant	$ 219,802
EXPENDITURES:	
Administration	5,500
Construction costs	214,302
Total	219,802
EXCESS OF REVENUES OVER EXPENDITURES	NIL
FUND BALANCE, BEGINNING OF YEAR	NIL
FUND BALANCE, END OF YEAR	$ NIL

EVANS COUNTY, GEORGIA

COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS
PROGRAM YEAR 2008; CDBG NO. 08P-Y-054-1-5041

STATEMENT OF SOURCE AND STATUS OF FUNDS
FOR THE PERIOD SEPTEMBER 16, 2008 THROUGH JUNE 30, 2010

Total Program Year 2008 funds allocated to recipient . .	$ 243,027
Less: Total Program Year 2008 funds drawn down by recipient	121,677
Funds still available from DCA - Program Year 2008 adjusted resources	$ 121,350
Total Program Year 2008 funds drawn down by recipient . .	$ 121,677
Program income applicable to Program Year 2008	NIL
Total Program Year 2008 funds received	121,677
Less: Funds applied to Program Year 2008 Cost (Schedule BB)	24,807
Total Program Year 2008 funds held by recipient	$ 96,870
Total Program Year 2008 funds available for disposition .	$ 218,220

EVANS COUNTY, GEORGIA

COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS
CDBG NO. 08P-Y-054-01-5041

PROGRAM YEAR 2008; PROGRAM YEAR PERIOD
SEPTEMBER 16, 2008 TO JUNE 30, 2010

STATEMENT OF PROGRAM COSTS
FOR THE PERIOD SEPTEMBER 16, 2008 THROUGH JUNE 30, 2010

PROGRAM ACTIVITY AND RELATED PROJECTS	AUTHORIZED COSTS	EXPENDITURES PAID PERIOD ENDED 6/30/10	QUESTIONED COST
Street improvements . .	$ 90,995		$ NIL
Flood and drainage facilities	136,748	$ 24,807	NIL
Contingencies	27,002		NIL
Administration	15,284		NIL
TOTAL . .	$270,029	$ 24,807	$ NIL

EVANS COUNTY, GEORGIA
JUSTICE ASSISTANCE GRANT FUND (JAG)

BALANCE SHEET, JUNE 30, 2010

ASSETS

Cash	$ 10,318
Accounts receivable	23,339
TOTAL	$ 33,657

LIABILITIES AND FUND BALANCE

Accounts payable	$ 597
Other accrued liabilities	4,921
Due to General Fund	28,139
Total	33,657
Fund Balance	NIL
TOTAL	$ 33,657

EVANS COUNTY, GEORGIA
JUSTICE ASSISTANCE GRANT FUND (JAG)

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2010

REVENUES:	
Law enforcement grant	$ 225,299
EXPENDITURES:	
Salaries	65,241
Payroll taxes	4,890
Group insurance	5,542
Contractual services	645
Telephone	1,162
Administration fees	7,058
Training schools and seminars	928
Supplies	17,164
Uniforms	6,238
Capital outlays	116,431
Total	225,299
EXCESS OF REVENUES OVER EXPENDITURES	NIL
FUND BALANCE, BEGINNING OF YEAR	NIL
FUND BALANCE, END OF YEAR	$ NIL

EVANS COUNTY, GEORGIA
FIDUCIARY FUNDS - AGENCY FUNDS

COMBINING BALANCE SHEET
JUNE 30, 2010 AND 2009

	Tax Commissioner	Clerk of Courts	Sheriff	Probate Court	Magistrate Court	TOTALS - (Memo Only) June 30, 2010	2009
ASSETS							
Cash	$182,752	$ 82,314	$ 31,796	$ 3,061	$ 17,622	$317,545	$275,649
LIABILITIES AND FUND BALANCE							
Due to others	$182,752	$ 82,314	$ 31,796	$ 3,061	$ 17,622	$317,545	$275,649

EVANS COUNTY, GEORGIA
FIDUCIARY FUNDS - AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2010

	Balance June 30,2009	Additions	Deductions	Balance June 30, 2010
ASSETS				
CASH:				
Courts:				
Probate	$ 2,714	$ 25,140	$ 24,793	$ 3,061
Clerk of Courts	97,691	532,809	548,186	82,314
Magistrate	927	230,535	213,840	17,622
Total	101,332	788,484	786,819	102,997
Sheriff	16,735	186,349	171,288	31,796
Tax Commissioner	157,582	6,255,571	6,230,401	182,752
Total	174,317	6,441,920	6,401,689	214,548
TOTAL	$ 275,649	$7,230,404	$7,188,508	$ 317,545
LIABILITIES				
DUE TO OTHERS:				
Governmental units, retirement plans, etc.	$ 275,649	$7,230,404	$7,188,508	$ 317,545

EVANS COUNTY, GEORGIA
PROPRIETARY FUND - RECREATION FUND

SCHEDULE OF OPERATING REVENUE
FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

	June 30, 2010	2009
Registrations and sponsorships	$ 35,385	$ 24,128
Special activities	1,809	1,906
Hotel/motel tax	1,684	1,676
Equipment sales and facility rentals	3,963	8,164
Concessions - net	2,983	391
Miscellaneous	73	7,234
TOTAL OPERATING REVENUE	$ 45,897	$ 43,499

EVANS COUNTY, GEORGIA
PROPRIETARY FUND - RECREATION FUND

SCHEDULE OF OPERATING EXPENSES
FOR THE YEARS ENDED JUNE 30, 2010 AND 2009

	June 30, 2010	2009
ADMINISTRATION:		
Salaries	$ 114,830	$ 121,478
Payroll taxes	8,659	8,691
Retirement and benefits	14,683	18,674
Meetings and travel	793	689
Telephone	4,251	5,445
Utilities	26,440	31,927
Office supplies	3,094	3,436
Miscellaneous	4,483	5,884
Contractual services	1,977	341
Repairs and maintenance		85
Total administration	179,210	196,646
PARKS:		
Equipment repairs and maintenance	10,142	7,502
Maintenance supplies	7,016	7,723
Total parks	17,158	15,225
RECREATION:		
Contract personnel - special events	13,881	8,928
Salaries	10,828	12,318
Program supplies, etc.	33,712	30,417
Total recreation	58,421	51,663
DEPRECIATION	40,498	38,501
TOTAL	$ 295,287	$ 302,035

SCHEDULE II

EVANS COUNTY, GEORGIA
OFFICE OF TAX COMMISSIONER

STATEMENT OF CHANGES IN TAXES RECEIVABLE - 2009 TAX DIGEST
JUNE 30, 2010

	Total	State	County	School	City of Claxton	City of Hagan	Other
CHARGES:							
Tax Digests - 2009:							
General property	$4,433,034	$ 50,890	$1,883,443	$2,498,701			
Not on digest	4,071	49	1,768	2,254			
Intangible recording	25,752	208	11,543	9,998	$ 3,429	$ 506	$ 68
Timber	27,424	332	11,140	15,952			
Motor vehicles	255,308	2,785	100,499	133,666	15,893	2,465	
Mobile homes	14,530	183	5,442	8,793	23	89	
Interest and penalties	15,022	174	6,322	8,512	7	7	
TOTAL	$4,775,141	$ 54,621	$2,020,157	$2,677,876	$19,352	$3,067	$ 68
CREDITS:							
Remittances	$4,357,762	$ 48,433	$1,871,708	$2,416,445	$18,221	$2,891	$ 64
Commissions - County	66,614	2,411		63,235	780	184	4
Unremitted collections	63,616	436	27,115	35,722	351	(8)	
Errors and reliefs	19,956	226	8,342	11,388			
Taxes receivable - June 30, 2010	267,193	3,115	112,992	151,086			
TOTAL	$4,775,141	$ 54,621	$2,020,157	$2,677,876	$19,352	$3,067	$ 68

SCHEDULE JJ

EVANS COUNTY, GEORGIA
OFFICE OF TAX COMMISSIONER

STATEMENT OF CHANGES IN TAXES RECEIVABLE - 2010 TAX DIGEST
JUNE 30, 2010

	Total	State	County	School	City of Claxton	City of Hagan	Other
CHARGES:							
Motor vehicles	$ 296,588	$ 3,338	$ 117,357	$ 160,225	$14,079	$1,589	
Mobile homes	28,765	340	11,674	16,314	179	258	
Intangible recording	16,011	139	7,955	6,662	700	470	$ 85
Timber	10,695	130	4,335	6,230			
Interest and penalties	12		5	7			
TOTAL	$ 352,071	$ 3,947	$ 141,326	$ 189,438	$14,958	$2,317	$ 85
CREDITS:							
Remittances	$ 301,601	$ 3,236	$ 123,154	$ 160,525	$12,710	$1,976	
Commissions - County	6,162	236		4,970	812	139	$ 5
Unremitted collections	44,308	475	18,172	23,943	1,436	202	80
TOTAL	$ 352,071	$ 3,947	$ 141,326	$ 189,438	$14,958	$2,317	$ 85

EVANS COUNTY, GEORGIA
OFFICE OF TAX COMMISSIONER

STATEMENT OF CHANGES IN TAXES RECEIVABLE - 2008 AND PRIOR YEARS
JUNE 30, 2010

	Total	State	County	School	City of Claxton	City of Hagan
CHARGES:						
Taxes receivable - July 1, 2009	$ 297,795	$ 3,581	$ 124,763	$ 169,451		
Motor vehicle	5,376	64	2,075	2,950	$ 243	$ 44
Mobile homes	9,113	119	3,565	5,297	41	91
Timber	132	2	53	77		
Interest	24,419	296	10,135	13,962	3	23
TOTAL	$ 336,835	$ 4,062	$ 140,591	$ 191,737	$ 287	$ 158
CREDITS:						
Unremitted collections	$ 3,512	13	1,700	1,793	5	1
Errors and reliefs	1,699	21	684	994		
Taxes receivable - June 30, 2010	140,408	1,697	58,665	80,046		
Commissions	3,019	234		2,768	9	8
Remittances	188,197	2,097	79,542	106,136	273	149
TOTAL	$ 336,835	$ 4,062	$ 140,591	$ 191,737	$ 287	$ 158

EVANS COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED JUNE 30, 2010

Project	Original Estimated Costs	Latest Estimated Costs	Expenditures: Prior Years	Expenditures: Current Year	Expenditures: Total	Estimated Percentage Of Completion
2001:						
Roads and bridges	$2,627,000	$2,484,155	$2,285,318	$ 33,950	$2,319,268	92.36%
Sanitation equipment	50,000	50,000	50,000		50,000	100.00%
Courthouse improvements	275,000	275,000	275,000		275,000	100.00%
Public safety equipment	110,000	110,000	110,000		110,000	100.00%
Community Center	100,000	176,102	176,102		176,102	100.00%
Ogeechee Tech School	100,000	161,208	161,208		161,208	100.00%
Firetrucks	149,000	149,000	149,000		149,000	100.00%
Recreation	300,000	300,000	300,000		300,000	100.00%
Library	30,000	34,274	34,274		34,274	100.00%
Industrial Authority	250,000	250,000	250,000		250,000	100.00%
Evans Memorial Hospital	700,000	700,000	700,000		700,000	100.00%
Airport Authority	100,000	101,261	101,261		101,261	100.00%
City of Claxton	600,000	600,000	600,000		600,000	100.00%
City of Bellville	150,000	150,000	150,000		150,000	100.00%
City of Daisy	169,000	169,000	169,000		169,000	100.00%
City of Hagan	240,000	240,000	240,000		240,000	100.00%
TOTAL	$5,950,000	$5,950,000	$5,751,163	$ 33,950	$5,785,113	97.23%
2005:						
Road construction	$ 800,000	$ 800,000				
Road improvements	1,900,000	1,367,658		$ 201,334	$ 201,334	11.97%
Road equipment	500,000	500,000	$ 107,039	12,577	119,616	23.92%
Sanitation equipment	225,000	225,000	68,138	458	68,596	30.49%
Courthouse/building improvements	130,000	355,883	318,741	37,142	355,883	100.00%
Sheriff and Jail equipment	360,000	360,000	304,680	38,632	343,312	95.36%
Fire equipment	120,000	120,000	58,300		58,300	48.58%
Landfill improvements	450,000	756,459	444.587	311,872	756,459	100.00%
County-city complex/property	415,000	415,000	228,659		228,659	55.10%
Recreation authority	450,000	450,000	287,487	72,128	359,615	79.91%
Library	30,000	30,000	18.368	4,756	23,124	77.08%
Industrial Development Authority	250,000	250,000	154,591	40,026	194,617	77.85%
Evans Memorial Hospital	850,000	850,000	525,507	136,064	661,571	77.83%
Airport Authority	120,000	120,000	74,489	19,287	93,776	78.15%
City of Claxton	750,000	750,000	463,772	120,079	583,851	77.85%
City of Hagan	500,000	500,000	309,182	80,053	389,235	77.85%
City of Bellville	200,000	200,000	123,478	31,958	155,436	77.72%
City of Daisy	200,000	200,000	123,468	31,968	155,436	77.72%
TOTAL	$8,250,000	$8,250,000	$3,610,486	$1,138,334	$4,748,820	57.56%

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I. REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Commissioners
Evans County, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Evans County, Georgia as of and for the year ended June 30, 2010, which collectively comprise Evans County's basic financial statements and have issued our report thereon dated March 29, 2011. We did not audit the financial statements of the Evans County Board of Health, a component unit. Those financial statements were audited by another auditor whose report thereon has been furnished to us, and our opinion on those financial statements, insofar as it relates to the amounts included for Evans County, Georgia, was based solely on the report of the other auditor.

We have 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 Evans County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Evans County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Evans County's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Evans County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than remote likelihood that a misstatement of the Evans County's financial statements that is more than inconsequential will not be prevented or detected by the Evans County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material misstatement of the financial statements will not be prevented or detected by the Evans County's internal control.

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

Compliance and Other Matters

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

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

Herman Morgan

March 29, 2011