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, 2012, 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, 2012, the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparisons for the General, E-911, and Drug Task Force Funds 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 February 15, 2013 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, 2012.

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.

Thomas Morgan

February 15, 2013

EVANS COUNTY, GEORGIA

STATEMENT OF NET ASSETS
JUNE 30, 2012

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Board of Health
ASSETS				
Cash	$ 7,140,527	$ 53,491	$ 7,194,018	$ 181,073
Receivables:				
Taxes (less allowance for uncollectible taxes)	255,374		255,374	
Accounts	507,966		507,966	6,782
Inventory, at cost		589	589	
Prepaid insurance	127,561		127,561	
Due from other funds	(7,293)	7,293		
Capital assets:				
Land and other non-depreciable assets	701,018	96,035	797,053	
Other capital assets, net of depreciation	4,185,905	778,803	4,964,708	10,950
Total assets	12,911,058	936,211	13,847,269	198,805
LIABILITIES				
Accounts payable	350,684	85,962	436,646	
Other accrued liabilities	108,723		108,723	
Accrued leave benefits	87,708	33,290	120,998	15,758
Landfill closure and post closure costs	586,031		586,031	
Deferred revenues	48,166		48,166	
Note payable:				
Short-term		41,691	41,691	
Total liabilities	1,181,312	160,943	1,342,255	15,758
NET ASSETS				
Invested in capital assets, net of related debt	4,886,923	874,838	5,761,761	10,950
Restricted for:				
Capital projects	2,677,940	27,941	2,705,881	
Other programs	130,203		130,203	
Prior year program income				85,877
Unrestricted	4,034,680	(127,511)	3,907,169	86,220
TOTAL NET ASSETS	$11,729,746	$775,268	$12,505,014	$ 183,047

See the accompanying notes to financial statements.

EVANS COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012

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	Net Revenues (Expenses) and Changes in Net Assets: Business-Type Activities	Total	Component Unit: Board of Health
Primary Government:								
Governmental Activities:								
General government	$1,388,438	$ 86,566			$(1,301,872)		$(1,301,872)	
Judiciary	767,424	219,286			(548,138)		(548,138)	
Public safety	2,063,742	644,342	$459,136		(960,264)		(960,264)	
Public works	1,908,706	708,982		$109,066	(1,090,658)		(1,090,658)	
Interest expense	48				(48)		(48)	
Health and welfare	77,597				(77,597)		(77,597)	
Agriculture	90,340				(90,340)		(90,340)	
Recreation and culture	88,000				(88,000)		(88,000)	
Economic development	39,300				(39,300)		(39,300)	
Community development	56,217				(56,217)		(56,217)	
Total governmental activities	6,479,812	1,659,176	459,136	109,066	(4,252,434)		(4,252,434)	
Business-Type Activities:								
Recreation	324,580	51,615				$ (272,965)	(272,965)	
TOTAL PRIMARY GOVERNMENT	$6,804,392	$1,710,791	$459,136	$109,066	$(4,252,434)	(272,965)	(4,525,399)	
Component-Unit:								
Board of Health	$ 497,558	$ 85,877	$399,356					$(12,325)
General Revenues:								
Property taxes					2,163,726		2,163,726	
Interest and fees on taxes					204,281		204,281	
Other taxes					124,072		124,072	
Special Purpose LOST					1,416,084		1,416,084	
Insurance premium tax					303,578		303,578	
Local Option Sales tax					934,643		934,643	
Interest					24,726		24,726	
Other					55,805		55,805	
Transfers					(284,247)	284,247		
Total general revenues/transfers					4,942,668	284,247	5,226,915	
Change in net assets					690,234	11,282	701,516	(12,325)
Net assets - beginning					11,039,512	763,986	11,803,498	195,372
Net assets - ending					$11,729,746	$ 775,268	$12,505,014	$183,047

See the accompanying notes to financial statments.

EVANS COUNTY, GEORGIA
GOVERNMENTAL FUNDS

BALANCE SHEET - JUNE 30, 2012

	General Fund	Special Multi-Purpose Sales Task Fund	Drug Task Force Fund	Other Funds	TOTAL
ASSETS					
CASH	$4,063,035	$2,616,073	$348,741	$112,678	$7,140,527
RECEIVABLES:					
Taxes (less allowance for uncollectible taxes)	200,926				200,926
Other	308,171	129,064	98,195	26,984	562,414
DUE FROM OTHER FUNDS	11,121	9,760			20,881
PREPAID INSURANCE	127,561				127,561
TOTAL	$4,710,814	$2,754,897	$446,936	$139,662	$8,052,309
LIABILITIES AND FUND BALANCE					
LIABILITIES:					
Accounts payable	$ 238,404	$ 62,308	$ 38,721	$ 11,251	$ 350,684
Other accrued liabilities	52,978		55,745		108,723
Deferred taxes, etc.	211,018		48,166		259,184
Due to other funds	285	14,649		13,240	28,174
Total	502,685	76,957	142,632	24,491	746,765
FUND BALANCE:					
Nonspendable - prepaid	127,561				127,561
Assigned:					
General government expenditures	130,203				130,203
Law enforcement purposes			304,304		304,304
Public safety purposes				115,171	115,171
Restricted - capital projects		2,677,940			2,677,940
Unassigned	3,950,365				3,950,365
Total	4,208,129	2,677,940	304,304	115,171	7,305,544
TOTAL	$4,710,814	$2,754,897	$446,936	$139,662	$8,052,309

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, 2012

Fund balance - total governmental funds	$ 7,305,544
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	4,886,923
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds	211,018
Some liabilities are not due and payable in the current period and therefore are not reported in the funds:	
Compensated absences	(87,708)
Landfill closure and post closure costs	(586,031)
Net assets of governmental activities . .	$11,729,746

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, 2012

	General Fund	Special Multi-Purpose Sales Tax Fund	Drug Task Force Fund	Other Funds	TOTAL
REVENUES:					
Property taxes	$2,383,213				$2,383,213
Other taxes	1,362,293	$1,416,084			2,778,377
Licenses, permits and fees	46,733				46,733
Fees, fines and forfeitures	358,128				358,128
Intergovernmental	13,093	109,066	$448,506	$ 4,096	574,761
Other	1,138,018	57,537	4,720	156,918	1,357,193
Total revenue	5,301,478	1,582,687	453,226	161,014	7,498,405
EXPENDITURES:					
Current:					
General county government	1,253,583				1,253,583
Judiciary	763,241				763,241
Public safety	1,082,862		393,545	144,434	1,620,841
Public roads	557,495				557,495
Sanitation	512,532				512,532
Agriculture	87,453				87,453
Capital outlays	15,547	747,000	73,295		835,842
Intergovernmental	548,882	494,620			1,043,502
Total expenditures	4,821,595	1,241,620	466,840	144,434	6,674,489
EXCESS OF REVENUES OVER EXPENDITURES	479,883	341,067	(13,614)	16,580	823,916
OTHER FINANCING SOURCES (USES):					
Transfers out	(207,000)	(77,247)			(284,247)
NET CHANGE IN FUND BALANCE	272,883	263,820	(13,614)	16,580	539,669
FUND BALANCE, BEGINNING OF YEAR	3,935,246	2,414,120	317,918	98,591	6,765,875
FUND BALANCE, END OF YEAR	$4,208,129	$2,677,940	$304,304	$115,171	$7,305,544

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, 2012

Net change in fund balances - Total Governmental Funds	$ 539,669
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	567,433
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	(398,309)
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	(15,206)
Fire fees	(235)
Landfill fees	(7,896)
Ambulance fees	(1,775)
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	184
Compensated absences	7,263
Landfill closure and post closure costs	(8,323)
Other financing uses in the governmental funds decrease long-term liabilities in the Statement of Net Assets:	
Loan payments	7,429
Change in Net Assets of Governmental Activities	$ 690,234

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, 2012

	Budgeted Amounts Original and Final	Actual Amounts	Variance With Final Budget Positive - (Negative)
REVENUES:			
Property taxes	$2,209,700	$2,383,213	$ 173,513
Other taxes	1,327,400	1,362,293	34,893
Licenses, permits and fees	34,900	46,733	11,833
Fees, fines and forfeitures	349,300	358,128	8,828
Intergovernmental	10,500	13,093	2,593
Other	947,900	1,138,018	190,118
Total revenues	4,879,700	5,301,478	421,778
EXPENDITURES:			
General county government	717,700	721,864	(4,164)
Judiciary	749,000	766,036	(17,036)
Public safety	983,400	999,087	(15,687)
Public roads	550,700	559,323	(8,623)
Sanitation	593,300	513,565	79,735
Agriculture	90,800	89,732	1,068
Other expenditures	1,351,800	1,171,988	179,812
Total expenditures	5,036,700	4,821,595	215,105
EXCESS OF REVENUES OVER EXPENDITURES	(157,000)	479,883	636,883
OTHER FINANCING SOURCES (USES):			
Transfers in	223,000		(223,000)
Transfers out	(207,000)	(207,000)	
Total	16,000	(207,000)	(223,000)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(141,000)	272,883	413,883
FUND BALANCE, BEGINNING OF YEAR	3,935,246	3,935,246	
FUND BALANCE, END OF YEAR	$3,794,246	$4,208,129	$ 413,883

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, 2012

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES:			
Surcharges		$ 156,918	$ 156,918
EXPENDITURES:			
Contractual services .	$ 15,000	139,853	(124,853)
Supplies	1,600	485	1,115
Total . .	16,600	140,338	(123,738)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES . .	(16,600)	16,580	33,180
FUND BALANCE, BEGINNING OF YEAR	98,591	98,591	
FUND BALANCE, END OF YEAR	$ 81,991	$ 115,171	$ 33,180

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, 2012

	--Budgeted Amounts-- Original	Final	Actual Amounts	Variance with Final Budget Favorable (Unfavorable)
REVENUES:				
Intergovernmental - Grant	$310,079	$344,822	$344,822	
Intergovernmental - Cities/Counties	103,360	114,941	103,684	$(11,257)
Forfeitures and other			4,186	4,186
Interest			534	534
Total	413,439	459,763	453,226	(6,537)
EXPENDITURES:				
Personnel	304,600	295,324	279,870	15,454
Equipment	21,910	30,839	73,295	(42,456)
Supplies	20,280	45,037	21,396	23,641
Travel	2,500	3,322	6,244	(2,922)
Other	64,149	85,241	86,035	(794)
Total	413,439	459,763	466,840	(7,077)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES			(13,614)	(13,614)
FUND BALANCE, BEGINNING OF YEAR	317,918	317,918	317,918	
FUND BALANCE, END OF YEAR	$317,918	$317,918	$304,304	$(13,614)

EVANS COUNTY, GEORGIA
PROPRIETARY FUND - RECREATION FUND

STATEMENT OF NET ASSETS
JUNE 30, 2012 AND 2011

	June 30, 2012	2011
ASSETS		
CURRENT ASSETS:		
Cash	$ 53,491	$ 15,405
Due from other funds	7,293	13,840
Inventory	589	589
Total	61,373	29,834
PROPERTY AND EQUIPMENT:		
Land	96,035	96,035
Building and other improvements	1,202,495	1,178,668
Furniture and fixtures	31,761	31,761
Equipment	480,336	410,874
Total	1,810,627	1,717,338
Less accumulated depreciation	935,789	888,360
Property and Equipment - Net	874,838	828,978
Total	936,211	858,812
LIABILITIES		
CURRENT LIABILITIES:		
Account payable	85,962	28,333
Notes payable	41,691	31,000
Other accrued expenses	33,290	35,493
Total liabilities	160,943	94,826
NET ASSETS		
Invested in capital assets, net of related debt	874,838	828,978
Restricted for capital projects	27,941	14,691
Unrestricted	(127,511)	(79,683)
TOTAL NET ASSETS	$ 775,268	$ 763,986

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, 2012 AND 2011

	June 30, 2012	2011
OPERATING REVENUES:		
Charges for service	$ 51,615	$ 56,567
OPERATING EXPENSES:		
Administration	183,304	184,598
Parks	25,894	19,017
Depreciation	47,429	43,986
Recreation	67,953	70,113
Total	324,580	317,714
LOSS BEFORE TRANSFERS AND CONTRIBUTIONS	(272,965)	(261,147)
TRANSFERS IN AND CONTRIBUTIONS:		
General Fund - transfer in	207,000	204,500
Special Multi-purpose Sales Tax Fund - capital contribution	77,247	71,257
Total	284,247	275,757
CHANGE IN NET ASSETS	11,282	14,610
NET ASSETS, BEGINNING OF YEAR	763,986	749,376
NET ASSETS, END OF YEAR	$ 775,268	$ 763,986

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, 2012 AND 2011

	June 30, 2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers, users and grants	$ 58,267	$ 64,103
Cash paid to employees for services	(142,276)	(142,450)
Cash paid to suppliers	(86,101)	(142,600)
Total	(170,110)	(220,947)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:		
Transfers in	207,000	216,049
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Property additions	(93,289)	(35,934)
Note payable	10,691	(29,000)
Capital contributions	83,794	64,444
Total	1,196	(490)
NET INCREASE (DECREASE) IN CASH	38,086	(5,388)
CASH, BEGINNING OF YEAR	15,405	20,793
CASH, END OF YEAR	$ 53,491	$ 15,405
RECONCILIATION OF NET INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Loss from operations	$ (272,965)	$ (261,147)
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Depreciation	47,429	43,986
Increase (decrease) in operating liabilities:		
Accounts payable	57,629	(5,549)
Accrued expenses	(2,203)	1,763
Total	102,855	40,200
NET CASH USED IN OPERATING ACTIVITIES	$ (170,110)	$ (220,947)

See the accompanying notes to financial statements.

EVANS COUNTY, GEORGIA
FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET ASSETS
JUNE 30, 2012

	Pension Trust Fund	Agency Funds
ASSETS		
CASH		$ 316,006
INVESTMENTS:		
Bonds	$1,243,257	
Principal Financial Group Stock	99,541	
TOTAL	$1,342,798	$ 316,006
LIABILITIES		
DUE TO OTHERS:		
Governmental units, retirement plans, etc.		$ 316,006
NET ASSETS		
HELD IN TRUST FOR PENSION BENEFITS - CASH AND INVESTMENTS (See Schedule of Funding Progress on Page 35)	$1,342,798	

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, 2012

	Pension Trust Fund
ADDITIONS:	
Investment income	$ 44,225
Employer contributions	140,266
Total	184,491
DEDUCTIONS:	
Benefits	34,710
Plan administration	17,359
Total	52,069
CHANGE IN NET ASSETS	132,422
NET ASSETS, JULY 1, 2011	1,210,376
NET ASSETS, JUNE 30, 2012	$1,342,798

See the accompanying notes to financial statements.

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

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, 2012. 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 28, 2011 .

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 and other improvements	15-50
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 Balances** -

Financial Policies

The Board of Commissioners meet on a monthly basis to manage and review cash financial activities and to insure compliance with established policies. It is the County's policy to fund current expenditures with current revenues and the County's mission is to strive to maintain a diversified and stable revenue stream to protect the government from problematic fluctuations in any single revenue source and provide stability to ongoing services. The County's unassigned General Fund balance will be maintained to provide the County with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing.

The County has implemented GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, for fiscal year ended June 30, 2012 for its governmental funds. Under GASB Statement No. 54, fund balances are required to be reported according to the following classifications:

Nonspendable Fund Balance - Includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification includes inventories, prepaid amounts, assets held for sale, and long-term receivables.

Restricted Fund Balance - Constraints place on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors or other governments; or are imposed by law (through constitutional provisions or enabling legislation).

Committed Fund Balance - Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the County's highest level of decision-making authority, the Board of Commissioners.

Assigned Fund Balance - Amounts that are constrained by the County's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the Board of Commissioners, or by an official to whom that authority has been given. With the exception of the General Fund, this is the residual fund balance classification for all governmental funds with positive balances.

Unassigned Fund Balance - This is the residual classification of the General Fund. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in

this classification, as the result of overspending for specific purposes for which amounts had been restricted, committed or assigned.

The Board of Commissioners are authorized to assign amounts for specific purposes. The Governmental Funds Balance Sheet provides details of the amounts, if any, that have been assigned for specific purposes. The Board of Commissioners are also authorized to commit amounts for purposes.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it is the policy of the County to generally consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the policy of the County that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts. In both instances, when a proposed expenditure is made with specific balances identified as the source of the funding, that specific fund balance will be used.

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:			
General County government	$721,864	$717,700	$ 4,164
Judiciary	$766,036	$749,000	$ 17,036
Public safety . . .	$999,087	$983,400	$ 15,687
Public roads	$559,323	$550,700	$ 8,623

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
E-911 Fund:			
Current operating expenditures	$140,338	$ 16,600	$123,738

The major budget overrun was related to the County not including its contract payments to the service provider.

The Board of Commissioners plan to closely monitor the E-911 fund budget in future years and adopt the necessary budget and 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 $7,456,526 and the bank balances were $7,670,111. Of the bank balance, $997,526 was covered by federal depository insurance and $6,672,585 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 $181,973. The bank balance was covered by federal depository insurance.

Investments - The County's only investments as of June 30, 2012 consisted of various securities ($1,342,797) held by Principal Life Insurance Company under the County's retirement plan. The County's investments were composed of the following:

U.S. Bonds	$ 778,279
Non - U.S.Bonds . .	251,138
Commercial mortgages	195,191
Other	115,703
Cash	2,486
Total . .	$1,342,797

Custodial Credit Risk - Investments - Custodial credit risk is the risk that in the event of a financial institution failure, the County's deposits may not be returned to the County.

The County's investments above were exposed to custodial credit risk since they are uninsured and/or unregistered, with such securities held by the counterparty but not in the County's name.

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

As of June 30, 2012, the County's investments were rated as follows:

Investment Type	Moody's Investor Service	Amount
Bond	AAA-Below B	$1,029,417
Commercial mortgages, etc.	N/R	313,380
Total . .		$1,341,797

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

At June 30, 2012, the County's investments portfolio was concentrated as follows:

Issuer	Investment Type	Percentage of Portfolio
U.S.Bonds	Bonds	62.6%
Non-U.S. Bonds	Bonds	20.2%
Commercial mortgages . .	Mortgages	15.7%

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As of June 30, 2012, based on information provided by Principal Life INsurance, administrator of the County's retirement plan, the various investments had an average maturity of 7.01 years.

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 2011 collected during the current year has been recognized as revenue.

Property taxes receivable at June 30, 2012, is composed of the following:

Year of Levy:	
2011	$ 176,087
Prior to 2011	96,632
Total	272,719
Less - allowance for uncollectible	17,345
Net receivable	$ 255,374

C. ACCOUNTS RECEIVABLE

Primary Government

Receivables at June 30, 2012 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	Total
Receivables:					
Taxes	$ 272,719				$ 272,719
Accounts	$ 280,978	$129,064	$98,195	$26,984	$ 535,221
Gross Receivables	$553,697	$129,064	$98,195	$26,984	$807,940
Less: allowance for uncollectibles	$44,600				$44,600
Net total receivables	$509,097	$129,064	$98,195	$26,984	$763,340

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	$ 211,018
Accounts receivable	NIL
Total	$ 211,018

D. CAPITAL ASSETS

Primary Government

Capital asset activity for the year ended June 30, 2012 was as follows:

	------Primary Government------			
	Beginning Balance	Increase	(Decrease)	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	$ 686,223	$ 14,795		$ 701,018
Construction in progress	16,781		$ 16,781	
Total . . .	703,004	14,795	16,781	701,018
Other capital assets:				
Buildings and other improvements	4,960,423	230,690		5,191,113
Machinery and equipment	3,961,934	338,729	51,485	4,249,178
Total other capital assets at historical cost	8,922,357	569,419	51,485	9,440,291
Less accumulated depreciation:				
Buildings, etc.	2,018,575	120,749		2,139,324
Machinery and equipment	2,888,987	277,560	51,485	3,115,062
Total accumulated depreciation . . .	4,907,562	398,309	51,485	5,254,386
Other capital assets,net	4,014,795	171,110		4,185,905
Governmental activities capital assets, net . . .	$4,717,799	$185,905	$ 16,781	$4,886,923

	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	1,178,668	$ 23,827	1,202,495
Equipment	442,635	69,462	512,097
Total other capital assets at historical cost	1,621,303	93,289	1,714,592
Less accumulated depreciation:			
Building, etc.	488,200	29,167	517,367
Equipment	400,160	18,262	418,422
Total accumulated depreciation	888,360	47,429	935,789
Other capital assets - net	732,943	45,860	778,803
Business-type activities, capital assets, net	$ 828,978	$ 45,860	$ 874,838

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

Governmental activities:	
General government	$ 102,898
Judiciary	4,257
Public safety	134,413
Agricultural assistance	608
Roads and bridges	87,726
Sanitation	31,964
Other	36,443
Total governmental activities depreciation expense.	$ 398,309

Capital asset activity for the Board of Health for the year ended June 30, 2012 was as follows:

	---Public Health Center---		
	Beginning Balance	Increase	Ending Balance
Other capital assets:			
Equipment	$ 98,903		$ 98,903
Less accumulated depreciation	81,870	$ 6,083	87,953
Other capital assets, net	$ 17,033	$ 6,083	$ 10,950

E. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

As of June 30, 2012, due to/from other funds which are considered current in nature, were as follows:

	Due From	Due To
Major Funds:		
General Fund	$ 11,121	$ 285
Special multi-purpose sales tax fund	9,760	14,649
TOTAL	$ 20,881	$ 14,934
Non-major Funds:		
CDBG Fund		$ 9,854
E-911 Fund		660
JAG Fund		2,726
TOTAL		$ 13,240
Proprietary Fund	$ 7,293	

	Transfers Out	Transfers In
Interfund Transfers:		
General Fund	$207,000	
Special Multi-purpose Sales Tax Fund	77,247	
Business-type activities - Recreation Fund		$284,247
TOTAL	$284,247	$284,247

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 $207,000 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 $77,247 from the SPLOST Fund to the Recreation Fund was 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 06/30/11	Increase	Balance 06/30/12
3.00% Note payable to Claxton Bank, due December 31, 2012	$ 31,000	$ 10,691	$ 41,691

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 $586,031 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 $2,018,959 will be recognized on a pro rata basis as the remaining estimated capacity of 3,094,949 cubic yards of usable space is filled.

The County's municipal solid waste landfill site has an estimated remaining capacity of ninety-seven years with 3.6% 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, 2012:

	Balance 06/30/11	Additions	Reductions	Balance 06/30/12	Current Portion
Primary Government:					
Governmental Activities:					
Closure and post-closure landfill care costs . .	$577,708	$ 8,323		$586,031	
Loan - USDA .	7,429		$ 7,429		
Compensated absences . .	94,971		7,263	87,708	
TOTAL . .	$680,108	$ 8,323	$14,692	$673,739	$ NIL
Business-type Activities:					
Compensated absences . . .	$ 35,493	$ NIL	$ 2,203	$ 33,290	$ NIL
Component Unit:					
Compensated absences . . .	$ 20,481	$ 5,517	$10,240	$ 15,758	$ 7,879

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, 2012 was $1,152,266, with the total County's payroll being $1,902,528.

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 2011 plan year was $140,266. This amount represents 11.5% of covered payroll.

Participant counts as of January 1, 2012 (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	15
Terminated plan members entitled to but not yet receiving benefit	13
Active employees participating in the Plan	41
TOTAL	69
Covered compensation for active participants	$1,152,266

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 six year trend information is as follows:

ANNUAL PENSION COST

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
06/30/12	$133,566	100%	$ NIL
06/30/11	$140,266	100%	$ NIL
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

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(UAAL) As A Percentage Of Covered Payroll (b-a)/c)
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%
2011	$1,239,339	$1,718,273	72.10%	$(478,934)	$1,219,744	39.27%
2012	$1,346,368	$1,797,613	74.9%	$(451,245)	$1,152,266	39.16%

Because the City uses the aggregate actuarial cost method to determine its actuarially required contribution, the schedule of funding progress presented above is calculated using the entry age actuarial cost method as a surrogate for the funding progress of the Plan. The aggregated actuarial cost method does not identify or separately amortize unfunded actuarial accrued liabilities.

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 5.75% 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 2012 of $133,566 was made in accordance with actuarially determined requirements computed through an actuarial evaluation performed as of January 1, 2012. The contribution consisted of (1) $126,303 normal cost (10.96 percent of current covered payroll), increased by (b) $7,263 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 1.25% of gross earnings to the retirement account and .25% of gross earnings to th GTLI premiums. 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, 2012. Employer contributions made for the year ended June 30, 2012 totaled $36,613.

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 not exceed $500,000 for the year ended June 30, 2012, thus there are no 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.

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, 2012, the County paid dues of $7,006. 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

4. The following is a summary of the hotel-motel taxes collected and expended during the current fiscal year:

Hotel-motel tax revenues	$ 7,217
Hotel-motel tax expenditures:	
Chamber of Commerce	5,400
Evans County Recreation - TOS Theater Project	1,817
Total (100% of revenues)	7,217
Excess of revenues (under) expenditures	NIL
Balance, beginning of year	NIL
Balance, end of year	$ NIL

The County has complied with the expenditure requirements of OCGA-48-13-51.

EVANS COUNTY, GEORGIA
GENERAL FUND

BALANCE SHEET - JUNE 30, 2012 AND 2011

	June 30, 2012	2011
ASSETS		
CASH	$4,063,035	$3,733,973
RECEIVABLES:		
Taxes receivable (less allowance for uncollectible taxes)	255,374	260,339
Other	253,723	269,177
DUE FROM OTHER FUNDS	11,121	110,376
UNEXPIRED INSURANCE PREMIUMS	127,561	110,451
TOTAL	$4,710,814	$4,484,316
LIABILITIES AND FUND BALANCE		
LIABILITIES:		
Accounts payable	$ 238,404	$ 247,160
Other accrued liabilities	52,978	64,961
Due to Recreation Fund	285	819
Deferred taxes	211,018	236,130
Total liabilities	502,685	549,070
FUND BALANCE	4,208,129	3,935,246
TOTAL	$4,710,814	$4,484,316

EVANS COUNTY, GEORGIA
GENERAL FUND

STATEMENT OF REVENUES
FOR THE YEAR ENDED JUNE 30, 2012 AND 2011

	June 30, 2012	2011
PROPERTY TAXES:		
General property	$2,178,932	$2,165,144
Commissions for collections	85,292	81,108
Penalties and interest	118,989	134,681
Total	2,383,213	2,380,933
OTHER TAXES:		
Other	17,373	18,073
Intangible recording tax	19,484	21,675
Real estate transfer tax	5,504	4,094
Alcoholic beverage tax	74,494	78,591
Local option sales tax	934,643	861,319
Hotel/motel tax	7,217	6,683
Life insurance and property and casualty insurance premium taxes	303,578	348,957
Total	1,362,293	1,339,392
LICENSES, PERMITS AND FEES:		
Alcoholic beverage licenses	22,450	18,875
Qualifying fees	4,247	407
Building permits	12,060	10,336
Franchise fees	7,976	13,522
Total	46,733	43,140
FEES, FINES AND FORFEITURES:		
Superior Court	26,205	16,632
State Court	146,699	156,334
Magistrate Court	46,400	46,603
Sheriff	24,138	43,619
Recording fees	49,598	54,543
Probate Court	16,659	21,669
Other	48,429	44,208
Total	358,128	383,608
INTERGOVERNMENTAL REVENUES:		
EMA Supplement	6,534	6,534
Juvenile offender program	6,559	4,045
Total	13,093	10,579

Evans County, Georgia
Statement of Revenues - General Fund
For the years ended June 30, 2012 and 2011

	June 30, 2012	2011
OTHER:		
Landfill charges	$ 716,878	$ 625,044
Interest	14,404	12,738
Property rent	39,157	37,668
Pipe sale, etc.	2,533	9,467
Ambulance fee	195,984	221,971
Fire protection fees	148,049	180,304
Tax map services	676	762
Timber sales	19,729	
Insurance claims - equipment		94,267
Miscellaneous	608	8,492
Total	1,138,018	1,190,713
TOTAL	$5,301,478	$5,348,365

EVANS COUNTY, GEORGIA
GENERAL FUND

STATEMENT OF EXPENDITURES
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011

	June 30, 2012	2011
GENERAL COUNTY GOVERNMENT:		
County Commissioners:		
Salaries	$ 210,177	$ 204,091
Payroll taxes	15,895	15,421
Group insurance	20,492	17,619
Dues	635	560
Training, school and seminars	68	355
Telephone	4,034	3,906
Postage	803	1,433
Legal advertising		72
Supplies, etc	2,793	2,051
Capital outlay		730
Total	254,897	246,238
Tax Appraisal and Assessors:		
Salaries	94,865	92,297
Payroll taxes	6,722	6,362
Group insurance	22,530	15,547
Conventions, dues and travel	432	35
Training schools and seminars	2,043	2,952
Telephone	1,862	1,502
Postage	4,747	4,475
Supplies	2,052	1,984
Capital outlay		500
Contractual services	13,537	13,052
Repairs and maintenance		9
Legal advertising	48	1,640
Total	148,838	140,355
Tax Commissioner:		
Salaries	119,116	116,745
Payroll taxes	8,257	8,167
Group insurance	20,797	16,885
Conventions, dues and travel	1,007	1,831
Telephone	1,360	891
Postage	7,417	5,615
Repairs and maintenance		228
Legal advertising	2,080	680
Data processing services	7,356	6,298
Supplies	2,382	2,919
Capital outlay	535	
Total	170,307	160,259

	June 30, 2012	2011
GENERAL COUNTY GOVERNMENT (CON'T):		
Building and Grounds:		
Salaries	$ 25,828	$ 27,724
Group insurance	6,355	5,561
Payroll taxes	1,872	2,024
Heat, lights and water	71,969	78,628
Repairs and maintenance	14,137	16,489
Supplies	13,729	12,043
Contractual services	13,169	8,644
Telephone	199	184
Capital outlay	564	1,195
Total	147,822	152,492
Total	721,864	699,344
JUDICIARY:		
Superior Court:		
Salaries	142,124	138,318
Payroll taxes	10,170	9,873
Group insurance	33,744	28,127
Jurors and witnesses	30,683	17,793
Court recorder	19,830	29,642
Public defender fees	60,037	55,400
Convention, dues and travel	250	294
Training, schools and seminars	1,241	1,253
Telephone	3,040	2,170
Postage	2,698	2,992
Legal advertising	1,734	2,445
Contractual services	10,351	21,854
Atlantic Judicial Circuit	64,809	63,625
Supplies	6,897	6,919
Capital outlays	711	390
Victim Assistance	28,805	
Total	417,124	381,095

	June 30, 2012	2011
JUDICIARY (CON'T):		
State Court:		
Salaries	$ 68,149	$ 66,164
Payroll taxes	3,622	4,085
Group insurance	13,077	10,720
Court recorder	3,701	4,590
Public defender's fees	212	313
Miscellaneous	1,008	423
Total	89,769	86,295
Probate Court:		
Salaries	84,014	83,253
Payroll taxes	6,354	6,184
Group insurance	6,238	5,522
Recording fees	163	406
Conventions, dues and travel	1,386	712
Telephone	2,168	1,774
Postage	419	462
Legal advertising	50	30
Training	1,111	1,033
Capital outlays	396	575
Supplies	1,182	1,694
Total	103,481	101,645
Magistrate Court:		
Salaries	90,577	88,331
Payroll taxes	6,873	6,704
Group insurance	6,354	5,962
Constable fees	11,140	11,100
Training, schools and seminars	954	1,024
Telephone	2,739	1,757
Postage	800	704
Capital outlay	1,688	1,270
Legal advertising, etc.	1,195	579
Supplies	2,041	1,747
Total	124,361	119,178

	June 30, 2012	2011
JUDICIARY (CON'T):		
Juvenile Court:		
Group insurance	$ 3,412	$ 3,607
Contractual services	9,559	7,941
Public defender fees	11,588	9,028
Court reporters	4,455	3,131
Witness fees	125	175
Convention, dues and travel	1,439	1,428
Supplies and miscellaneous	723	130
Total	31,301	25,440
Total	766,036	713,653
PUBLIC SAFETY:		
Sheriff:		
Salaries	623,703	559,499
Payroll taxes	46,107	41,496
Group insurance	124,782	83,787
Conventions, dues and travel	793	1,458
Uniforms	4,858	931
Training, schools and seminars	3,852	2,812
Telephone	11,959	9,693
Postage	347	568
Repairs and maintenance	11,236	19,707
Medical costs - prisoners	36,110	24,852
Legal advertising	150	120
Contractual services	11,241	8,402
Supplies	25,637	19,236
Gasoline, oil and tires	27,000	3,632
Prisoners' meals/housing	47,208	74,961
Capital outlay	6,513	1,774
Tri-Circuit Drug Task Force	17,591	17,591
Total	999,087	870,519

	June 30, 2012	2011
PUBLIC ROADS:		
Salaries	$ 267,433	$ 293,893
Payroll taxes	19,355	21,408
Group insurance	50,067	49,876
Training, schools and seminars	999	359
Telephone	2,861	2,877
Repairs and maintenance	51,341	42,945
Legal advertising	72	
Contractual work	751	2,407
Supplies	8,681	6,585
Gasoline, oil and tires	145,073	150,864
Capital outlay	1,828	1,080
Road projects	3,715	7,732
Uniforms	4,981	5,712
Utilities	2,166	3,434
Total	559,323	589,172
SANITATION:		
Sanitation Department:		
Salaries	25,730	24,773
Payroll taxes	1,913	1,848
Group insurance	6,628	5,600
Repairs and maintenance	3,567	7,216
Supplies	790	1,907
Gasoline, oil and tires	351	179
Telephone	160	151
Contractual services	335,190	346,112
Total	374,329	387,786

	June 30, 2012	2011
SANITATION (CON'T):		
Sanitary Landfill:		
Salaries	$ 32,051	$ 30,343
Payroll taxes	1,879	1,829
Group insurance	6,628	5,642
Utilities	902	747
Repairs and maintenance	15,081	5,551
Contractual work	23,730	23,705
Supplies	2,282	1,210
Gasoline, oil and tires	519	
Disposal fees	52,536	39,208
Telephone	1,400	1,031
Advertising	48	72
Training, schools, and seminars	1,147	
Capital outlays	1,033	
Total	139,236	109,338
Total	513,565	497,124
AGRICULTURE:		
Salaries	41,271	39,408
Payroll taxes	3,157	3,015
Retirement	3,879	4,051
Telephone	2,789	1,952
Postage	875	875
Repairs and maintenance	316	942
4-H Programs	24,300	23,254
Supplies	6,836	7,137
Convention, dues and travel	4,030	3,960
Capital outlay	2,279	1,505
Total	89,732	86,099

	June 30, 2012	2011
OTHER EXPENDITURES:		
Retirement	$ 136,916	$ 125,881
Elections	59,447	83,407
Telephone	2,559	3,390
Repairs and maintenance	523	477
Professional fees	104,046	102,015
Legal advertising	1,651	2,111
APDC and ACCG Dues	9,131	10,441
Insurance and bonds	127,428	121,864
Fire protection	125,000	180,705
Health Department	71,000	71,000
Department of Family & Children's Services	6,097	4,987
Emergency Management	33,010	30,586
Library	88,000	88,000
Forestry Commission	5,768	5,768
Ambulance service	167,000	187,000
Airport	27,200	27,200
Pineland Mental Health	500	6,000
Industrial Development - Land purchase	12,100	12,100
Contingencies	54,507	16,085
Supplies, etc.	7,905	3,990
Equipment leases and maintenance	18,705	15,581
Code Enforcement	40,113	38,826
Coroner	17,165	14,199
Tourism/chamber	7,217	7,069
Chamber of Commerce	39,000	39,000
Debt services:		
Principal		52,383
Interest		2,617
Centennial project	10,000	
Total	1,171,988	1,252,682
TOTAL	$4,821,595	$4,708,593

EVANS COUNTY, GEORGIA
SPECIAL MULTI-PURPOSE SALES TAX FUND

BALANCE SHEET
JUNE 30, 2012 AND 2011

	June 30, 2012	2011
ASSETS		
CASH	$2,616,073	$2,274,457
RECEIVABLES:		
Due from CDBG Fund	9,760	9,760
Other	129,064	356,855
TOTAL	$2,754,897	$2,641,072
LIABILITIES AND FUND BALANCE		
LIABILITIES:		
Accounts payable	$ 62,308	$ 213,931
Due to Other Funds	14,649	13,021
Total	76,957	226,952
FUND BALANCE	2,677,940	2,414,120
TOTAL	$2,754,897	$2,641,072

EVANS COUNTY, GEORGIA
SPECIAL MULTI-PURPOSE SALES TAX FUND

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011

	June 30, 2012	2011
REVENUES:		
Multi-purpose Local Option Sales Tax	$1,416,084	$1,305,052
State of Georgia - DOT	103,895	57,963
Miscellaneous	28,749	
GEFA/GEMA - Grants	5,171	233,525
Interest on investments	9,788	8,965
Total	1,563,687	1,605,505
EXPENDITURES:		
Public Roads:		
Equipment	17,261	19,574
Road projects	22,871	130,284
Road improvements	198,941	189,617
Total	239,073	339,475
Sanitation:		
Equipment		54,027
Landfill	6,388	1,589
Total	6,388	55,616
Other Expenditures:		
Courthouse	65,829	238,603
Industrial Development	30,998	39,543
Library	8,907	4,698
Evans Memorial Hospital	139,646	134,420
Airport	25,638	19,054
Public Safety Equipment	237,118	91,863
Public Safety improvements	177,602	
Equipment/vehicles	1,990	
City of Claxton	128,728	118,629
City of Hagan	92,103	79,086
City of Bellville	34,300	31,582
City of Daisy	34,300	31,582
Total	977,159	789,060
Total	1,222,620	1,184,151
EXCESS OF REVENUES OVER EXPENDITURES	341,067	421,354
OTHER FINANCING SOURCES (USES):		
Transfer to other funds	(77,247)	(214,348)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	263,820	207,006
FUND BALANCE, BEGINNING OF YEAR	2,414,120	2,207,114
FUND BALANCE, END OF YEAR	$2,677,940	$2,414,120

EVANS COUNTY, GEORGIA
E-911 FUND

BALANCE SHEET
JUNE 30, 2012 AND 2011

	June 30, 2012	2011
ASSETS		
CURRENT ASSETS:		
Cash	$ 100,098	$ 72,312
Accounts receivable	26,984	32,850
TOTAL	$ 127,082	$ 105,162
LIABILITIES AND FUND BALANCE		
CURRENT LIABILITIES:		
Accounts payable	$ 11,251	$ 4,437
Due to General Fund	660	2,134
Total	11,911	6,571
FUND BALANCE	115,171	98,591
TOTAL	$ 127,082	$ 105,162

EVANS COUNTY, GEORGIA
E-911 FUND

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2012 AND 2011

	June 30, 2012	2011
REVENUES:		
Surcharge	$ 156,918	$ 168,344
EXPENDITURES:		
Supplies	485	848
Contract costs	139,853	135,295
Total	140,338	136,143
EXCESS OF REVENUES OVER EXPENDITURES	16,580	32,201
FUND BALANCE, BEGINNING OF YEAR	98,591	66,390
FUND BALANCE, END OF YEAR	$ 115,171	$ 98,591

EVANS COUNTY, GEORGIA
DRUG TASK FORCE FUND

BALANCE SHEET
JUNE 30, 2012 AND 2011

	June 30, 2012	2011
ASSETS		
CASH	$ 348,741	$ 375,472
RECEIVABLES:		
Other	98,195	59,872
TOTAL	$ 446,936	$ 435,344
LIABILITIES AND FUND BALANCE		
LIABILITIES:		
Accounts payable	$ 38,721	$ 77,775
Escrow accounts	55,745	39,651
Deferred revenue	48,166	
Total	142,632	117,426
FUND BALANCE	304,304	317,918
TOTAL	$ 446,936	$ 435,344

EVANS COUNTY, GEORGIA
DRUG TASK FORCE

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011

	June 30, 2012	2011
REVENUES:		
Intergovernmental - Grant	$ 344,822	$ 257,342
Intergovernmental - Cities/Counties	103,684	103,684
Forfeitures and other	4,186	9,691
Interest	534	721
Total	453,226	371,438
EXPENDITURES:		
Personnel	279,870	242,420
Equipment	73,295	35,598
Supplies	21,396	22,116
Other	86,035	76,353
Travel	6,244	1,984
Total	466,840	378,471
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(13,614)	(7,033)
FUND BALANCE, BEGINNING OF YEAR	317,918	324,951
FUND BALANCE, END OF YEAR	$ 304,304	$ 317,918

EVANS COUNTY, GEORGIA
CAPITAL PROJECTS FUND (CDBG)

BALANCE SHEET
JUNE 30, 2012 AND 2011

	June 30, 2012	2011
ASSETS		
CURRENT ASSETS:		
Cash	$ 9,854	$ 9,854
LIABILITIES AND FUND BALANCE		
CURRENT LIABILITIES:		
Due to other funds	$ 9,854	$ 9,854
FUND BALANCE	NIL	NIL
TOTAL	$ 9,854	$ 9,854

EVANS COUNTY, GEORGIA
CAPITAL PROJECTS FUND (CDBG)

STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2012 AND 2011

	June 30, 2012	2011
REVENUES:		
CDBG drawdowns	$ NIL	$ 23,225
EXPENDITURES:		
Construction costs	NIL	23,225
EXCESS OF REVENUES OVER EXPENDITURES	NIL	NIL
FUND BALANCE, BEGINNING OF YEAR . . .	NIL	NIL
FUND BALANCE, END OF YEAR	$ NIL	$ NIL

EVANS COUNTY, GEORGIA
JUSTICE ASSISTANCE GRANT FUND (JAG)

BALANCE SHEET, JUNE 30, 2012 AND 2011

	June 30, 2012	2011
ASSETS		
Cash	$ 2,726	$ 2,726
Accounts receivable		110,376
TOTAL	$ 2,726	$ 113,102
LIABILITIES AND FUND BALANCE		
Other accrued liabilities		$ 4,954
Due to General Fund	$ 2,726	108,148
Total	2,726	113,102
Fund Balance	NIL	NIL
TOTAL	$ 2,726	$ 113,102

EVANS COUNTY, GEORGIA
JUSTICE ASSISTANCE GRANT FUND (JAG)

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2012 AND 2011

	June 30, 2012	2011
REVENUES:		
Law enforcement grant	$ 4,096	$ 142,727
EXPENDITURES:		
Salaries	3,816	99,494
Payroll taxes	280	7,402
Group insurance		18,758
Contractual services		1,050
Telephone		2,190
Administration fees		8,470
Training schools and seminars		579
Supplies		4,523
Uniforms		261
Total	4,096	142,727
EXCESS OF REVENUES OVER EXPENDITURES	NIL	NIL
FUND BALANCE, BEGINNING OF YEAR	NIL	NIL
FUND BALANCE, END OF YEAR	$ NIL	$ NIL

EVANS COUNTY, GEORGIA
FIDUCIARY FUNDS - AGENCY FUNDS

COMBINING BALANCE SHEET
JUNE 30, 2012 AND 2011

	Tax Commissioner	Clerk of Courts	Sheriff	Probate Court	Magistrate Court	TOTALS - (Memo Only) June 30, 2012	2011
ASSETS							
Cash	$142,628	$124,233	$ 17,061	$ 9,552	$ 22,532	$316,006	$348,076
LIABILITIES AND FUND BALANCE							
Due to others	$142,628	$124,233	$ 17,061	$ 9,552	$ 22,532	$316,006	$348,076

EVANS COUNTY, GEORGIA
FIDUCIARY FUNDS - AGENCY FUNDS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2012

	Balance June 30, 2011	Additions	Deductions	Balance June 30, 2012
ASSETS				
CASH:				
Courts:				
Probate	$ 3,295	$ 35,860	$ 29,603	$ 9,552
Clerk of Courts	125,940	598,893	600,600	124,233
Magistrate	20,316	266,535	264,319	22,532
Total	149,551	901,288	894,522	156,317
Sheriff	25,731	137,668	146,338	17,061
Tax Commissioner	172,794	6,673,720	6,703,886	142,628
Total	198,525	6,811,388	6,850,224	159,689
TOTAL	$348,076	$7,712,676	$7,744,746	$316,006
LIABILITIES				
DUE TO OTHERS:				
Governmental units, retirement plans, etc.	$348,076	$7,712,676	$7,744,746	$316,006

EVANS COUNTY, GEORGIA
PROPRIETARY FUND - RECREATION FUND

SCHEDULE OF OPERATING REVENUE
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011

	June 30, 2012	2011
Registrations and sponsorships	$ 39,933	$ 46,282
Hotel/motel tax	1,687	1,682
Equipment sales and facility rentals	6,175	3,840
Concessions - net	3,781	4,720
Miscellaneous	39	43
TOTAL OPERATING REVENUE	$ 51,615	$ 56,567

EVANS COUNTY, GEORGIA
PROPRIETARY FUND - RECREATION FUND

SCHEDULE OF OPERATING EXPENSES
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011

	June 30, 2012	2011
ADMINISTRATION:		
Salaries	$ 115,078	$ 115,263
Payroll taxes	5,443	8,606
Retirement and benefits	5,007	10,363
Meetings and travel	2,090	808
Telephone	3,019	5,000
Utilities	44,595	37,885
Office supplies	4,608	1,338
Miscellaneous	953	2,115
Contractual services	2,000	3,024
Repairs and maintenance	511	196
Total administration	183,304	184,598
PARKS:		
Equipment repairs and maintenance	18,171	11,346
Maintenance supplies	7,723	7,671
Total parks	25,894	19,017
RECREATION:		
Contract personnel - special events	5,400	7,786
Salaries	36,515	28,950
Program supplies, etc.	26,038	33,377
Total recreation	67,953	70,113
DEPRECIATION	47,429	43,986
TOTAL	$ 324,580	$ 317,714

SCHEDULE 35

EVANS COUNTY, GEORGIA
OFFICE OF TAX COMMISSIONER

STATEMENT OF CHANGES IN TAXES RECEIVABLE - 2011 TAX DIGEST
JUNE 30, 2012

	Total	State	County	School	City of Claxton	City of Hagan	Other
CHARGES:							
Tax Digests - 2011:							
General property	$4,617,973	$ 48,741	$1,886,464	$2,682,768			
Intangible recording	18,332	161	9,115	7,735	$ 647	$ 658	$ 16
Timber	16,904	205	6,852	9,847			
Motor vehicles	280,965	3,069	110,551	147,313	16,895	3,137	
Mobile homes	18,002	214	7,356	10,197	55	180	
Interest and penalties	15,615	169	6,391	9,041	2	12	
Heavy equipment	100	1	42	48		9	
Not on digest	5,842	56	2,312	3,474			
Taxes receivable, June 30, 2011	648	8	263	377			
TOTAL	$4,974,381	$ 52,624	$2,029,346	$2,870,800	$17,599	$3,996	$ 16
CREDITS:							
Remittances	$4,650,651	$ 47,571	$1,926,669	$2,655,674	$16,965	$3,757	$ 15
Commissions - County	71,628	2,383		68,371	634	239	1
Errors and reliefs	712	(6)	688	30			
Taxes receivable - June 30, 2012	251,390	2,676	101,989	146,725			
TOTAL	$4,974,381	$ 52,624	$2,029,346	$2,870,800	$17,599	$3,996	$ 16

SCHEDULE HH

EVANS COUNTY, GEORGIA
OFFICE OF TAX COMMISSIONER

STATEMENT OF CHANGES IN TAXES RECEIVABLE - 2012 TAX DIGEST
JUNE 30, 2012

	Total	State	County	School	City of Claxton	City of Hagan	Other
CHARGES:							
Motor vehicles	$ 327,161	$ 3,485	$ 124,523	$ 181,224	$15,866	$2,063	
Mobile homes	29,144	330	11,409	17,165	14	226	
Intangible recording	23,525	184	10,370	9,541	2,064	1,357	$ 9
Timber	11,063	127	4,308	6,628			
TOTAL	$ 390,893	$ 4,126	$ 150,610	$ 214,558	$17,944	$3,646	$ 9
CREDITS:							
Remittances	$ 378,278	$ 3,831	$ 148,138	$ 206,399	$16,767	$3,135	$ 8
Commissions - County	7,099	247		5,673	959	219	1
Unremitted collections	4,213	33	1,965	1,705	218	292	
Taxes receivable, June 30, 2012	1,303	15	507	781			
TOTAL	$ 390,893	$ 4,126	$ 150,610	$ 204,558	$17,944	$3,646	$ 9

EVANS COUNTY, GEORGIA
OFFICE OF TAX COMMISSIONER

STATEMENT OF CHANGES IN TAXES RECEIVABLE - 2010 AND PRIOR YEARS
JUNE 30, 2012

	Total	State	County	School	City of Claxton	City of Hagan
CHARGES:						
Taxes receivable - July 1, 2011	$ 389,231	$ 4,612	$ 163,367	$ 221,252		
Motor vehicle	5,277	58	2,050	2,757	$ 388	$ 24
Mobile homes	6,509	77	2,675	3,668	55	34
Not on digest	8,745		3,588	5,157		
Interest	38,894	461	16,291	22,123	8	11
TOTAL	$ 448,656	$ 5,208	$ 187,971	$ 254,957	$ 451	$ 69
CREDITS:						
Errors and reliefs	$ 4,425	$ 50	$ 1,934	$ 2,441		
Taxes receivable - June 30, 2012	148,377	1,787	61,967	84,623		
Commissions	4,551	337		4,197	$ 13	$ 4
Remittances	291,303	3,034	124,070	163,696	438	65
TOTAL	$ 448,656	$ 5,208	$ 187,971	$ 254,957	$ 451	$ 69

EVANS COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED JUNE 30, 2012

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	$2,449,552	$ 22,871	$2,472,423	99.53%
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	$5,915,397	$ 22,871	$5,938,268	99.80%
2005:						
Road construction	$ 800,000	$ 786,000				
Road improvements	1,900,000	1,088,337	$ 476,078	$ 68,996	$ 545,074	50.09%
Road equipment	500,000	491,000	139,190	17,261	156,451	31.86%
Sanitation equipment	225,000	221,000	122,623		122,623	55.49%
Courthouse/building improvements	130,000	391,275	381,486	9,789	391,275	100.00%
Sheriff and Jail equipment	360,000	493,817	400,885	92,932	493,817	100.00%
Fire equipment	120,000	163,998	72,065	91,933	163,998	100.00%
Landfill improvements	450,000	762,246	758,048	4,198	762,246	100.00%
County-city complex/property	415,000	408,000	228,659		228,659	56.04%
Recreation authority	450,000	451,688	430,871	20,817	451,688	100.00%
Library	30,000	29,195	27,822	1,373	29,195	100.00%
Industrial Development Authority	250,000	245,712	234,160	11,552	245,712	100.00%
Evans Memorial Hospital	850,000	835,281	795,991	39,290	835,281	100.00%
Airport Authority	120,000	118,395	112,829	5,566	118,395	100.00%
City of Claxton	750,000	737,138	702,481	34,657	737,138	100.00%
City of Hagan	500,000	491,426	468,321	23,105	491,426	100.00%
City of Bellville	200,000	196,246	187,019	9,227	196,246	100.00%
City of Daisy	200,000	196,246	187,019	9,227	196,246	100.00%
TOTAL	$8,250,000	$8,107,000	$5,725,547	$ 439,923	$6,165,470	76.04%
2011:						
Road construction	$ 800,000	$ 800,000				
Road improvements	1,900,000	1,900,000				
Equipment/vehicles	560,000	560,000		$ 1,991	$ 1,991	.36%
Sanitation equipment	225,000	225,000		56,039	56,039	24.91%
Courthouse/building improvements	365,000	365,000				
Sheriff equipment	330,000	330,000		40,258	40,258	12.20%
EMS equipment	125,000	125,000				
Landfill improvements	260,000	260,000		2,190	2,190	.84%
Fire protection improvements	345,000	345,000		177,603	177,603	51.48%
Public safety communication equipment	15,000	15,000		4,123	4,123	27.49%
Recreation authority	450,000	450,000		56,430	56,430	12.54%
Library	60,000	60,000		7,534	7,534	12.56%
Industrial Development Authority	155,000	155,000		19,446	19,446	12.55%
Evans Memorial Hospital	800,000	800,000		100,356	100,356	12.54%
Airport Authority	160,000	160,000		20,071	20,071	12.54%
City of Claxton	750,000	750,000		94,072	94,072	12.54%
City of Hagan	550,000	550,000		68,999	68,999	12.55%
City of Bellville	200,000	200,000		25,073	25,073	12.54%
City of Daisy	200,000	200,000		25,073	25,073	12.54%
TOTAL	$8,250,000	$8,250,000		$ 699,258	$ 699,258	8.48%

NOTE: Reconcilement of Exhibit E and Schedule LL as follows:

Expenditures/transfers (Exhibit E):	
Total expenditures	$1,222,620
Total transfers	77,247
Total	1,299,867
Deduct intergovernmental & miscellanoues revenues	137,815
TOTAL	$1,162,052
Expenditures (Schedule LL):	
2001	$ 22,871
2005	439,923
2011	699,258
TOTAL	$1,162,052

HERMAN MONGIN
CERTIFIED PUBLIC ACCOUNTANT
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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, 2012, which collectively comprise Evans County's basic financial statements and have issued our report thereon dated February 15, 2013. 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 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 material weakness is a deficiency, or a combination of deficiencies, in internal control such there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described iin the first paragraph of this section

and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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 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*.

This report is intended solely for the information and use of the management, the Board of Commissioners, others within the entity, and federal awarding agencies, pass-through entities 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.

Herman D. Morgan
February 15, 2013