EVANS COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2013

TABLE OF CONTENTS

	Page
FINANCIAL SECTION	
Independent Auditor's Report	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	5
Statement of Activities	6
Fund Financial Statements:	
Balance Sheet - Governmental Funds	7
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position	8
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	9
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	10
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	11
Statement of Net Position - Proprietary Fund	13
Statement of Revenues, Expenditures and Changes in Net Position - Proprietary Fund	14
Statement of Cash Flows - Proprietary Fund	15
Statement of Net Position - Fiduciary Funds	16
Statement of Changes in Net Position - Fiduciary Funds	17
Notes to the Financial Statements	18
Supplementary Information:	
Non-Major Funds:	
Nonmajor Governmental Funds:	
Combining Balance Sheet	41
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	42
Nonmajor Special Revenue Funds:	
Combining Balance Sheet	43
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	45
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Drug Abuse Treatment and Education Fund	47
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Jail Fund	48
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Juvenile Supervision Fee Fund	49
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Law Library Fund	50

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Superior Court General Purpose Fund 51
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Inmate Telephone Fund 52
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - T-SPLOST Discretionary Fund 53
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Recreation Department Fund 54
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - E-911 Fund 55
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Drug Task Force Fund 56
Nonmajor Capital Projects Funds:
Combining Balance Sheet 57
Combining Statement of Revenues, Expenditures and Changes in Fund Balances 58
Fiduciary Funds - Agency Funds:
Combining Statement of Fiduciary Assets and Liabiltities 59
Combining Statement of Changes in Assets and Liabilities 60

Schedule of Projects Paid with Special Sales Tax Proceeds 61

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* 63

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Evans County, Georgia

Report on the Financial Statements

We have audited the accompanying 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, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. We did not audit the financial statements of the Evans County Board of Health, a discretely presented component unit, which represents 1.5% of the assets, 1.5% of the net position, and 5.4% of the revenues of Evans County, Georgia.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 discretely presented component unit, which represents 1.5% of the assets, 1.5% of the net position, and 5.4% of the revenues of Evans County, Georgia. Those financial statements were audited by other auditors 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 solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Evans County, Georgia, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by the missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Evans County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and schedule of projects paid with special sales tax proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules and schedule of projects paid with special sales tax proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules and schedule of projects paid with special sales tax proceeds are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2014, on our consideration of Evans County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Evans County, Georgia's internal control over financial reporting and compliance.

Thigpen, Lanier, Waterfield & Deal

Statesboro, Georgia
June 26, 2014

EVANS COUNTY, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2013

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Evans County Board of Health
ASSETS				
Current Assets:				
Cash and cash equivalents	$ 5,297,622	$ 2,596,197	$ 7,893,819	$ 213,185
Receivables:				
Accounts	125,743	51,827	177,570	-
Taxes	183,110	54,852	237,962	-
Intergovernmental	594,935	-	594,935	-
Prepaid items	124,867	-	124,867	-
Internal balances	1,736,174	(1,736,174)	-	-
Total Current Assets	8,062,451	966,702	9,029,153	213,185
Capital Assets:				
Nondepreciable capital assets	989,118	-	989,118	-
Depreciable capital assets, net	4,233,773	288,946	4,522,719	6,810
Total Capital Assets	5,222,891	288,946	5,511,837	6,810
Total Assets	13,285,342	1,255,648	14,540,990	219,995
LIABILITIES				
Current Liabilities:				
Accounts payable	470,775	-	470,775	-
Accrued salaries	51,968	-	51,968	-
Unearned revenue	204,670	-	204,670	
Funds held for others	39,569	-	39,569	
Compensated absences payable	16,580	690	17,270	11,158
Note payable	5,003	-	5,003	-
Total Current Liabilities	788,565	690	789,255	11,158
Long-Term Liabilities:				
Compensated absences payable (net of current portion)	66,321	2,760	69,081	11,159
Landfill closure and postclosure care costs	-	583,829	583,829	-
Total Long-Term Liabilities	66,321	586,589	652,910	11,159
Total Liabilities	854,886	587,279	1,442,165	22,317
NET POSITION				
Net investment in capital assets	5,217,888	288,946	5,506,834	6,810
Restricted for:				
Capital projects	3,248,286	-	3,248,286	-
Public safety	514,003	-	514,003	-
Judicial	25,080	-	25,080	-
Public works	68,660	-	68,660	-
Other purposes	-	-	-	95,586
Unrestricted	3,356,539	379,423	3,735,962	95,282
Total Net Position	$ 12,430,456	$ 668,369	$ 13,098,825	$ 197,678

See accompanying notes to the basic financial statements.

EVANS COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

Program/Function	Expenses	Program Revenues: Fees, Fines, and Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit: Evans County Board of Health
Primary Government								
Governmental Activities:								
General government	$ 1,478,304	$ 121,250	$ 11,131	-	$ (1,345,923)	-	$ (1,345,923)	
Judicial	751,527	122,273	7,579	-	(621,675)	-	(621,675)	
Public safety	2,104,424	747,182	391,417	-	(965,825)	-	(965,825)	
Public works	940,459	-	-	$ 192,477	(747,982)	-	(747,982)	
Health and welfare	211,100	-	-	-	(211,100)	-	(211,100)	
Culture and recreation	360,598	47,526	-	-	(313,072)	-	(313,072)	
Housing and development	240,826	-	-	-	(240,826)	-	(240,826)	
Interest	641	-	-	-	(641)	-	(641)	
Total Governmental Activities	6,087,879	1,038,231	410,127	192,477	(4,447,044)	-	(4,447,044)	
Business-Type Activities:								
Solid Waste	677,579	641,097	-	-	-	$ (36,482)	(36,482)	
Total - Primary Government	$ 6,765,458	$ 1,679,328	$ 410,127	$ 192,477	(4,447,044)	(36,482)	(4,483,526)	
Component Unit:								
Evans County Board of Health	$ 386,785	$ 97,147	$ 302,308	-				$ 12,670
		General Revenues						
		Property taxes levied for general purposes			2,351,608	-	2,351,608	-
		Sales taxes			2,167,138	-	2,167,138	-
		Insurance premium tax			324,317	-	324,317	-
		Other taxes			134,776	-	134,776	-
		Interest earned			5,905	10,000	15,905	-
		Other			99,161	-	99,161	-
		Total General Revenues			5,082,905	10,000	5,092,905	-
		Transfers			(21,419)	21,419	-	
		Total General Revenues and Transfers			5,061,486	31,419	5,092,905	-
		Change in Net Position			614,442	(5,063)	609,379	12,670
		Net Position, July 1, 2012, as restated			11,816,014	673,432	12,489,446	185,008
		Net Position, June 30, 2013			$ 12,430,456	$ 668,369	$ 13,098,825	$ 197,678

See accompanying notes to the basic financial statements.

EVANS COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2013

	General	2005 Special Sales Tax Fund	2011 Special Sales Tax Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash	$ 1,281,652	$ 2,191,368	$ 1,177,273	$ 647,329	$ 5,297,622
Receivables:					
Accounts	103,114	-	-	22,629	125,743
Taxes	183,110	-	-	-	183,110
Intergovernmental	201,491	127,323	102,454	163,667	594,935
Due from other funds	1,917,232	68,114	8,777	50,776	2,044,899
Prepaid items	124,278	-	-	589	124,867
TOTAL ASSETS	$ 3,810,877	$ 2,386,805	$ 1,288,504	$ 884,990	$ 8,371,176
LIABILITIES					
Accounts payable	$ 243,139	$ 139,325	$ 80,013	$ 8,298	$ 470,775
Accrued salaries	47,422	-	-	4,546	51,968
Funds held for others	-	-	-	39,569	39,569
Due to other funds	60,586	39,673	11,103	197,363	308,725
Note payable	-	-	-	5,003	5,003
Unearned revenue	-	-	204,670	-	204,670
TOTAL LIABILITIES	351,147	178,998	295,786	254,779	1,080,710
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	139,806	-	-	-	139,806
FUND BALANCES					
Nonspendable	124,278	-	-	589	124,867
Restricted	-	2,207,807	992,718	655,504	3,856,029
Assigned	226,753	-	-	-	226,753
Unassigned	2,968,893	-	-	(25,882)	2,943,011
TOTAL FUND BALANCES	3,319,924	2,207,807	992,718	630,211	7,150,660
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 3,810,877	$ 2,386,805	$ 1,288,504	$ 884,990	$ 8,371,176

See accompanying notes to the basic financial statements.

EVANS COUNTY, GEORGIA
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2013

Total Governmental Fund Balances		$ 7,150,660
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Cost	$ 11,218,410	
Less accumulated depreciation	(5,995,519)	5,222,891
Other long-term assets are not available to pay for current-period expenditures and therefore are reported as unavailable revenue in the funds:		
Property taxes		139,806
Long-term liabilities, including compensated absences are not due and payable in the current period and therefore are not reported in the funds but are reported on the statement of net position.		(82,901)
Net Position Of Governmental Activities		$ 12,430,456

See accompanying notes to the basic financial statements.

EVANS COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	General	2005 Special Sales Tax Fund	2011 Special Sales Tax Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	$ 3,637,169	-	$ 1,286,347	$ 80,594	$ 5,004,110
Licenses and permits	28,957	-	-	-	28,957
Charges for services	486,119	-	-	202,940	689,059
Fees, fines and forfeitures	251,651	-	-	68,564	320,215
Intergovernmental	108,218	$ 180,692	2,784	299,125	590,819
Interest	5,619	-	11,761	310	17,690
Other	54,371	30,051	-	14,739	99,161
Total revenues	4,572,104	210,743	1,300,892	666,272	6,750,011
EXPENDITURES					
Current:					
General government	1,337,276	-	-	-	1,337,276
Judicial	733,708	-	-	8,592	742,300
Public safety	1,413,138	-	-	517,136	1,930,274
Public works	540,634	-	-	11,934	552,568
Health and welfare	73,008	-	-	-	73,008
Culture and recreation	88,000	-	-	248,199	336,199
Housing and development	188,894	-	-	-	188,894
Capital outlay	-	240,837	125,212	92,898	458,947
Debt service:					
Interest	-	-	-	641	641
Intergovernmental	-	-	451,034	-	451,034
Total expenditures	4,374,658	240,837	576,246	879,400	6,071,141
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	197,446	(30,094)	724,646	(213,128)	678,870
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	279,833	279,833
Transfers out	(209,692)	(13,600)	(77,960)	-	(301,252)
Total other financing sources (uses)	(209,692)	(13,600)	(77,960)	279,833	(21,419)
NET CHANGE IN FUND BALANCES	(12,246)	(43,694)	646,686	66,705	657,451
FUND BALANCES, JULY 1, 2012, AS RESTATED	3,332,170	2,251,501	346,032	563,506	6,493,209
FUND BALANCES, JUNE 30, 2013	$ 3,319,924	$ 2,207,807	$ 992,718	$ 630,211	$ 7,150,660

See accompanying notes to the basic financial statements.

EVANS COUNTY, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

Net Change In Fund Balances - Total Governmental Funds			$ 657,451
Amounts reported for governmental activities in the statement of activities are different because:			
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlay exceeded depreciation expense in the current period.			
	Depreciation expense	$ (437,378)	
	Capital outlay	385,145	(52,233)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.			
	Property taxes:		
	Unavailable revenue @ 6/30/13	139,806	
	Unavailable revenue @ 6/30/12	(166,077)	(26,271)
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:			
Compensated absences			35,495
Change In Net Position of Governmental Activities			$ 614,442

See accompanying notes to the basic 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, 2013

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes:			
Property	$ 2,193,000	$ 2,377,879	$ 184,879
Local option sales tax	834,400	800,197	(34,203)
Alcoholic beverage	78,000	70,682	(7,318)
Insurance premium	330,000	324,317	(5,683)
Other	60,900	64,094	3,194
Licenses and permits	31,000	28,957	(2,043)
Charges for services	437,300	486,119	48,819
Fees, fines and forfeitures	283,000	251,651	(31,349)
Intergovernmental	10,500	108,218	97,718
Interest	6,000	5,619	(381)
Other	43,000	54,371	11,371
Total revenues	4,307,100	4,572,104	265,004
EXPENDITURES			
Current:			
General government:			
Executive	253,200	251,037	2,163
Elections	83,100	74,079	9,021
General administration	621,400	474,576	146,824
Tax commissioner	171,000	176,695	(5,695)
Tax assessor	149,500	156,985	(7,485)
General government buildings	161,700	203,904	(42,204)
Total general government	1,439,900	1,337,276	102,624
Judicial:			
Superior Court	391,100	384,333	6,767
State Court	98,500	91,317	7,183
Juvenile Court	29,100	21,142	7,958
Probate Court	109,500	109,270	230
Magistrate Court	129,700	127,646	2,054
Total judicial	757,900	733,708	24,192
Public safety:			
Sheriff	734,800	773,288	(38,488)
Corrections	272,600	297,580	(24,980)
Emergency medical service	167,000	167,449	(449)
Coroner	20,600	18,652	1,948
Fire	125,000	125,000	-
Emergency management	32,200	31,169	1,031
Total public safety	$ 1,352,200	$ 1,413,138	$ (60,938)

See accompanying notes to the basic 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, 2013

	Original and Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES (Continued)			
Public works - Roads	$ 544,300	$ 540,634	$ 3,666
Health and welfare:			
Health	71,000	71,000	-
Welfare	6,000	2,008	3,992
Total health and welfare	77,000	73,008	3,992
Libraries	88,000	88,000	-
Housing and development:			
Conservation	99,400	98,207	1,193
Code enforcement	51,900	29,885	22,015
Economic development	83,800	60,802	22,998
Total housing and development	235,100	188,894	46,206
Total expenditures	4,494,400	4,374,658	119,742
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(187,300)	197,446	384,746
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	500	-	(500)
Transfers in	223,000	-	(223,000)
Transfers out	(210,800)	(209,692)	1,108
Total other financing sources (uses)	12,700	(209,692)	(222,392)
NET CHANGE IN FUND BALANCE	$ (174,600)	(12,246)	$ 162,354
FUND BALANCE, BEGINNING OF YEAR, AS RESTATED		3,332,170	
FUND BALANCE, END OF YEAR		$ 3,319,924	

See accompanying notes to the basic financial statements.

EVANS COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2013

	Solid Waste Enterprise Fund
ASSETS	
Current Assets	
Cash	$ 2,596,197
Accounts receivable	51,827
Taxes receivable	54,852
Total Current Assets	2,702,876
Capital Assets	
Buildings	134,313
Improvements	259,856
Machinery and equipment	661,555
Less accumulated depreciation	(766,778)
Total Capital Assets	288,946
Total Assets	2,991,822
LIABILITIES	
Current Liabilites	
Compensated absences payable	690
Due to other funds	1,736,174
Total Current Liabilities	1,736,864
Long-Term Liabilites	
Landfill closure and postclosure care costs	583,829
Compensated absences payable (net of current portion)	2,760
Total Long-Term Liabilities	586,589
Total Liabilities	2,323,453
NET POSITION	
Net investment in capital assets	288,946
Unrestricted	379,423
Total Net Position	$ 668,369

See accompanying notes to the basic financial statements.

EVANS COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Solid Waste Enterprise Fund
OPERATING REVENUES	
Landfill user fees	$ 417,308
Tipping and transfer station fees	219,543
Host fees	2,290
Other	1,956
Total operating revenues	641,097
OPERATING EXPENSES	
Salaries	61,259
Employee benefits	19,032
Purchased/contracted services	528,335
Materials and supplies	36,942
Depreciation	32,011
Total operating expenses	677,579
OPERATING INCOME (LOSS)	(36,482)
NONOPERATING REVENUE	
Interest income	10,000
INCOME (LOSS) BEFORE TRANSFERS	(26,482)
TRANSFERS IN	21,419
CHANGE IN NET POSITION	(5,063)
NET POSITION, JULY 1, 2012, AS RESTATED	673,432
NET POSITION, JUNE 30, 2013	$ 668,369

See accompanying notes to the basic financial statements.

EVANS COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Solid Waste Enterprise Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	$ 621,836
Cash payments for goods and services	(433,231)
Cash payments for salaries and benefits	(79,443)
Net cash provided by operating activities	109,162
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Transfers in	21,419
Purchase of capital assets	(13,600)
Net cash provided by capital and related financing activities	7,819
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	10,000
NET INCREASE IN CASH	126,981
CASH, JULY 1, 2012	2,469,216
CASH, JUNE 30, 2013	$ 2,596,197
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income (loss)	$ (36,482)
Adjustments:	
Depreciation	32,011
Increase in accounts receivable	(19,261)
Increase in due to other funds	134,248
Decrease in landfill closure and postclosure care costs	(2,202)
Increase in compensated absences payable	848
Net cash provided by operating activities	$ 109,162

See accompanying notes to the basic financial statements.

EVANS COUNTY, GEORGIA
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2013

	Pension Trust Fund	Agency Funds
Assets		
Cash and cash equivalents	-	$ 280,122
Investments, at fair value	$ 1,520,203	-
Total assets	$ 1,520,203	$ 280,122
Liabilities		
Due to other entities and individuals		$ 280,122
Net Position		
Held in trust for employee pension benefits	$ 1,520,203	

See accompanying notes to the basic financial statements.

EVANS COUNTY, GEORGIA
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2013

	Pension Trust Fund
Additions	
Employer contributions	$ 133,566
Investment income	97,104
Total additions	230,670
Deductions	
Benefit payments	37,547
Administrative expenses	15,718
Total deductions	53,265
Change in net position	177,405
Net position, Beginning of year	1,342,798
Net position, End of year	$ 1,520,203

See accompanying notes to the basic financial statements.

Evans County, Georgia (the "County") operates under a Commissioner – County Administrator form of Government. The County is governed by a board of six commissioners elected by the voters of the County.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County have been prepared in conformity with the accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The County also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities at the government-wide financial reporting level and to its enterprise funds at the fund reporting level, provided they do not conflict with or contradict GASB pronouncements.

The most significant of the County's accounting policies are described below.

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component unit, and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards, and agencies that are not legally separate from the County.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organizations; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the County in that the County approves the budget, levies their taxes or issues their debt.

Blended component units, although legally separate entities, are, in substance, part of the government's operations. Discretely presented component units are reported in a separate column of the government-wide financial statements to emphasize that it is legally separate from the government.

Evans County Board of Health (Health Department) – 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 at:

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Evans County Board of Health
4 North Newton Street
Claxton, Georgia 30417

Evans County Recreation Department – The Evans County Recreation Department was created to provide recreational facilities and activities. This component unit is blended into the financial statements as a special revenue fund and SPLOST capital projects fund.

1-B. Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements – The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the County as a whole. The primary government and the component units are presented separately within these financial statements with the focus on the primary government. Fiduciary activities are not included at the government-wide reporting level. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes, grants and the County's general revenues, from business-type activities, generally financed in whole or part with service charges to external customers.

The statement of net position presents the financial position of the governmental and business-type activities of the County and its discretely presented component unit at year-end.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and for each identifiable activity of the business-type activities of the County. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The County does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the County's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted.*

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other revenue sources not properly included with program revenues are reported as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements – During the year, the County segregates transactions related to certain County functions or activities into separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for governmental, proprietary, and fiduciary funds.

Major individual governmental funds are reported in separate columns with composite columns for non-major funds. Fiduciary funds are reported by type.

Fund Accounting – The County uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The County uses the governmental, proprietary and fiduciary fund categories of funds.

Governmental Funds – Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The County reports the difference between governmental fund assets and liabilities as fund balance. The following are the County's major governmental funds:

General Fund – The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund's fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of the State of Georgia.

2005 and 2011 Special Sales Tax Funds – These funds account for all financial resources related to the special local option sales tax referendum passed by the taxpayers of Evans County to be used for various capital improvements within the County.

Proprietary Fund - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The proprietary fund is classified as an enterprise fund. The following is the County's only enterprise fund:

Solid Waste Fund – This fund accounts for the activities associated with the collection and disposal of solid waste and operation of the C&D landfill in the County.

Fiduciary Funds – Fiduciary fund reporting focuses on net position. The County's fiduciary funds are agency funds. These agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Constitutional officers use these funds to temporarily hold assets.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
1-C. Measurement Focus

Government-wide Financial Statements – The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net position. The statement of activities reports revenues and expenses.

Fund Financial Statements – All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting and fiduciary funds use the accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

Revenues – Exchange Transactions – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, the phrase "available for exchange transactions" means expected to be received within 60 days of year-end.

Revenue – Non-exchange Transactions – Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, interest and federal and state grants.

Unearned Revenue – Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

On both the governmental fund financial statements and government-wide financial statements, revenues are reported as unearned for grants and entitlements received before the eligibility requirements are met (e.g., cash advances).

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

1-E. Assets, Liabilities and Net Position

Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County.

Investments are stated at fair value based on quoted market prices.

Georgia law authorizes the County to invest in the following type of obligations:

- Obligations of the State of Georgia or of any other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the United States Government or United States Government agency
- Obligations of any corporation of the United States Government
- Prime bankers' acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund I)
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable. The general fund and solid waste enterprise fund reported an allowance for uncollectibles of $12,520 and $3,956, respectively, at June 30, 2013.

Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "due from/to other funds." These amounts are eliminated in the governmental and business-type activities columns on the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances on this statement. These amounts are ultimately eliminated from the total column on the statement of net position.

Consumable Inventories

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2013, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reported as nonspendable as this amount is not available for general appropriation.

Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The County reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the County fund financial statements. Capital assets utilized by the proprietary fund are reported both in the business-type activities column of the government-wide statement of net position and in the proprietary fund's statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of one thousand dollars and an estimated useful life in excess of two years. The County's infrastructure consists of roads and bridges. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by enterprise funds is capitalized.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All reported capital assets are depreciated except for land, right-of-ways and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Description	Estimated Lives
Buildings	15-50 years
Improvements	5-50 years
Machinery and equipment	5-20 years
Infrastructure	15 years

At the inception of capital leases at the governmental fund reporting level, expenditures and an "other financing source" of an equal amount are reported at the net present value of future minimum lease payments.

Compensated Absences

Personal leave benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

The total compensated absences liability is reported on the government-wide financial statements. Proprietary funds report the total compensated absences liability in each individual fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only "*when due.*"

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year. Bonds and capital leases are recognized as a liability in the governmental fund financial statements when due.

Debt Premiums, Discounts, and Issuance Costs

On the government-wide statement of net position and the proprietary fund type statement of net position, debt premiums and discounts are netted against the debt payable. On the government-wide and proprietary fund type statement of activities, debt premiums and discounts are amortized over the life of the debt using the effective interest method and debt issuance costs are expensed in the current period.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

At the governmental fund reporting level, debt premiums and discounts are reported as other financing sources and uses, separately from the face amount of the debt issued. Debt issuance costs are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future period(s) and so will *not* be recognized as an outflow of resources (expenses/expenditures) until then. The County does not have any deferred outflows of resources as of June 30, 2013.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has only one type of item which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Fund Equity

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

Nonspendable – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e. items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

Restricted – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Committed– Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners through the adoption of a resolution or ordinance. Only the Board of Commissioners also may modify or rescind the commitment.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business-type activities column are eliminated. Transfers between governmental and business-type activities are eliminated from the total column.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABLITIY

Budgetary Information

The County adopts an annual operating budget for the general fund, some special revenue funds, and capital projects funds. The budget resolution reflects the total of each department's appropriation in each fund.

All budgets are adopted on a basis consistent with GAAP.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund. The County Administrator may approve budget transfers within departments. Any change in total to a fund or departmental appropriation within a fund requires approval of the Board of Commissioners.

No budget revisions were made during the year ending June 30, 2013.

All unexpended annual appropriations lapse at year-end.

Excess of Expenditures Over Appropriations

Expenditures exceeded appropriations for the year ended June 30, 2013, in the following departments for the general fund:

	General Fund
Tax Commissioner	$ 5,695
Tax Assessor	7,485
General government buildings	42,204
Sheriff	38,488
Corrections	24,980
Emergency medical service	449

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2013, is as follows:

Receivable Fund	Payable Fund	Amount
General	Drug Task Force	$ 27,536
	Justice Assistance Grant	128,851
	Recreation Department	27,988
	Solid Waste	1,731,803
	E-911	1,054
Recreation Department SPLOST	2011 SPLOST	11,103
2001 Special Sales Tax	2005 SPLOST	39,673
2011 Special Sales Tax	General	4,406
	Solid Waste	4,371
2005 Special Sales Tax	General	56,180
	T-SPLOST Discretionary	11,934
Total		$2,044,899

Interfund balances at June 30, 2013 represent reimbursable expenses and temporary loans. The County expects to repay all interfund balances within one year.

Interfund transfers for the year ended June 30, 2013, consisted of the following:

	Transfers From:			
Transfers To:	General Fund	2005 Special Sales Tax Fund	2011 Special Sales Tax Fund	Total
Recreation Department	$ 209,692	-	-	$ 209,692
Recreation Department SPLOST	-	-	$ 70,141	70,141
Solid Waste	-	$ 13,600	7,819	21,419
Total	$ 209,692	$ 13,600	$ 77,960	$ 301,252

The general fund transferred funds to the Recreation Department special revenue fund to help fund its operating deficit. The 2011 Special Sales Tax fund transferred funds to the Recreation Department SPLOST fund in accordance with the SPLOST intergovernmental agreement. The 2005 and 2011 Special Sales Tax funds transferred $21,419 to Solid Waste for capital purchases.

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2013 for the County's governmental funds was as follows:

	Balance 7/1/2012 As restated	Additions	Decreases	Balance 6/30/2013
Governmental Activities:				
Capital assets not being depreciated:				
Land	$ 797,053	-	$ -	$ 797,053
Construction in progress	-	$ 192,065	-	192,065
Total capital assets not being depreciated	797,053	192,065	-	989,118
Capital assets being depreciated:				
Buildings	3,722,580	-	-	3,722,580
Improvements	2,431,654	72,246		2,503,900
Machinery and equipment	3,881,978	120,834	-	4,002,812
Total capital assets being depreciated	10,036,212	193,080	-	10,229,292
Total capital assets	10,833,265	385,145	-	11,218,410
Accumulated depreciation:				
Buildings	1,682,414	82,173	-	1,764,587
Improvements	941,637	85,357	-	1,026,994
Machinery and equipment	2,934,090	269,848	-	3,203,938
Total accumulated depreciation	5,558,141	437,378	-	5,995,519
Governmental activities capital assets, net	$ 5,275,124	$ (52,233)	$ -	$ 5,222,891

Governmental activities depreciation expense:

General government	$ 121,529
Judicial	3,803
Public safety	154,384
Public works	86,424
Health and welfare	13,488
Culture and recreation	57,693
Housing and development	57
Total governmental activities depreciation expense	$ 437,378

NOTE 6 – CAPITAL ASSETS (Continued)

Capital asset activity for the year ended June 30, 2013 for the County's enterprise fund was as follows:

	Balance 7/1/2012 As restated	Additions	Decreases	Balance 6/30/2013
Business-Type Activities:				
Capital assets being depreciated:				
Buildings	$ 134,313	-	$ -	$ 134,313
Improvements	259,856	-		259,856
Machinery and equipment	647,955	$ 13,600	-	661,555
Total capital assets being depreciated	1,042,124	13,600	-	1,055,724
Accumulated depreciation:				
Buildings	118,000	9,269	-	127,269
Improvements	57,499	8,896	-	66,395
Machinery and equipment	559,268	13,846	-	573,114
Total accumulated depreciation	734,767	32,011	-	766,778
Business-type activities capital assets, net	$ 307,357	$ (18,411)	$ -	$ 288,946

	Balance 6/30/2012	Additions	Decreases	Balance 6/30/2013
Component unit - Evans County Board of Health:				
Capital assets being depreciated:				
Machinery and equipment	$ 98,903	-	-	$ 98,903
Accumulated depreciation:				
Machinery and equipment	87,954	$ 4,139	-	92,093
Component unit capital assets, net	$ 10,949	$ (4,139)	-	$ 6,810

NOTE 7– NOTE PAYABLE

The Recreation Department uses short-term loans with a local bank to provide short-term cash flow for capital projects until SPLOST revenues are sufficient to cover the expenditures. Repayment of the note comes from SPLOST payments received from the 2011 SPLOST fund.

The short term note payable outstanding at June 30, 2013, consisted of the following:

$20,200 Loan with The Claxton Bank, payable on December 31, 2013, including interest at 3.00%	$ 5,003

NOTE 7– NOTE PAYABLE (Continued)

Short term debt activity for the year ended June 30, 2013, was as follows:

	Balance 07/01/12	Increases	Decreases	Balance 6/30/13
The Claxton Bank loan	$ 41,691	$ 20,200	$ 56,888	$ 5,003

NOTE 8 – LANDFILL CLOSURE AND POST CLOSURE CARE COST

State and federal laws and regulations require that the County place a final cover on its landfill sites and perform certain maintenance and monitoring functions at the landfill sites for a minimum of thirty years after closure. Although most closure and post closure care costs will be paid near or after the date the landfill stops accepting waste, the County reports a portion of the closure and post closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. As of June 30, 2013, the estimated liability for landfill closure and post closure care costs is $583,829 and consists of the post closure cost for Sikes Branch landfill and closure and post closure costs for the C&D landfill. The County will recognize the remaining estimated cost of the closure and post closure care of approximately $2,049,270 for the operating landfill as the remaining estimated capacity is filled. Used capacity for the operating C&D landfill is estimated to be 3.88% with an estimated remaining useful life of 260 years. All estimates are subject to change due to inflation or deflation, technology or changes in laws or regulations. The County has invested funds in a separate bank account for the landfill closure and post closure costs.

NOTE 9 – CHANGES IN LONG-TERM DEBT

	Balance July 1, 2012 as restated	Additions	Reductions	Balance June 30, 2013	Amounts Due In One Year
Governmental Activities					
Compensated absences payable	$ 118,396	-	$ 35,495	$ 82,901	$ 16,580
Business-type Activities					
Compensated absences payable	$ 2,602	$ 848	$ -	$ 3,450	$ 690
Accrued landfill closure and postclosure care costs	586,031	-	2,202	583,829	-
Total Business-Type Activities	$ 588,633	$ 848	$ 2,202	$ 587,279	$ 690

The compensated absences liability will be paid from the fund from which the employees' salaries are paid which is primarily from the General Fund and Solid Waste Fund. The landfill closure and postclosure care costs will be paid primarily from the Solid Waste Fund.

NOTE 10 – FUND BALANCES – GOVERNMENTAL FUNDS

As of June 30, 2013, governmental fund balances are composed of the following:

	General Fund	2005 Special Sales Tax Fund	2011 Special Sales Tax Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepaid items	$ 124,278	-	-	$ 589	$ 124,867
Restricted:					
E-911	-	-	-	121,397	121,397
Judicial	-	-	-	25,080	25,080
Drug education	-	-	-	92,198	92,198
Jail	-	-	-	28,490	28,490
Drug task force	-	-	-	271,918	271,918
Roads	-	-	-	68,660	68,660
Capital projects	-	$ 2,207,807	$ 992,718	47,761	3,248,286
Total restricted	-	2,207,807	992,718	655,504	3,856,029
Assigned:					
Subsequent years' budget	174,600	-	-	-	174,600
Fire protection	25,067	-	-	-	25,067
Ambulance service	27,086	-	-	-	27,086
Total assigned	226,753	-	-	-	226,753
Unassigned	2,968,893	-	-	(25,882)	2,943,011
Total fund balances	$ 3,319,924	$ 2,207,807	$ 992,718	$ 630,211	$ 7,150,660

NOTE 11 – EMPLOYEE RETIREMENT PLANS

Defined Benefit Pension Plan

A. Plan Description

The Evans County Board of Commissioners Retirement Plan is a single employer defined benefit plan that provides retirement benefits to plan members. The plan is administered by Principal Financial Group and is open to all full-time employees with more than one year of service who are, at a minimum, twenty-one years of age. The County's payroll for employees covered by the plan year beginning January 1, 2013 was $966,087.

The authority to establish and amend benefit provisions rests with the Evans County Board of Commissioners. The County's retirement plan does not issue a publicly available financial report. However, pertinent actuarial and historical information is presented in Principal Financial Group's annual actuarial valuation report. This report may be obtained by contacting Principal Financial Group, P.O. Box 9694, Des Moines, Iowa 50306-9394.

NOTE 11 – EMPLOYEE RETIREMENT PLANS (Continued)

Benefits are fully vested after ten years of service. Participants become eligible to retire at age 65. Upon eligibility to retire, participants are entitled to a monthly benefit in the amount of 0.5 percent of average monthly compensation multiplied by credited service, plus 0.5 percent of average monthly compensation in excess of $550, multiplied by credited service up to 35 years, plus $3 for each year of credit service.

County employees are not required to contribute to the Plan. The County contributes the entire cost of the Plan using the actuarial basis described in the annual valuation report.

B. Participant Data

At January 1, 2013, the date of the most recent actuarial valuation, there were 67 participants as follows:

Active participants	36
Retirees and beneficiaries	15
Vested former employees	16
	67

C. Contributions

The County is required to contribute at an actuarially determined rate. Section 47-20 of the Georgia Code sets forth the minimum 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.

D. Annual Pension Cost and Net Pension Obligation

For 2013, the County's annual pension cost was $143,992. The County makes all required annual contributions. There was no net pension obligation for the plan at June 30, 2013. The required contribution was determined as part of an actuarial valuation performed as of January 1, 2013 using the aggregate actuarial cost method. Significant actuarial assumptions used in the valuation include (a) a rate of return on the investment of present and future assets of 5.0 percent per year compounded annually, (b) projected salary increases of 4.5 percent per year, and (c) no post-retirement benefit increases.

Because the County uses the aggregate actuarial cost method to determine its actuarially required contribution, the schedule of funding progress presented below 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.

NOTE 11 – EMPLOYEE RETIREMENT PLANS (Continued)

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.

E. Five-Year Trend Information

Year Ended June 30	Annual Pension Cost	Percentage Contributed	Net Pension Obligation (Asset)
2009	$ 78,274	100.0%	-
2010	111,497	100.0%	-
2011	140,266	100.0%	-
2012	133,566	100.0%	-
2013	143,992	100.0%	-

F. Analysis of Funding Progress

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Annual Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
1/1/2009	1,089,178	1,238,086	88.0%	148,908	1,096,688	13.6%
1/1/2010	1,148,738	1,437,647	79.9%	288,909	1,215,436	23.8%
1/1/2011	1,239,339	1,718,273	72.1%	478,934	1,219,744	39.3%
1/1/2012	1,346,368	1,797,613	74.9%	451,245	1,152,266	39.2%
1/1/2013	1,487,479	2,063,102	72.1%	575,623	966,087	59.6%

Analysis of the dollar amounts of actuarial value of assets available for benefits, actuarial accrued liability, and unfunded actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarial accrued liability provides one indication of funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Plan. Trends in unfunded actuarial accrued liability and percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the Plan's progress in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the plan.

NOTE 11 – EMPLOYEE RETIREMENT PLANS (Continued)

Probate Judges' Retirement Fund of Georgia

The Probate Judge is covered under a pension plan which requires that certain sums from marriage and other fees be remitted to the pension plan before the payment of any costs or other claims.

Clerk of Superior Court Retirement Fund

The Clerk of Superior Court is covered under a pension plan which requires that certain sums from fees and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

Sheriff's Retirement Fund/Peace Officers' Annuity and Benefit Fund

The Sheriff and sheriff deputies are covered under separate pension plans which require that certain sums from fines or bond forfeitures be remitted by the Magistrate Court and Clerk of Superior Court to the pension plans before the payment of any costs or other claims.

Evans County Board of Health (component unit)

The employees of the Evans County Board of Health participate in the Georgia State Employees Retirement System. The plan is administered by the State of Georgia, and accumulated benefits and plan assets are not determined or allocated to the individual participating governmental entities. The retirement contributions for the year ended June 30, 2013 were $24,717. Contributions are fully vested to employees after 10 years of continuous service.

NOTE 12 – RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other counties in the state as part of the Association of County Commissioners of Georgia (ACCG) Interlocal Risk Management Agency Property and Liability Insurance Fund and the Association of County Commissioners of Georgia (ACCG) Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management insurance program for member local governments.

As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's 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 pool's agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

NOTE 12 – RISK MANAGEMENT (Continued)

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law 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.

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

NOTE 13 – CONTINGENCIES

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County attorney, the resolution of these matters probably will not have a material adverse effect on the financial condition of the County.

Hospital Authority of Evans County (the "Hospital Authority") The County entered into a contract (the "contract") with the Hospital Authority in 2006 whereby the Hospital Authority will provide indigent care to the Evans County citizens and the County agreed to make payments to the Hospital Authority in amounts sufficient to enable the Hospital Authority to pay the principal of, premium, if any, and interest on its $7,075,000 Series 2006 Revenue Anticipation Certificates when due, to the extent the net operating revenues of the Hospital Authority are insufficient for such purposes. The County agreed in the Contract to levy an annual ad valorem tax on all taxable property located within the territorial limits of the County, at such rates within the seven mil limit or such greater millage limit hereafter authorized under the Hospital Authorities Law of Georgia, as may be necessary to produce in each year revenues which are sufficient to fulfill the County's obligations under the Contract.

The Hospital Authority's Series 2006 Revenue Anticipation Certificates are payable in annual amounts ranging from $230,000 in 2014 to $465,000 in 2032, with an interest rate of 4%. Total debt outstanding at June 30, 2013 was $6,365,000.

NOTE 14 – JOINT VENTURE

Under Georgia law, the County, in conjunction with other cities and counties in the seventeen county East Middle Georgia area, is a member of the Heart of Georgia Altamaha Regional Commission (RC) and is required to pay annual dues thereto. During its year ended June 30, 2013, the County paid $7,006 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-33 which provides for the organizational structure of the RC in Georgia. The RC Regional Council membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from:

Heart of Georgia Altamaha Regional Commission
5405 Oak Street
Eastman, Georgia 31023

NOTE 15 – SUBSEQUENT EVENTS

In preparing the financial statements, the County has evaluated subsequent events and transactions for potential recognition or disclosure through June 26, 2014, the date the financial statements were available to be issued.

NOTE 16 – HOTEL/MOTEL TAX

The County levies a 5% lodging tax. A summary of the transactions for the year ended June 30, 2013 follows:

Lodging tax receipts	$ 4,090
Disbursements to:	
Chamber of Commerce	2,076
Evans County Recreation - TOS Theater Project	692
Total disbursements	2,768
Amounts to be disbursed as of 6/30/13	$ 1,322

All expenditures were for promotion of tourism as required by OCGA 48-13-51.

NOTE 17 – PRIOR PERIOD ADJUSTMENTS

The following prior period adjustments have been made to the fund balances of governmental funds and proprietary funds in the fund level financial statements and to net position in the government-wide financial statements:

Adjustments to fund balances of governmental funds in the fund financial statements:		
General Fund		
Set up separate special revenue funds for Law Library, Drug Abuse Treatment & Education, Jail, and Juvenile Supervision Fee	$	(111,036)
Move Solid Waste to proprietary fund		(909,767)
Move prior year receivable to E-911 Fund		(1,960)
Set up due from Justice Assistance Grant fund and receivable for prior year grants		146,804
Net decrease in general fund balance		(875,959)
Set up special revenue funds for following funds:		
Law Library		9,100
Drug Abuse Treatment & Education		85,657
Jail		11,558
Juvenile Supervision Fee		4,721
E-911 Fund		
Reclassify receivable from General Fund		1,960
Superior Court General Purpose Fund		
Reclassify from Clerk of Court agency funds to special revenue fund		12,892
Inmate Telephone Fund		
Reclassify from Sheriff agency funds to special revenue fund		4,016
Recreation Department Fund		
Previously reported as proprietary fund in June 30, 2012 financial statements		810,290
Remove capital assets		(874,838)
Remove compensated absences liability		33,290
		(31,258)
Recreation Department SPLOST Fund		
Previously reported as proprietary fund in June 30, 2012 financial statements		(35,022)
Net decrease in fund balances of governmental funds		(812,335)
Fund balance June 30, 2012 for governmental funds, as previously reported		7,305,544
Fund balance July 1, 2012 for governmental funds, as restated	$	6,493,209

NOTE 17 – PRIOR PERIOD ADJUSTMENTS (Continued)

Adjustments to net position of proprietary fund:

Recreation Department		
Previously reported as proprietary fund in June 30, 2012 financial statements	$	(775,268)
Solid Waste		
Previously included as part of general fund in June 30, 2012 financial statements		909,767
Record capital assets		307,357
Record compensated absences		(2,602)
Record landfill closure and postclosure care costs		(586,031)
Remove unavailable revenue for taxes receivable		44,941
		673,432
Decrease in net position of proprietary fund		(101,836)
Net position June 30, 2012 for proprietary fund, as previously reported		775,268
Net position July 1, 2012 for proprietary fund, as restated	$	673,432

Adjustments to balances in fiduciary funds - agency funds:

Clerk of Court		
Superior Court General Purpose Fund previously reported in agency funds in June 30, 2012 financial statements	$	(12,892)
Sheriff		
Inmate Telephone Fund previously reported in agency funds in June 30, 2012 financial statements		(4,016)
Decrease in balances of fiduciary funds - agency funds		(16,908)
Fiduciary fund assets and liabilities balances June 30, 2012, as previously reported		316,006
Fiduciary fund assets and liabilities balances July 1, 2012, as restated	$	299,098

Adjustments to net position in the government-wide statements were as follows:

	Governmental Activities	Business-type Activities
Net position June 30, 2012, as previously reported	$ 11,729,746	$ 775,268
Increase prior year receivable for grants	146,804	-
Change in net position of proprietary fund per above	101,836	(101,836)
Move accounts from fiduciary fund - agency funds to special revenue funds	16,908	-
Understatement of prior accumulated depreciation for capital assets	(179,280)	-
Net position July 1, 2012 as restated	$ 11,816,014	$ 673,432

EVANS COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2013

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash	$ 645,341	$ 1,988	$ 647,329
Receivables:			
Accounts	22,629	-	22,629
Intergovernmental	163,667	-	163,667
Due from other funds	-	50,776	50,776
Prepaid items	589	-	589
TOTAL ASSETS	$ 832,226	$ 52,764	$ 884,990
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 8,298	-	$ 8,298
Accrued salaries	4,546	-	4,546
Funds held for others	39,569	-	39,569
Due to other funds	197,363	-	197,363
Note payable	-	$ 5,003	5,003
TOTAL LIABILITIES	249,776	5,003	254,779
FUND BALANCES			
Nonspendable	589	-	589
Restricted	607,743	47,761	655,504
Unassigned	(25,882)	-	(25,882)
TOTAL FUND BALANCES	582,450	47,761	630,211
TOTAL LIABILITIES AND FUND BALANCES	$ 832,226	$ 52,764	$ 884,990

EVANS COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Taxes	$ 80,594	-	$ 80,594
Charges for services	202,940	-	202,940
Fees, fines and forfeitures	68,564	-	68,564
Intergovernmental	299,125	-	299,125
Interest	286	$ 24	310
Other	8,699	6,040	14,739
Total revenues	660,208	6,064	666,272
EXPENDITURES			
Current:			
Judicial	8,592	-	8,592
Public safety	517,136	-	517,136
Public works	11,934	-	11,934
Recreation	248,199	-	248,199
Capital outlay	19,710	73,188	92,898
Debt service:			
Interest	-	641	641
Total expenditures	805,571	73,829	879,400
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(145,363)	(67,765)	(213,128)
OTHER FINANCING SOURCES (USES)			
Transfers in	209,692	70,141	279,833
NET CHANGE IN FUND BALANCES	64,329	2,376	66,705
FUND BALANCES, JULY 1, 2012, AS RESTATED	518,121	45,385	563,506
FUND BALANCES, JUNE 30, 2013	$ 582,450	$ 47,761	$ 630,211

EVANS COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2013

	Drug Abuse Treatment & Education	Jail	Juvenile Supervision Fee	Law Library	Superior Court General Purpose	Inmate Telephone
ASSETS						
Cash	$ 92,198	$ 20,747	$ 5,921	$ 10,553	$ 8,606	$ 7,743
Receivables:						
Accounts	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
TOTAL ASSETS	$ 92,198	$ 20,747	$ 5,921	$ 10,553	$ 8,606	$ 7,743
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	-	-	-	-	-	-
Accrued salaries	-	-	-	-	-	-
Funds held for others	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-
Fund balances:						
Nonspendable	-	-	-	-	-	-
Restricted	$ 92,198	$ 20,747	$ 5,921	$ 10,553	$ 8,606	$ 7,743
Unassigned	-	-	-	-	-	-
Total fund balances	92,198	20,747	5,921	10,553	8,606	7,743
TOTAL LIABILITIES AND FUND BALANCES	$ 92,198	$ 20,747	$ 5,921	$ 10,553	$ 8,606	$ 7,743

(Continued) - 1.

EVANS COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2013

	T-SPLOST Discretionary	Recreation Department	E-911	Drug Task Force	Justice Assistance Grant	Total Nonmajor Special Revenue Funds
ASSETS						
Cash	$ 67,314	$ 3,227	$ 100,459	$ 325,847	$ 2,726	$ 645,341
Receivables:						
Accounts	-	-	22,629	-	-	22,629
Intergovernmental	13,280	-	-	24,262	126,125	163,667
Prepaid items	-	589	-	-	-	589
TOTAL ASSETS	$ 80,594	$ 3,816	$ 123,088	$ 350,109	$ 128,851	$ 832,226
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	-	$ 1,121	$ 637	$ 6,540	-	$ 8,298
Accrued salaries	-	-	-	4,546	-	4,546
Funds held for others	-	-	-	39,569	-	39,569
Due to other funds	$ 11,934	27,988	1,054	27,536	$ 128,851	197,363
Total liabilities	11,934	29,109	1,691	78,191	128,851	249,776
Fund balances:						
Nonspendable	-	589	-	-	-	589
Restricted	68,660	-	121,397	271,918	-	607,743
Unassigned	-	(25,882)	-	-	-	(25,882)
Total fund balances	68,660	(25,293)	121,397	271,918	-	582,450
TOTAL LIABILITIES AND FUND BALANCES	$ 80,594	$ 3,816	$ 123,088	$ 350,109	$ 128,851	$ 832,226

(Concluded) - 2.

EVANS COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Drug Abuse Treatment & Education	Jail	Juvenile Supervision Fee	Law Library	Superior Court General Purpose	Inmate Telephone
REVENUES						
Taxes	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fees, fines and forfeitures	$ 6,541	$ 15,629	$ 1,200	$ 4,899	-	-
Intergovernmental	-	-	-	-	$ 4,172	-
Interest	-	-	-	32	-	-
Other	-	-	-	-	-	$ 5,314
Total revenues	6,541	15,629	1,200	4,931	4,172	5,314
EXPENDITURES						
Current:						
Judicial	-	-	-	3,478	5,114	-
Public safety	-	6,440	-	-	-	1,587
Public works	-	-	-	-	-	-
Recreation	-	-	-	-	-	-
Capital outlay:						
Judicial	-	-	-	-	3,344	-
Public safety	-	-	-	-	-	-
Recreation	-	-	-	-	-	-
Total expenditures	-	6,440	-	3,478	8,458	1,587
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	6,541	9,189	1,200	1,453	(4,286)	3,727
OTHER FINANCING SOURCES						
Transfers in	-	-	-	-	-	-
NET CHANGE IN FUND BALANCE	6,541	9,189	1,200	1,453	(4,286)	3,727
FUND BALANCE, BEGINNING OF YEAR, AS RESTATED	85,657	11,558	4,721	9,100	12,892	4,016
FUND BALANCE, END OF YEAR	$ 92,198	$ 20,747	$ 5,921	$ 10,553	$ 8,606	$ 7,743

(Continued) - 1.

EVANS COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	T-SPLOST Discretionary	Recreation Department	E-911	Drug Task Force	Justice Assistance Grant	Total Nonmajor Special Revenue Funds
REVENUES						
Taxes	$ 80,594	-	-	-	-	$ 80,594
Charges for services	-	$ 47,526	$ 155,414	-	-	202,940
Fees, fines and forfeitures	-		-	$ 40,295	-	68,564
Intergovernmental	-	-	-	294,953	-	299,125
Interest	-	6	-	248	-	286
Other	-	3,259	-	126	-	8,699
Total revenues	80,594	50,791	155,414	335,622	-	660,208
EXPENDITURES						
Current:						
Judicial	-	-	-	-	-	8,592
Public safety	-	-	150,754	358,355	-	517,136
Public works	11,934		-	-	-	11,934
Recreation	-	248,199	-	-	-	248,199
Capital outlay:						
Judicial	-	-	-	-	-	3,344
Public safety	-	-	394	9,653	-	10,047
Recreation	-	6,319	-	-	-	6,319
Total expenditures	11,934	254,518	151,148	368,008	-	805,571
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	68,660	(203,727)	4,266	(32,386)	-	(145,363)
OTHER FINANCING SOURCES						
Transfers in	-	209,692	-	-	-	209,692
NET CHANGE IN FUND BALANCE	68,660	5,965	4,266	(32,386)	-	64,329
FUND BALANCE, BEGINNING OF YEAR, AS RESTATED	-	(31,258)	117,131	304,304	-	518,121
FUND BALANCE, END OF YEAR	$ 68,660	$ (25,293)	$ 121,397	$ 271,918	$ -	$ 582,450

(Concluded) - 2.

EVANS COUNTY, GEORGIA
DRUG ABUSE TREATMENT AND EDUCATION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Fees, fines and forfeitures	$ 7,000	$ 6,541	$ (459)
EXPENDITURES			
Current:			
Public safety	7,000	-	7,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	6,541	6,541
FUND BALANCE, BEGINNING OF YEAR, AS RESTATED	85,657	85,657	-
FUND BALANCE, END OF YEAR	$ 85,657	$ 92,198	$ 6,541

EVANS COUNTY, GEORGIA
JAIL SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Fees, fines and forfeitures	$ 18,000	$ 15,629	$ (2,371)
EXPENDITURES			
Current outlay:			
Public safety	18,000	6,440	11,560
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	9,189	9,189
FUND BALANCE, BEGINNING OF YEAR, AS RESTATED	11,558	11,558	-
FUND BALANCE, END OF YEAR	$ 11,558	$ 20,747	$ 9,189

EVANS COUNTY, GEORGIA
JUVENILE SUPERVISION FEE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Fees, fines and forfeitures	$ 800	$ 1,200	$ 400
EXPENDITURES			
Current:			
Public safety	800	-	800
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	1,200	1,200
FUND BALANCE, BEGINNING OF YEAR, AS RESTATED	4,721	4,721	-
FUND BALANCE, END OF YEAR	$ 4,721	$ 5,921	$ 1,200

EVANS COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Fees, fines and forfeitures	$ 5,000	$ 4,899	$ (101)
Interest	-	32	32
Total revenues	5,000	4,931	(69)
EXPENDITURES			
Current:			
Judicial	5,000	3,478	1,522
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	1,453	1,453
FUND BALANCE, BEGINNING OF YEAR, AS RESTATED	9,100	9,100	-
FUND BALANCE, END OF YEAR	$ 9,100	$ 10,553	$ 1,453

EVANS COUNTY, GEORGIA
SUPERIOR COURT GENERAL PURPOSE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental	$ -	$ 4,172	$ 4,172
EXPENDITURES			
Current:			
Judicial	-	5,114	(5,114)
Capital outlay:			
Judicial	-	3,344	(3,344)
Total expenditures	-	8,458	(8,458)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(4,286)	(4,286)
FUND BALANCE, BEGINNING OF YEAR, AS RESTATED	12,892	12,892	-
FUND BALANCE, END OF YEAR	$ 12,892	$ 8,606	$ (4,286)

EVANS COUNTY, GEORGIA
INMATE TELEPHONE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Telephone commissions	-	$ 5,314	$ 5,314
EXPENDITURES			
Current:			
Public safety	-	1,587	(1,587)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	3,727	3,727
FUND BALANCE, BEGINNING OF YEAR, AS RESTATED	$ 4,016	4,016	-
FUND BALANCE, END OF YEAR	$ 4,016	$ 7,743	$ 3,727

EVANS COUNTY, GEORGIA
T-SPLOST DISCRETIONARY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes	$ -	$ 80,594	80,594
EXPENDITURES			
Current:			
Public works	-	11,934	(11,934)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	68,660	68,660
FUND BALANCE, BEGINNING OF YEAR	-	-	-
FUND BALANCE, END OF YEAR	$ -	$ 68,660	$ 68,660

EVANS COUNTY, GEORGIA
RECREATION DEPARTMENT FUND - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for services	$ 68,000	$ 47,526	$ (20,474)
Interest	-	6	6
Other	-	3,259	3,259
Total revenues	68,000	50,791	(17,209)
EXPENDITURES			
Current:			
Recreation	268,971	248,199	20,772
Capital outlay:			
Recreation	10,075	6,319	3,756
Total expenditures	279,046	254,518	24,528
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(211,046)	(203,727)	7,319
OTHER FINANCING SOURCES			
Transfers in	210,000	209,692	(308)
NET CHANGE IN FUND BALANCE	(1,046)	5,965	7,011
FUND BALANCE, BEGINNING OF YEAR, AS RESTATED	(31,258)	(31,258)	-
FUND BALANCE, END OF YEAR	$ (32,304)	$ (25,293)	$ 7,011

EVANS COUNTY, GEORGIA
E-911 SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for services	$ 170,000	$ 155,414	$ (14,586)
EXPENDITURES			
Current:			
Public safety	141,200	150,754	(9,554)
Capital outlay:			
Public safety	400	394	6
Total expenditures	141,600	151,148	(9,548)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	28,400	4,266	(24,134)
FUND BALANCE, BEGINNING OF YEAR, AS RESTATED	117,131	117,131	-
FUND BALANCE, END OF YEAR	$ 145,531	$ 121,397	$ (24,134)

EVANS COUNTY, GEORGIA
DRUG TASK FORCE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2013

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Fees, fines and forfeitures	-	$ 40,295	$ 40,295
Intergovernmental	$ 258,783	294,953	36,170
Interest	-	248	248
Other	-	126	126
Total revenues	258,783	335,622	76,839
EXPENDITURES			
Current:			
Public safety	364,574	358,355	6,219
Capital outlay:			
Public safety	10,000	9,653	347
Total expenditures	374,574	368,008	6,566
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(115,791)	(32,386)	83,405
FUND BALANCE, BEGINNING OF YEAR	304,304	304,304	-
FUND BALANCE, END OF YEAR	$ 188,513	$ 271,918	$ 83,405

EVANS COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2013

	Recreation Department SPLOST	2001 Special Sales Tax	Total Nonmajor Capital Projects Funds
ASSETS			
Cash	$ 1,988	-	$ 1,988
Due from other funds	11,103	$ 39,673	50,776
TOTAL ASSETS	$ 13,091	$ 39,673	$ 52,764
LIABILITIES AND FUND BALANCES			
Liabilities:			
Note payable	$ 5,003	-	$ 5,003
Fund balances:			
Restricted	8,088	$ 39,673	47,761
TOTAL LIABILITIES AND FUND BALANCES	$ 13,091	$ 39,673	$ 52,764

EVANS COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR CAPITAL PROJECTS FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

	Recreation Department SPLOST	2001 Special Sales Tax	Total Nonmajor Capital Projects Funds
REVENUES			
Interest	$ 24	-	$ 24
Other	6,040	-	6,040
Total revenues	6,064	-	6,064
EXPENDITURES			
Capital outlay	32,454	$ 40,734	73,188
Debt service:			
Interest	641	-	641
Total expenditures	33,095	40,734	73,829
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(27,031)	(40,734)	(67,765)
OTHER FINANCING SOURCES			
Transfers in	70,141	-	70,141
NET CHANGE IN FUND BALANCE	43,110	(40,734)	2,376
FUND BALANCE, BEGINNING OF YEAR, AS RESTATED	(35,022)	80,407	45,385
FUND BALANCE, END OF YEAR	$ 8,088	$ 39,673	$ 47,761

EVANS COUNTY, GEORGIA
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2013

	Tax Commissioner	Probate Court	Clerk of Courts	Magistrate Court	Sheriff	Totals
ASSETS						
Cash	$ 178,094	$ 607	$ 72,244	$ 20,441	$ 8,736	$ 280,122
LIABILITIES						
Due to other entities and individuals	$ 178,094	$ 607	$ 72,244	$ 20,441	$ 8,736	$ 280,122

EVANS COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2013

	Balance June 30, 2012, As Restated	Additions	Deductions	Balance June 30, 2013
Tax Commissioner				
Assets				
Cash	$ 142,628	$ 7,129,782	$ 7,094,316	$ 178,094
Liabilities				
Due to other entities and individuals	$ 142,628	$ 7,129,782	$ 7,094,316	$ 178,094
Probate Court				
Assets				
Cash	$ 9,552	$ 42,278	$ 51,223	$ 607
Liabilities				
Due to other entities and individuals	$ 9,552	$ 42,278	$ 51,223	$ 607
Clerk of Courts				
Assets				
Cash	$ 111,341	$ 495,728	$ 534,825	$ 72,244
Liabilities				
Due to other entities and individuals	$ 111,341	$ 495,728	$ 534,825	$ 72,244
Magistrate Court				
Assets				
Cash	$ 22,532	$ 235,147	$ 237,238	$ 20,441
Liabilities				
Due to other entities and individuals	$ 22,532	$ 235,147	$ 237,238	$ 20,441
Sheriff				
Assets				
Cash	$ 13,045	$ 135,641	$ 139,950	$ 8,736
Liabilities				
Due to other entities and individuals	$ 13,045	$ 135,641	$ 139,950	$ 8,736
Total Agency Funds				
Assets				
Cash	$ 299,098	$ 8,038,576	$ 8,057,552	$ 280,122
Liabilities				
Due to other entities and individuals	$ 299,098	$ 8,038,576	$ 8,057,552	$ 280,122

EVANS COUNTY, GEORGIA
SCHEDULE OF PROJECTS PAID
WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED JUNE 30, 2013

2001 Special Sales Tax

Project	Original Estimated Cost	Current Estimated Cost	Expenditures Prior Years	Expenditures Current Year	Expenditures Total	Estimated Percentage of Completion
Roads and bridges	$ 2,627,000	$ 2,552,830	$ 2,472,423	$ 40,734	$ 2,513,157	98%
Sanitation equipment	50,000	50,000	50,000	-	50,000	100%
Courthouse improvements	275,000	275,000	275,000	-	275,000	100%
Public safety equipment	110,000	110,000	110,000	-	110,000	100%
Community Center	100,000	176,102	176,102	-	176,102	100%
Ogeechee Tech School	100,000	161,208	161,208	-	161,208	100%
Fire trucks	149,000	149,000	149,000	-	149,000	100%
Recreation	300,000	300,000	300,000	-	300,000	100%
Library	30,000	34,274	34,274	-	34,274	100%
Industrial Authority	250,000	250,000	250,000	-	250,000	100%
Evans Memorial Hospital	700,000	700,000	700,000	-	700,000	100%
Airport Authority	100,000	101,261	101,261	-	101,261	100%
City of Claxton	600,000	600,000	600,000	-	600,000	100%
City of Bellville	150,000	150,000	150,000	-	150,000	100%
City of Daisy	169,000	169,000	169,000	-	169,000	100%
City of Hagan	240,000	240,000	240,000	-	240,000	100%
	$ 5,950,000	$ 6,018,675	$ 5,938,268	$ 40,734	$ 5,979,002	99.3%

2005 Special Sales Tax

Project	Original Estimated Cost	Current Estimated Cost	Expenditures Prior Years	Expenditures Current Year	Expenditures Total	Estimated Percentage of Completion
Road construction	$ 800,000	$ 786,000	-	-	-	0%
Road improvements	1,900,000	1,088,337	$ 545,074	$ 5,361	$ 550,435	51%
Road equipment	500,000	491,000	156,451	35,035	191,486	39%
Sanitation equipment	225,000	221,000	122,623	13,600	136,223	62%
Courthouse/building improvements	130,000	391,275	391,275	-	391,275	100%
Sheriff and Jail equipment	360,000	463,766	493,817	(30,051)	463,766	100%
Fire equipment	120,000	163,998	163,998	-	163,998	100%
Landfill improvements	450,000	762,246	762,246	-	762,246	100%
County-city complex/property	415,000	408,000	228,659	19,749	248,408	61%
Recreation authority	450,000	451,688	451,688	-	451,688	100%
Library	30,000	29,195	29,195	-	29,195	100%
Industrial Development Authority	250,000	245,712	245,712	-	245,712	100%
Evans Memorial Hospital	850,000	835,281	835,281	-	835,281	100%
Airport Authority	120,000	118,395	118,395	-	118,395	100%
City of Claxton	750,000	737,138	737,138	-	737,138	100%
City of Hagan	500,000	491,426	491,426	-	491,426	100%
City of Bellville	200,000	196,246	196,246	-	196,246	100%
City of Daisy	200,000	196,246	196,246	-	196,246	100%
	$ 8,250,000	$ 8,076,949	$ 6,165,470	$ 43,694	$ 6,209,164	76.9%

Reconciliation of current year expenditures to Statement of Revenues, Expenditures and Changes in Fund Balances:

Total 2005 Special Sales Tax Fund expenditures per Statement of Revenues, Expenditures and Changes in Fund Balances	$ 240,837
Transfers to other funds	13,600
Other revenue	(30,051)
Intergovernmental revenue	(180,692)
Total current year expenditures per above	$ 43,694

EVANS COUNTY, GEORGIA
SCHEDULE OF PROJECTS PAID
WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED JUNE 30, 2013

2011 Special Sales Tax

Project	Original Estimated Cost	Current Estimated Cost	Expenditures Prior Years	Expenditures Current Year	Expenditures Total	Estimated Percentage of Completion
Road construction	$ 800,000	$ 800,000	-	-	-	0%
Road improvements	1,900,000	1,900,000	-	-	-	0%
Equipment/vehicles	560,000	560,000	$ 1,991	$ 39,294	$ 41,285	7%
Sanitation equipment	225,000	225,000	56,039	-	56,039	25%
Courthouse/building improvements	365,000	365,000	-	67,626	67,626	19%
Sheriff equipment	330,000	330,000	40,258	475	40,733	12%
EMS equipment	125,000	125,000	-	-	-	0%
Landfill improvements	260,000	260,000	2,190	7,819	10,009	4%
Fire protection improvements	345,000	345,000	177,603	11,481	189,084	55%
Public safety communication equipment	15,000	15,000	4,123	3,552	7,675	51%
Recreation authority	450,000	450,000	56,430	70,141	126,571	28%
Library	60,000	60,000	7,534	9,369	16,903	28%
Industrial Development Authority	155,000	155,000	19,446	26,925	46,371	30%
Evans Memorial Hospital	800,000	800,000	100,356	124,752	225,108	28%
Airport Authority	160,000	160,000	20,071	24,950	45,021	28%
City of Claxton	750,000	750,000	94,072	116,936	211,008	28%
City of Hagan	550,000	550,000	68,999	85,776	154,775	28%
City of Bellville	200,000	200,000	25,073	31,163	56,236	28%
City of Daisy	200,000	200,000	25,073	31,163	56,236	28%
	$ 8,250,000	$ 8,250,000	$ 699,258	$ 651,422	$ 1,350,680	16.4%

Reconciliation of current year expenditures to Statement of Revenues, Expenditures and Changes in Fund Balances:

Total 2011 Special Sales Tax Fund expenditures per Statement of Revenues, Expenditures and Changes in Fund Balances	$ 576,246
Transfers to other funds	77,960
Intergovernmental revenue	(2,784)
Total current year expenditures per above	$ 651,422

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

To the Board of Commissioners
Evans County, Georgia

We have audited, in accordance with the 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, 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, 2013, and the related notes to the financial statements, which collectively comprise Evans County, Georgia's basic financial statements, and have issued our report thereon dated June 26, 2014. Our report includes a reference to other auditors who audited the financial statements of the Evans County Board of Health, a component unit, as described in our report on Evans County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Evans County, Georgia's internal control over financial reporting (internal control) to determine audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Evans County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Evans County, Georgia's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial

statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described below as 2013-1, 2013-2, 2013-3, and 2013-4 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described below as 2013-5 and 2013-6 to be significant deficiencies.

2013-1 Lack of segregation of duties for expenditures

A lack of segregation of duties pertaining to expenditures exists at the County administrative office. One employee processed non-employee compensation expenditures for payment, generated the checks, and was an authorized account signer. Although the county required two signatures for its checks, the same individual maintained custody of the signature stamp for a second authorized account signer. Duties should be separated to reduce the likelihood of a material misstatement occurring due to misappropriation or error.

County Response: We concur with this finding and have discontinued the use of a signature stamp. We still require two signatures on county checks so that a second individual can provide an independent review of county checks.

2013-2 Bank reconciliations not prepared for County administrative office and Sheriff's Department accounts

While performing the audit, we noted that bank reconciliations were not prepared for bank accounts maintained by the County administrative office and Sheriff's Department. Bank reconciliations should be prepared and reviewed in a timely manner to ensure account balances are correct and transactions have been properly recorded in the County's general ledger.

County Response: We concur with this finding. During the subsequent fiscal year we began preparing bank reconciliations for all County administrative office bank accounts. We will implement procedures at the Sheriff's Office to ensure all bank accounts are reconciled in a timely manner.

2013-3 Failure to record grant receivables and properly monitor grant expenditures

During our review of grant revenues and expenditures, we noted that grants receivable totaling $146,804 had not been recorded in the previous fiscal year, and grants receivable totaling $89,931 were not recorded in the current fiscal year. Of the $146,804 in prior year grants receivable, $126,125 was not identified and requested for reimbursement in a timely manner due to submission of funding requests both in excess of and under budgeted amounts. Grant expenditures should be reviewed in a timely manner to verify expenditures are accurate and allowable prior to submitting a fund request. Grant revenue should be recognized when it is earned up to the maximum amount allowed by the grantor.

While reviewing grant financial reports, we noted that certain expenditures were reported in the period in which they were identified for reimbursement rather than the period in which they were incurred. The quarterly grant financial reports should reflect expenditures incurred during the appropriate reporting periods so that accurate financial information is provided to the grantor. Also, this will help reduce the likelihood of duplicate expenditure reporting. If unreported expenditures are identified after the original report is submitted, then the original financial report should be revised to include those expenditures.

County Response: We concur with this finding. During the subsequent fiscal year county administration began monitoring grant expenditures so that they are identified for reimbursement in a timely manner. We will implement procedures to ensure grant receivables are being tracked and recorded in the general ledger and grant expenditures are reported to the grantor in the appropriate reporting period.

2013-4 **Major expenditures not allocated by function**

Expenditures should be properly allocated to each function so that the financial statements accurately reflect total expenditures by function. Expenditures pertaining to electricity, retirement, non-health insurance and fuel were not properly allocated to the functions which benefitted from said expenditures. Instead, most fuel purchases were recorded as public works expenditures while retirement, electricity and non-health insurance were recorded as general administration expenditures. Also, public safety grant expenditures totaling $34,804 were recorded as general administration expenditures.

County Response: We concur with this finding and will begin allocating expenditures to the appropriate functions.

2013-5 **Amounts due to Special Purpose Local Option Sales Tax (SPLOST) Fund from other funds**

As of fiscal year end, the SPLOST funds reflected amounts due from the General, Solid Waste, and T-SPLOST Discretionary fund. The interfund receivable amounts pertaining to the SPLOST fund were recorded after County administration identified expenditures charged to the SPLOST funds which did not meet the SPLOST resolution expenditure guidelines. SPLOST proceeds should be used solely for the purposes outlined in the resolution and should not be commingled with other funds.

County Response: We concur with this finding and have provided guidance to county office personnel to assist them in determining whether expenditures presented for payment with SPLOST funds are allowable.

2013-6 **Budget amendments and lack of budget for special revenue funds**

Expenditures exceeded appropriations at the legal level of control for certain general fund departments, and no budget was created for certain special revenue funds. Budgets should be created and approved by the Board of Commissioners for all special revenue funds, and a budget amendment should be made and approved by the Board of Commissioners for any over expenditure of the County budget.

County Response: We concur with this finding. In the future we will adopt budgets for the special revenue funds and obtain approved budget amendments for those departments in which actual expenditures exceed budgeted expenditures.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Evans County, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those

provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described above as items 2013-5 and 2013-6.

Evans County, Georgia's Response to Findings

Evans County, Georgia's response to the findings identified in our audit is described above. Evans County, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Thigpen, Lanier, Waterfield & Deal

Statesboro, Georgia
June 26, 2014