FRANKLIN COUNTY, GEORGIA

Annual Financial Report

For the fiscal year ended June 30, 2009

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FRANKLIN COUNTY, GEORGIA
FINANCIAL REPORT
For the fiscal year ended June 30, 2009

TABLE OF CONTENTS

INTRODUCTORY SECTION:

		Page (s)
	Table of Contents	i-v

FINANCIAL SECTION:

	Independent Auditor's Report	1-2
	Management's Discussion and Analysis	3-12

BASIC FINANCIAL STATEMENTS

Exhibit		
	Government-wide Statements	
A-1	Statement of Net Assets	13-14
A-2	Statement of Activities	15
	Fund Financial Statements	
A-3	Balance Sheet - Governmental Funds	16
A-4	Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	17
A-5	Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	18
A-6	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	19
A-7	Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual - General Fund	20-21
A-8	Statement of Net Assets - Proprietary Funds	22
A-9	Statement of Revenues, Expenses, and Changes in Fund Net Assets - Proprietary Funds	23
A-10	Statement of Cash Flows - Proprietary Funds	24
A-11	Statement of Fiduciary Assets and Liabilities	25
A-12	Combining Statement of Net Assets - Component Units	26
A-13	Combining Statement of Activities - Component Units	27

Table of Contents, continued

BASIC FINANCIAL STATEMENTS (continued)

Fund Financial Statements (continued)

Exhibit		Page (s)
A-14	**Notes to the Financial Statements**	**28-59**

Item #		Page #
1.	Description of Government Unit	**28**
2.	Summary of Significant Accounting Policies	**28-40**
3.	Deposit and Investment Risk	**40-41**
4.	Accounts Receivable	**41**
5.	Intergovernmental Receivables	**42**
6.	Property Taxes	**42**
7.	Interfund Receivables, Payables, and Transfers	**43**
8.	Capital Assets	**44-46**
9.	Operating Lease Agreements	**46**
10.	Other Liabilities	**46**
11.	Long-Term Debt	**47-50**
12.	Landfill Post-Closure Care Costs	**51**
13.	Reserved Equity Balances	**51**
14.	Deficit Equity Balances	**51-52**
15.	Changes in Beginning Balances	**52**
16.	Pension Plan	**52-55**
17.	Deferred Compensation Plans	**56**
18.	Hotel/Motel Lodging Tax	**56**
19.	Joint Ventures	**57**
20.	Risk Financing Activities	**57-58**
21.	Commitments and Contingencies	**58-59**
22.	Excess of Expenditures over Appropriations in Individual Governmental Funds for which Budgets are Adopted	**59**

SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

B-1	Combining Balance Sheet - Nonmajor Governmental Funds	**60-61**
B-2	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds	**62-63**

Table of Contents, continued

SUPPLEMENTARY INFORMATION, continued

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES (continued)

Exhibit		Page (s)
	GENERAL FUND	
C-1	Comparative Balance Sheets	**64**
C-2	Comparative Statements of Revenues, Expenditures and Changes in Fund Balances	**65**
C-3	Schedule of Revenues - Budget (GAAP Basis) and Actual	**66**
C-4	Schedule of Expenditures - Budget (GAAP Basis) and Actual	**67-71**
	SPECIAL REVENUE FUNDS	
D-1	Emergency E911 Special Revenue Fund Comparative Balance Sheets	**72**
D-2	Emergency E911 Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual	**73**
D-3	Drug Enforcement Special Revenue Fund Comparative Balance Sheets	**74**
D-4	Drug Enforcement Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual	**75**
D-5	Inmate Welfare Special Revenue Fund Comparative Balance Sheets	**76**
D-6	Inmate Welfare Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual	**77**
D-7	Law Library Special Revenue Fund Comparative Balance Sheets	**78**
D-8	Law Library Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual	**79**
D-9	MANS Unit Special Revenue Fund Comparative Balance Sheets	**80**
D-10	MANS Unit Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual	**81**

SUPPLEMENTARY INFORMATION, continued

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES (continued)

Exhibit		Page (s)
	SPECIAL REVENUE FUNDS, continued	
D-11	Public Defender Special Revenue Fund Comparative Balance Sheets	**82**
D-12	Public Defender Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual	**83**
D-13	Public Defender Special Revenue Fund Comparative Balance Sheets	**84**
D-14	Public Defender Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual	**85**
	DEBT SERVICE FUND	
E-1	Debt Service Fund Comparative Balance Sheets	**86**
E-2	Debt Service Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual	**87**
	CAPITAL PROJECTS FUNDS	
F-1	Special Purpose Local Option Sales Tax Fund Comparative Balance Sheets	**88**
F-2	Special Purpose Local Option Sales Tax Fund Comparative Statements of Revenues, Expenditures and Changes in Fund Balances	**89**
F-3	2004 Special Purpose Local Option Sales Tax Fund Comparative Balance Sheets	**90**
F-4	2004 Special Purpose Local Option Sales Tax Fund Comparative Statements of Revenues, Expenditures and Changes in Fund Balances	**91**
	ENTERPRISE FUNDS	
G-1	Water and Sewer Enterprise Fund Comparative Statements of Net Assets	**92-93**
G-2	Water and Sewer Enterprise Fund Comparative Statements of Revenues, Expenses and Changes in Net Assets	**94**
G-3	Water and Sewer Enterprise Fund Comparative Statements of Cash Flows	**95**

SUPPLEMENTARY INFORMATION, continued

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES (continued)

Exhibit		Page (s)
	ENTERPRISE FUNDS, continued	
G-4	Solid Waste Enterprise Fund Comparative Statements of Net Assets	**96**
G-5	Solid Waste Enterprise Fund Comparative Statements of Revenues, Expenses and Changes in Net Assets	**97**
G-6	Solid Waste Enterprise Fund Comparative Statements of Cash Flows	**98**
	AGENCY FUNDS	
H-1	Combining Balance Sheet	**99-100**
H-2	Statement of Changes in Assets and Liabilities	**101**
	COMPONENT UNITS	
I-1	Recreation Department Comparative Balance Sheets	**102**
I-2	Recreation Department Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual	**103**
I-3	Industrial Building Authority Comparative Balance Sheets	**104**
I-4	Industrial Building Authority Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget (GAAP Basis) and Actual	**105**
	OTHER REPORTING SECTION	
	Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance with Government Auditing Standards	**106-108**
J-1	Schedule of Projects Financed with Special Purpose Local Option Sales Tax	**109**

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Independent Auditor's Report

Honorable Chairman and Members
of the Board of Commissioners
Franklin County, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Franklin County, Georgia, as of and for the fiscal year ended June 30, 2009, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Franklin County, Georgia. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Franklin County Health Department, a component unit of Franklin County, Georgia, which represent 2.5 percent, 2.8 percent, and 41.2 percent, respectively, of the assets, net assets, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinions on the financial statements, insofar as they relate to the amounts included for the Franklin County Health Department, is based on the report of the other auditors.

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

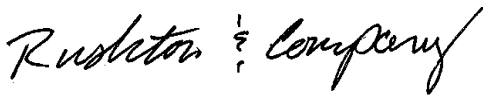
In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Franklin County, Georgia, as of June 30, 2009, and the respective changes in financial position and, where applicable, cash flows and the budgetary comparison of the General Fund for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 11, 2009, on our consideration of Franklin County, Georgia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read considered in assessing the results of our audit.

The management's discussion and analysis on pages 3 through 12 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

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Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Franklin County, Georgia's basic financial statements. The combining and individual fund financial statements and schedules, and the state reporting section with the special purpose local option sales tax report are presented for purposes of additional analysis, and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules, and the state reporting section with the special purpose local option sales tax report have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects in relation to the basic financial statements taken as a whole.



Certified Public Accountants

Gainesville, Georgia
November 11, 2009

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FRANKLIN COUNTY
BOARD OF COMMISSIONERS

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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Franklin County, it is our pleasure to present this narrative discussion and analysis of Franklin County's financial performance, providing an overview of the activities for the fiscal year ended June 30, 2009. The purpose of this narrative is to provide readers of financial statements with information that will help them make timely and meaningful financial decisions or draw conclusions about Franklin County. This analytical information is presented as an overview and should be reviewed in conjunction with the County's financial statements that follow this section.

Financial Highlights

- Franklin County's assets exceeded its liabilities at June 30, 2009, by $55,886,978 (reported as *net assets*).

- As of June 30, 2009, Franklin County's governmental funds reported combined ending fund balances of $13,765,405. Approximately 20% of this total amount, or $2,726,686, is available for spending at the Board of Commissioners' discretion (unreserved, undesignated fund balance of the General Fund).

More detailed information regarding these activities and funds begins on page 7.

Overview of the Financial Statements

This discussion and analysis narrative is intended to serve as an introduction to Franklin County's basic financial statements. Franklin County's basic financial statements are composed of three elements: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains required supplementary information in addition to our basic financial statements.

Government-wide Financial Statements (Reporting the County as a whole). The focus of the government-wide financial statements is on the overall financial position and activities of Franklin County and is designed to provide readers with a broad overview of the County's financial activities in a manner similar to a private business enterprise.

The County's government-wide financial statements include the Statement of Net Assets and the Statement of Activities. These two statements report information about Franklin County using the accrual basis of accounting, which is similar to the accounting used by most private-sector businesses. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The purpose of the ***Statement of Net Assets*** (pages 13-14) is to attempt to report all of the assets held and liabilities owed by the County. The County reports all of its assets when it acquires ownership over the assets and reports all of its liabilities when they are incurred. The difference between the total assets and total liabilities is labeled *net assets*. Although the purpose of the County is not to accumulate net assets, in general, as this amount increases it indicates that the financial position of the County is improving over time.

The ***Statement of Activities*** (page 15), on the other hand, presents the revenues and expenses of the County. Under the accrual basis of accounting mentioned earlier, revenues are recognized when earned and expenses when incurred in this statement. Thus, revenues are reported even when they may not be collected for several weeks after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period. The difference is described as *change in net assets*. The Statement of Activities primary focus is on the *net cost* of various activities provided by the County and identifies the extent to which each function of the County draws from general revenues or is self-financing through fees, grants, or other sources.

In the Statement of Net Assets and the Statement of Activities, we divide Franklin County into three types of activities:

- ***Governmental activities*** – Most of the County's basic services are reported under this category which includes: judicial, public safety, public works, and general administration. Taxes such as: property, sales, insurance premium and intangible finance most of these services.

- ***Business-type activities*** – The County charges fees to customers to assist in covering the cost for providing certain services. The County's solid waste tipping fees are reported in this category.

- ***Discretely Presented Component Units*** – A component unit is a legally separate organization for which the elected officials of the County are financially accountable. The Health Department, Recreation Department, and the Industrial Building Authority, although legally separate, function for all practical purposes as departments of Franklin County, and therefore have been included as an integral part of the primary government.

The County's government-wide financial statements are presented on pages 13-15.

Fund Financial Statements (Reporting the County's Major Funds).
The focus of fund financial statements is directed to specific activities of the County and its most significant funds, not the County as a whole. A fund is an entity with a self-balancing set of accounts that the County uses to track specific resources and expenditures, either for management purposes or because of legal mandates. In addition to the major funds, individual fund data for the County's non-major funds can be found beginning on page 61. The County's funds are divided into three broad categories – governmental, proprietary, and fiduciary – and use different prescribed accounting methodologies.

- ***Governmental Funds*** – These funds account for essentially the same functions reported as governmental activities in the government-wide financial statements; however, governmental fund financial statements focus on the short-term view of the County's general government operations and the basic services it provides. Governmental funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

  Because the focus of the governmental fund financial statements is narrower than that of the government-wide financial statements and because of the different accounting methods used to prepare them, there are often significant differences between the totals presented in these financial statements. It is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. An analysis of the balance sheet and the statement of revenues, expenditures, and changes in fund balances that reconciles the two statements are provided following each statement.

Franklin County maintains eleven individual governmental funds. Information is presently separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, and 2004 SPLOST Capital Projects Funds, which are considered major funds. Data from the other eight governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements on pages 60-63 of this report.

Franklin County adopts an annual appropriated budget for its General Fund, all Special Revenue Funds, and Debt Service Fund. The budgetary comparison statement has been provided for the General Fund to demonstrate compliance with these budgets.

The County's basic governmental fund financial statements are presented on pages 16-21 of this report.

- ***Proprietary Funds*** – When the County charges customers for the services it provides – whether to outside customers or to other departments of the County – these services are generally reported in proprietary funds. These proprietary funds are prepared using the same accounting basis as the government-wide financial statements.

  Enterprise fund statements report the same functions presented in the business-type activities columns of the government-wide financial statements. Franklin County uses enterprise funds to account for its Water and Sewer and Solid Waste functions. Both of these funds are considered major funds.

  The County's proprietary fund financial statements are presented on pages 22-24.

- ***Fiduciary Funds –*** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support Franklin County's own programs and services. The accounting used for fiduciary funds is much like that used for proprietary funds.

  Fiduciary funds are presented in the fund financial statements but are not reported in the government-wide financial statements.

  The County's fiduciary funds' Statement of Assets and Liabilities is presented on page 25.

Notes to the financial statements.

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

Other Supplementary Information.

Other supplementary information includes combining financial statements for non-major governmental, proprietary, and fiduciary funds. These funds are added together by fund type and presented in single columns in the basic financial statements but are not reported individually, as with major funds, on the government-wide financial statements.

This report includes two schedules (pages 17 and 19) which reconcile the amounts reported on the governmental fund financial statements (modified accrual basis of accounting) with the governmental activities reported on the government-wide financial statements (accrual basis of accounting). The following summarizes the impact of transitioning from modified accrual to accrual accounting:

- Capital assets used in governmental activities on the government-wide statements are not reported on fund financial statements.

- Certain tax revenues that are earned, but not available, are reported as revenue on the government-wide statement but are reported as deferred revenue on the fund statements.

- Unless due and payable, long-term liabilities, such as lease obligations, compensated absences, bonds and notes payable, and others only appear as liabilities in the government-wide statements.

- Capital outlay spending results in capital assets on the government-wide statements but is reported as expenditures on the governmental fund financial statements.

- Certain other outflows represent either increases or decreases in liabilities on the government-wide statements but are reported as expenditures on the governmental fund financial statements.

Overview of the County's Financial Position and Operations

The County's overall financial position and operations for the fiscal year ended June 30, 2009, is summarized as follows based on the information included in the government-wide financial statements (see pages 13-15):

Franklin County
Net Assets (Financial Position)
June 30, 2009 and 2008

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2007
Current and other assets	$ 15,734,089	$ 17,116,014	$ 2,958,970	$ 2,953,088	$ 18,693,059	$ 20,069,102
Capital assets	37,965,717	39,322,142	18,775,359	18,987,699	56,741,076	58,309,841
Total assets	53,699,806	56,438,156	21,734,329	21,940,787	75,434,135	78,378,943
Long-term liabilities	7,809,799	10,958,503	6,669,616	7,039,419	14,479,415	17,997,922
Other liabilities	4,584,903	3,858,197	482,839	427,048	5,067,742	4,285,245
Total liabilities	12,394,702	14,816,700	7,152,455	7,466,467	19,547,157	22,283,167
Net assets:						
Invested in capital assets, net of related debt	37,965,717	39,322,142	15,061,190	15,892,969	53,026,907	55,215,111
Restricted	6,210,897	6,299,964	7,780	17,104	6,218,677	6,317,068
Unrestricted	(2,871,510)	(4,000,650)	(487,096)	(1,435,753)	(3,358,606)	(5,436,403)
Total net assets	$ 41,305,104	$ 41,621,456	$ 14,581,874	$ 14,474,320	$ 55,886,978	$ 56,095,776

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. Assets for Franklin County exceeded liabilities by $55,886,978 at the close of the fiscal year ended June 30, 2009.

$53,026,097 of Franklin County's net assets are reflected in its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure), less any related debt outstanding that was needed to construct or acquire the assets. The County uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

$6,218,677 of Franklin County's net assets are subject to external restrictions or enabling legislation on how they can be used.

Unrestricted net assets of the governmental activities report a negative balance of $2,871,510. This is due to long-term liabilities in excess of assets to pay for those liabilities. This negative balance will be liquidated through future revenue recognition. Unrestricted net assets of the business-type activities report a negative balance of $487,096. This is due to the post-closure care cost liability of the Solid Waste fund in excess of assets to pay for that liability. This negative balance will be liquidated through future revenue recognition.

The following condensed financial information was derived from the government-wide Statement of Activities and reflects how Franklin County's net assets changed during the fiscal year ended June 30, 2009.

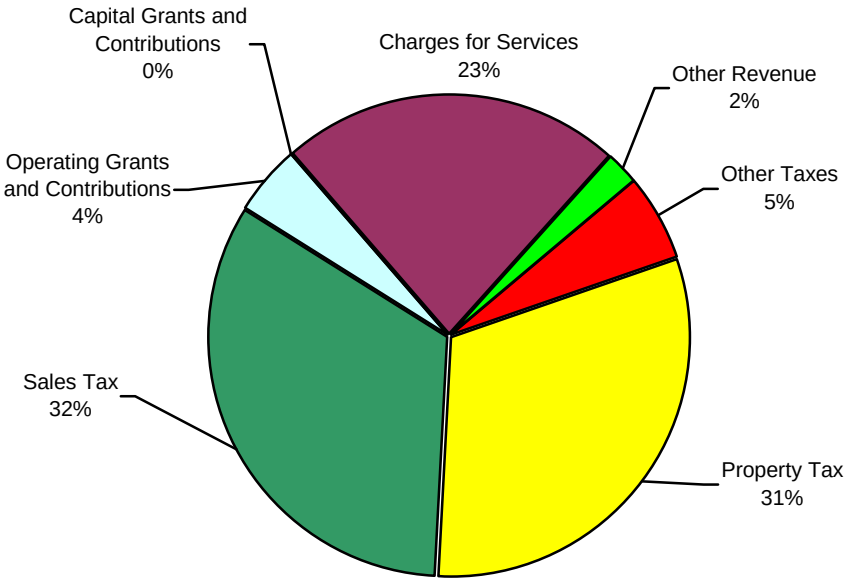
Franklin County
Changes in Net Assets
For the fiscal years ended June 30, 2009 and 2008

	Governmental Activities		Business-Type Activities		Total	
Revenues	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**
Program revenues:						
Charges for services	$ 3,469,283	$ 3,264,775	$ 901,335	$ 930,661	$ 4,370,618	$ 4,195,436
Operating grants and contributions	717,899	643,304	0	88,022	717,899	731,326
Capital grants and contributions	0	107,077	0	0	0	107,077
General revenues:						
Property taxes	4,684,655	4,214,837	0	0	4,684,655	4,214,837
Sales tax	4,972,740	5,918,884	0	0	4,972,740	5,918,884
Intangible tax	77,324	97,601	0	0	77,324	97,601
Franchise tax	58,418	58,778	0	0	58,418	58,778
Insurance premium tax	726,990	709,692	0	0	726,990	709,692
Real estate transfer tax	11,852	28,046	0	0	11,852	28,046
Other taxes	18,877	16,215	0	0	18,877	16,215
Investment income	268,851	645,962	96,201	37,412	365,052	683,374
Gain on sale of assets	0	31,350	0	0	0	31,350
Miscellaneous revenue	66,349	36,205	351	525	66,700	36,730
Total revenues	15,073,238	15,772,726	997,887	1,056,620	16,071,125	16,829,346
Expenses						
General government	2,563,247	1,991,256	0	0	2,563,247	1,991,256
Judicial	1,757,860	1,580,629	0	0	1,757,860	1,580,629
Public Safety	6,699,624	7,013,294	0	0	6,699,624	7,013,294
Public Works	2,108,520	3,177,693	0	0	2,108,520	3,177,693
Health and Welfare	374,420	379,276	0	0	374,420	379,276
Culture and Recreation	481,093	413,993	0	0	481,093	413,993
Housing and Development	177,414	589,649	0	0	177,414	589,649
Interest on long-term debt	482,598	555,625	0	0	482,598	555,625
Water and Sewer	0	0	1,308,628	1,158,841	1,308,628	1,158,841
Solid Waste	0	0	140,090	140,221	140,090	140,221
Total expenses	14,644,776	15,701,415	1,448,718	1,299,062	16,093,494	17,000,477
Increase (decrease) in net assets before transfers	428,462	71,311	(450,831)	(242,442)	(22,369)	(171,131)
Transfers	(558,385)	(935,463)	558,385	935,463	0	0
Change in net assets	(129,923)	(864,152)	107,554	693,021	(22,369)	(171,131)
Net assets - January 1	41,621,456	42,485,608	14,474,320	13,781,299	56,095,776	56,266,907
Prior period adjustments	(186,429)	0	0	0	(186,429)	0
Net assets - ending	$ 41,305,104	$ 41,621,456	$ 14,581,874	$ 14,474,320	$ 55,886,978	$ 56,095,776

Governmental Activities –

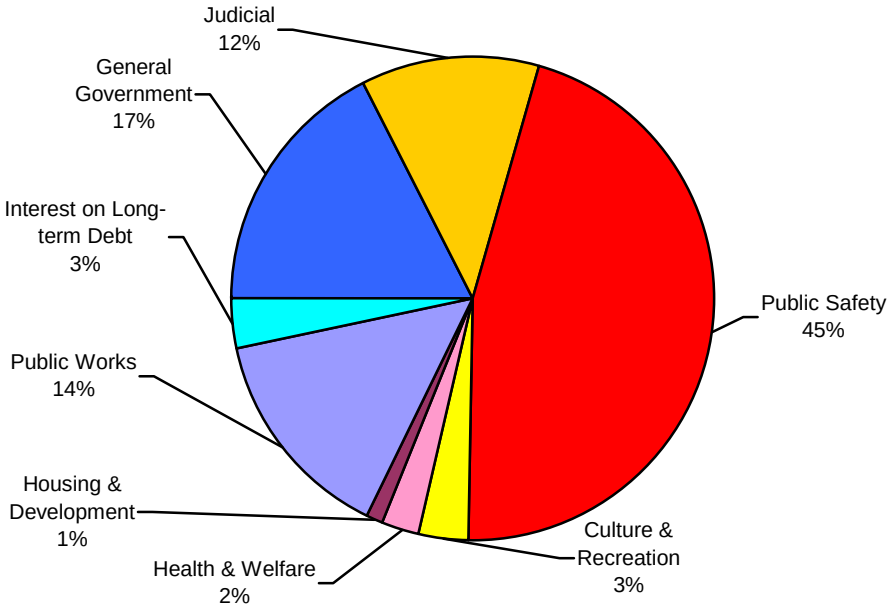
The following chart illustrates revenues of the governmental activities for the fiscal year ended June 30, 2009:

Revenues by Source – Governmental Activities
For the fiscal year ended June 30, 2009



The following chart illustrates the expenses of the governmental activities for the fiscal ended June 30, 2009:

Expenses – Governmental Activities
For the fiscal year ended June 30, 2009



Business-Type Activities –

Business-type activities increased Franklin County's assets by $107,554. This is a decrease of 84% from the prior year. The change in net assets in the Water and Sewer Fund was down from fiscal year 2008 due primarily to the increase in interest expense and the decrease in amounts transferred from the General and 2004 SPLOST Funds; the change in net assets in the Solid Waste Fund was down from fiscal year 2008 due to a grant received during fiscal year 2008 from the State of Georgia for expenses incurred in prior years for clean-up activities after the closure of the County's landfill.

Financial Analysis of the County's Funds

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

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

As the County completed this fiscal year, its governmental funds reported a combined ending fund balance of $13,765,405. Of this amount, $13,099,142 or 95% constitutes unreserved fund balance, which is available for appropriation for the general purposes of the funds. The General Fund comprises 40% of the unreserved fund balance. The remainder of fund balance is not available for spending because it has already been committed to:

1) payment of incurred expenses of future periods of $67,826

2) payment of program expenses of $598,437

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unreserved fund balance of the General Fund was $4,317,961, while total fund balance reached $4,984,224. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to fund expenditures. Unreserved fund balance represents approximately 5.0 months of General Fund expenditures, while total fund balance represents approximately 5.8 months of that same amount.

The County ended the fiscal year by decreasing the fund balance of the General Fund by $942,353 or approximately 15%. Expenditures were approximately 10% under the final budget and revenues collected were approximately 11% over final budget projections.

General Fund Budget Highlights.

The actual revenues exceeded budget by approximately 11%.

The original budget for the General Fund was amended by various appropriations approved after the beginning of the fiscal year ended June 30, 2009. In addition, the Board of Commissioners approved several adjustments tapping the Fund Balance line item to prevent budget overruns.

Overall, the General Fund expenditures totaled approximately 10% under the budget projections; no departments were significantly over budget.

It is anticipated that the General Fund may experience minimal increased revenues in the next fiscal year; however, the County will continue to monitor spending and other measures will help ensure that the fund balance remains positive.

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

Unrestricted net assets of the County's two proprietary funds totaled as follows:

- Water and Sewer $ 654,390
- Solid Waste $ (1,141,486)

The change in net assets for each fund was $195,455 and $(87,901), respectively. Other factors concerning the finances of these funds have already been addressed in the discussion of the County's business-type activities.

Capital Assets and Debt Administration

Capital Assets. Franklin County has invested $56,416,511 in capital assets (net of accumulated depreciation). Approximately 67% of this investment is related to governmental activities and includes infrastructure, land, buildings, and machinery and equipment.

Capital assets held by the County at June 30, 2009 are summarized as follows:

Franklin County
Capital Assets (net of accumulated depreciation)
June 30, 2009 and 2008

	Governmental Activities		Business-Type Activities		Total	
	2009	2008	2009	2008	2009	2008
Land	$ 4,854,587	$ 4,854,587	$ 399,323	$ 399,323	$ 5,253,910	$ 5,253,910
Land improvements	0	0	29,382	29,382	29,382	29,382
Water lines and towers	0	0	19,044,598	18,794,137	19,044,598	17,235,110
Infrastructure	40,708,314	40,708,314	0	0	40,708,314	40,708,313
Buildings	6,684,895	6,665,762	1,875,731	1,875,731	8,560,626	8,541,493
Machinery and equipment	2,295,830	2,237,640	435,675	428,651	2,731,505	2,666,291
Vehicles	4,559,140	4,400,067	268,909	268,909	4,828,049	4,668,976
Construction in progress	181,246	68,812	143,319	143,319		212,131
Total	59,284,012	58,935,182	22,196,937	21,939,452	81,156,384	79,315,606
Accumulated depreciation	(21,318,295)	(19,613,040)	(3,421,578)	(2,951,753)	(24,739,873)	(22,564,793)
Net Capital Assets	$ 37,965,717	$ 39,322,142	$ 18,775,359	$ 18,987,699	$ 56,416,511	$ 56,750,813

Major capital asset expenditures during the current fiscal year for governmental activities included the following:

- Improvements and expansion of the County's infrastructure
- Equipment for the Sheriff's Department
- Vehicles for the Sheriff's and EMS Departments

The major capital asset expenses during the current fiscal year for business-type activities included the following:

- Continued upgrading and expansion of Water system projects

Additional information on Franklin County's capital assets can be found in Note 8 on pages 44-46 of this report.

Long-term debt. During 2005, the County issued the Franklin County General Obligation Sales Tax Bonds, Series 2005. These bonds were issued in the original amount of $17,000,000; a premium of $966,575 was received on the issuance of the bonds. At June 30, 2009, the outstanding balance of these bonds was $10,500,000; the unamortized amount of the premium was $309,799.

During fiscal year 2008, the County issued the Franklin County Water and Sewerage Authority Revenue Bonds, Series 2008. These bonds were issued in the original amount of $4,190,000. At June 30, 2009, the outstanding balance of these bonds was $4,005,000.

At June 30, 2009, Franklin County had total notes payable outstanding in the amount of $1,778,238. The County's total debt decrease by approximately 14% during the course of the fiscal year ended June 30, 2009. The key factor related to the decrease was the normal payment requirements on the debt obligations.

Additional information on the County's long-term debt can be found in Note 11 on pages 47-50 of this report.

Economic Condition and Outlook

Compared to other counties in the State of Georgia, Franklin County has faired relatively well under the weakened economy that we have experienced over the past three years. Several factors were considered during preparation of the budget for fiscal year 2010 including the following:

- Decrease in interest rates for Certificates of Deposit and bank balances
- Increase in employee pension payments required by GEBCORP
- Additional staffing at jail to meet state and federal standards
- Further expansion of water lines and addition of water customers
- Increase in liability, property, and health insurance
- Funding for operation of fourth ambulance station
- Decrease in tax revenues due to addition of Conservation Use Valuation Assessment listings
- Increased demands by citizens for roads to be adopted for maintenance
- Discontinuation of Homeowners' Tax Relief Grant
- Decrease in Local Option Sales Tax funds

Contacting the County's Financial Services Department

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of Franklin County's finances and to demonstrate the County's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed as follows:

Franklin County Board of Commissioners
P. O. Box 159
Carnesville, Ga. 30521

BASIC FINANCIAL STATEMENTS

FRANKLIN COUNTY, GEORGIA
STATEMENT OF NET ASSETS
June 30, 2009

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	$ 2,859,412	$ 768,054	$ 3,627,466	$ 273,155
Certificates of deposit	1,785,578	0	1,785,578	150,000
Investments	7,033,907	0	7,033,907	0
Restricted assets				
Cash	598,437	0	598,437	0
Certificates of deposit	0	2,069,069	2,069,069	0
Interest receivable	0	7,780	7,780	0
Receivables (net)				
Accounts	380,824	98,650	479,474	42,792
Intergovernmental	363,564	0	363,564	0
Taxes	652,623	0	652,623	3,490
Interest	21,650	0	21,650	1,214
Inventory	0	1,067,064	1,067,064	0
Prepaid expenses	67,826	0	67,826	0
Pension assets	709,809	0	709,809	0
Internal balances	1,148,551	(1,148,551)	0	0
Other assets	0	0	0	10,000
Total current assets	15,622,181	2,862,066	18,484,247	480,651
Noncurrent assets				
Capital assets				
Non-depreciable	5,035,833	542,642	5,578,475	3,639,589
Depreciable (net)	32,929,884	18,232,717	51,162,601	2,886,933
Debt issue costs	111,908	96,904	208,812	0
Total noncurrent assets	38,077,625	18,872,263	56,949,888	6,526,522
Total assets	53,699,806	21,734,329	75,434,135	7,007,173
LIABILITIES				
Current liabilities				
Payables				
Accounts	71,090	60,819	131,909	6,207
Interest	197,917	48,047	245,964	5,368
Accrued salaries and expenses	722,303	9,036	731,339	0
Compensated absences	385,305	10,611	395,916	37,986
Due to other agencies	56,432	0	56,432	0
Notes payable	0	129,326	129,326	0
Bonds payable	3,000,000	225,000	3,225,000	0
Other liabilities	151,856	0	151,856	0
Total current liabilities	4,584,903	482,839	5,067,742	49,561
Noncurrent liabilities				
Notes payable	0	1,648,912	1,648,912	1,652,635
Bonds payable	7,809,799	3,780,000	11,589,799	0
Post-closure care costs	0	1,240,704	1,240,704	0
Total noncurrent liabilities	7,809,799	6,669,616	14,479,415	1,652,635
Total liabilities	12,394,702	7,152,455	19,547,157	1,702,196

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

FRANKLIN COUNTY, GEORGIA
STATEMENT OF NET ASSETS
June 30, 2009

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
NET ASSETS				
Invested in capital assets, net of related debt	$ 37,965,717	$ 15,061,190	$ 53,026,907	$ 4,873,887
Restricted for:				
Judicial	74,580	0	74,580	0
Public Safety	849,583	0	849,583	0
Health and Welfare	0	0	0	148,256
Culture and Recreation	0	0	0	15,713
Housing and Development	0	0	0	267,121
Capital outlay	5,286,734	7,780	5,294,514	0
Unrestricted	(2,871,510)	(487,096)	(3,358,606)	0
Total net assets	$ 41,305,104	$ 14,581,874	$ 55,886,978	$ 5,304,977

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

FRANKLIN COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2009

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary government					
Governmental activities					
General Government	$ 2,563,247	$ 332,968	$ 14,147	$ 0	$ (2,216,132)
Judicial	1,757,860	887,738	228,879	0	(641,243)
Public Safety	6,699,624	2,243,402	309,387	0	(4,146,835)
Public Works	2,108,520	2,587	0	0	(2,105,933)
Health and Welfare	374,420	2,588	145,696	0	(226,136)
Culture and Recreation	481,093	0	0	0	(481,093)
Housing and Development	177,414	0	19,790	0	(157,624)
Interest on long-term debt	482,598	0	0	0	(482,598)
Total governmental activities	14,644,776	3,469,283	717,899	0	(10,457,594)
Business-type activities					
Water and Sewer	1,308,628	853,014	0	0	(455,614)
Solid Waste	140,090	48,321	0	0	(91,769)
Total business-type activities	1,448,718	901,335	0	0	(547,383)
Total primary government	16,093,494	4,370,618	717,899	0	(11,004,977)
Component Units					
Franklin County Recreation Department					
Culture and Recreation	446,534	104,988	0	0	(341,546)
Franklin County Industrial Building Authority					
Housing and Development	113,231	0	0	0	(113,231)
Franklin County Health Department					
Health and Welfare	503,262	269,674	167,585	0	(66,003)
Total component units	1,063,027	374,662	167,585	0	(520,780)

	Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units
Change in net assets				
Net (expense) revenue	$ (10,457,594)	$ (547,383)	$ (11,004,977)	$ (520,780)
General revenues				
Taxes				
Property	4,684,655	0	4,684,655	158,710
Sales	4,972,740	0	4,972,740	0
Insurance premium	726,990	0	726,990	0
Intangible	77,324	0	77,324	0
Franchise	58,418	0	58,418	0
Real estate transfer	11,852	0	11,852	0
Occupational	15,698	0	15,698	0
Other	3,179	0	3,179	0
Interest and investment earnings	268,851	96,201	365,052	1,319
Payments from Franklin County	0	0	0	593,871
Miscellaneous	66,349	351	66,700	9,099
Transfers	(558,385)	558,385	0	0
Total general revenues and transfers	10,327,671	654,937	10,982,608	762,999
Change in net assets	(129,923)	107,554	(22,369)	242,219
Net assets - beginning (original)	41,621,456	14,474,320	56,095,776	5,062,758
Prior period adjustments	(186,429)	0	(186,429)	0
Net assets - beginning (restated)	41,435,027	14,474,320	55,909,347	5,062,758
Net assets - ending	$ 41,305,104	$ 14,581,874	$ 55,886,978	$ 5,304,977

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

FRANKLIN COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2009

	General	Debt Service	2004 SPLOST	Nonmajor Governmental Funds	Totals
ASSETS					
Cash and cash equivalents	$ 1,212,825	$ 0	$ 0	$ 1,646,587	$ 2,859,412
Certificates of deposit	1,706,099	0	0	79,479	1,785,578
Investments	0	2,824,236	4,209,671	0	7,033,907
Receivables (net)					
Accounts	353,342	0	0	27,482	380,824
Intergovernmental	274,092	0	0	89,472	363,564
Taxes	379,523	273,100	0	0	652,623
Interest	21,373	0	0	277	21,650
Prepaid expenses	67,826	0	0	0	67,826
Due from other funds	1,395,765	0	0	374,401	1,770,166
Restricted Assets					
Cash	598,437	0	0	0	598,437
Total assets	$ 6,009,282	$ 3,097,336	$ 4,209,671	$ 2,217,698	$ 15,533,987
LIABILITIES AND FUND BALANCES					
Liabilities					
Payables					
Accounts	$ 48,418	$ 0	$ 22,471	$ 201	$ 71,090
Excess taxes	151,856	0	0	0	151,856
Accrued salaries and expenses	675,923	0	0	46,380	722,303
Deferred revenue	145,286	0	0	0	145,286
Due to other agencies	0	0	0	56,432	56,432
Due to other funds	3,575	2,100	368,726	247,214	621,615
Total liabilities	1,025,058	2,100	391,197	350,227	1,768,582
Fund balances					
Reserved for prepaids	67,826	0	0	0	67,826
Reserved for program expenditures	598,437	0	0	0	598,437
Unreserved, designated for:					
Budget	1,591,275	0	0	0	1,591,275
Unreserved, undesignated	2,726,686	3,095,236	3,818,474	0	9,640,396
Special Revenue Funds	0	0	0	399,211	399,211
Capital Projects Funds	0	0	0	1,468,260	1,468,260
Total fund balances	4,984,224	3,095,236	3,818,474	1,867,471	13,765,405
Total liabilities and fund balances	$ 6,009,282	$ 3,097,336	$ 4,209,671	$ 2,217,698	$ 15,533,987

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

FRANKLIN COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET ASSETS
June 30, 2009

Total fund balance - total governmental funds	$	13,765,405
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets of $59,284,012, net of accumulated depreciation of ($21,318,295), debt issue costs of $111,908, and pension assets of $709,809 are not financial resources and, therefore, are not reported in the funds.		38,787,434
Long-term assets (receivables) are not available to pay current period expenditures and, therefore, are deferred in the funds. These are deferred property taxes.		145,286
Long-term liabilities of are not due and payable in the current period and are not reported in the funds. These are bonds payable of ($10,809,799), interest payable of ($197,917), and compensated absences of ($385,305).		(11,393,021)
Net assets of governmental activities	$	41,305,104

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

FRANKLIN COUNTY, GEORGIA
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2009

	General	Debt Service	2004 SPLOST	Nonmajor Governmental Funds	Totals
REVENUES					
Taxes	$ 7,439,155	$ 3,040,822	$ 0	$ 0	$ 10,479,977
Licenses and permits	4,905	0	0	0	4,905
Fines, fees and forfeitures	1,215,850	0	0	652,226	1,868,076
Charges for services	1,173,984	0	0	422,318	1,596,302
Intergovernmental	185,719	0	0	532,180	717,899
Interest	77,360	8,353	24,119	10,316	120,148
Other	56,349	0	0	10,000	66,349
Total revenues	10,153,322	3,049,175	24,119	1,627,040	14,853,656
EXPENDITURES					
Current					
General Government	2,476,216	0	0	0	2,476,216
Judicial	890,570	0	0	814,419	1,704,989
Public Safety	5,092,537	0	0	1,140,743	6,233,280
Public Works	972,200	0	0	0	972,200
Health and Welfare	346,798	0	0	0	346,798
Culture and Recreation	249,501	0	0	0	249,501
Housing and Development	173,938	0		0	173,938
Capital outlay	0	0	486,831	52,779	539,610
Debt service	0	3,014,600	0	0	3,014,600
Total expenditures	10,201,760	3,014,600	486,831	2,007,941	15,711,132
Excess (deficiency) of revenues over (under) expenditures	(48,438)	34,575	(462,712)	(380,901)	(857,476)
Other financing sources (uses)					
Transfers in	0	0	380,454	434,170	814,624
Transfers out	(893,915)	(380,454)	(96,683)	(1,957)	(1,373,009)
Total other financing sources (uses)	(893,915)	(380,454)	283,771	432,213	(558,385)
Net change in fund balance	(942,353)	(345,879)	(178,941)	51,312	(1,415,861)
Fund balances, July 1 (original)	6,113,006	3,441,115	3,997,415	1,816,159	15,367,695
Prior period adjustments	(186,429)	0	0	0	(186,429)
Fund balances, July 1 (restated)	5,926,577	3,441,115	3,997,415	1,816,159	15,181,266
Fund balances, June 30	$ 4,984,224	$ 3,095,236	$ 3,818,474	$ 1,867,471	$ 13,765,405

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

FRANKLIN COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2009

Net change in fund balances - total governmental funds	$	(1,415,861)
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 and reported as depreciation expense. This is the amount by which depreciation of ($1,705,255) exceeded capital outlays of $348,830 in the current period.		(1,356,425)
The proceeds of debt issuance provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which repayments of $2,500,000 exceeded proceeds of $0.		2,500,000
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These include the difference in recognition of unavailable deferred revenue of $70,879 and amortization of premiums on general obligation bonds of $148,704.		219,583
Employer contributions to retirement plans in excess of annual pension costs are reported as expenditures in the governmental funds, but result in assets in the governmental activities.		36,266
Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds. These include the net change in compensated absences of ($91,036), amortization of debt issue costs of ($53,700), and net change in interest payable of $31,250.		(113,486)
Change in net assets of governmental activities	$	(129,923)

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

FRANKLIN COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2009

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 7,447,217	$ 7,339,337	$ 7,439,155	$ 99,818
Licenses and permits	11,800	10,600	4,905	(5,695)
Fines, fees and forfeitures	1,005,000	638,100	1,215,850	577,750
Charges for services	959,300	770,000	1,173,984	403,984
Intergovernmental	111,500	127,400	185,719	58,319
Interest	100,000	178,500	77,360	(101,140)
Other	10,000	6,000	56,349	50,349
Total revenues	9,644,817	9,069,937	10,153,322	1,083,385
EXPENDITURES				
Current				
General Government				
Commission Board	81,873	75,113	91,848	(16,735)
County Manager's Office	287,955	309,515	286,117	23,398
General Building and Plant	78,300	177,398	107,383	70,015
General Administration	2,135,803	1,546,950	1,082,698	464,252
Tax Commissioner	311,565	311,565	290,054	21,511
Tax Assessor	387,862	537,758	363,881	173,877
Registrar	75,528	75,528	86,155	(10,627)
Elections	32,395	32,395	72,110	(39,715)
County Engineer	95,568	95,568	95,970	(402)
Judicial				
Probate Court	213,898	213,898	227,615	(13,717)
Magistrate Court	164,555	164,555	158,982	5,573
Superior Court	242,606	242,606	232,983	9,623
Superior Court Judge	15,200	15,200	15,236	(36)
Clerk of Superior Court	228,427	228,427	239,778	(11,351)
District Attorney	0	0	15,976	(15,976)
Public Safety				
Fire Departments	304,220	286,093	302,883	(16,790)
Coroner Services	27,375	27,375	24,674	2,701
Emergency Medical Service	1,706,843	1,621,880	1,623,507	(1,627)
Emergency Management	16,153	9,156	12,087	(2,931)
County Marshal	46,909	75,841	44,331	31,510
Sheriff's Department	3,046,746	3,032,746	3,050,055	(17,309)
Animal Shelter	35,000	35,000	35,000	0
Public Works				
Highways and Streets	1,288,371	1,288,371	972,200	316,171
Health and Welfare				
Senior Center	251,870	251,870	199,809	52,061
Foster Care Services	61,010	67,010	36,634	30,376
Health Department	103,431	103,431	110,355	(6,924)
Culture and Recreation				
Recreation Department	228,881	228,881	222,001	6,880
Library Board	30,000	30,000	27,500	2,500
Housing and Development				
County Agent	75,004	75,004	63,989	11,015
Forestry Service	2,918	2,918	2,918	0
Planning and Zoning	84,625	90,566	44,225	46,341
Industrial Building Authority	85,711	85,711	51,926	33,785
Airport Authority	11,500	11,500	10,880	620
Total expenditures	11,758,102	11,349,829	10,201,760	1,148,069

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

FRANKLIN COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2009

	Budget			Variance with
	Original	Final	Actual	Final Budget
Excess (deficiency) of revenues over expenditures	$ (2,113,285)	$ (2,279,892)	$ (48,438)	$ 2,231,454
Other financing sources (uses)				
Transfers out	0	(214,000)	(893,915)	(679,915)
Sale of capital assets	50,000	50,000	0	(50,000)
Contingency	0	(140,575)	0	140,575
Total other financing sources (uses)	50,000	(304,575)	(893,915)	(589,340)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(2,063,285)	(2,584,467)	(942,353)	1,642,114
Fund balances, January 1 (original)	2,063,285	2,584,467	6,113,006	3,528,539
Prior period adjustments	0	0	(186,429)	(186,429)
Fund balances, January 1 (restated)	0	0	5,926,577	3,342,110
Fund balances, June 30	$ 0	$ 0	$ 4,984,224	$ 4,984,224

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

FRANKLIN COUNTY, GEORGIA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
June 30, 2009

	Business-Type Activities		
	Water and Sewer	Solid Waste	Totals
ASSETS			
Current assets			
Cash and cash equivalents	$ 574,335	$ 193,719	$ 768,054
Restricted assets			
Certicates of deposit	2,069,069	0	2,069,069
Interest	7,780	0	7,780
Accounts receivable (net)	98,650	0	98,650
Inventory	1,067,064	0	1,067,064
Due from other funds	54	0	54
Total current assets	3,816,952	193,719	4,010,671
Noncurrent assets			
Capital assets			
Non-depreciable	163,666	378,976	542,642
Depreciable (net)	16,755,040	1,477,677	18,232,717
Debt issue costs (net)	96,904	0	96,904
Total noncurrent assets	17,015,610	1,856,653	18,872,263
Total assets	20,832,562	2,050,372	22,882,934
LIABILITIES			
Current liabilities			
Payables			
Accounts	59,692	1,127	60,819
Interest	48,047	0	48,047
Accrued salaries	7,254	1,782	9,036
Compensated absences	7,154	3,457	10,611
Notes payable	129,326	0	129,326
Bonds payable	225,000	0	225,000
Due to other funds	1,060,470	88,135	1,148,605
Total current liabilities	1,536,943	94,501	1,631,444
Noncurrent liabilities			
Notes payable	1,648,912	0	1,648,912
Bonds payable	3,780,000	0	3,780,000
Post-closure care costs	0	1,240,704	1,240,704
Total noncurrent liabilities	5,428,912	1,240,704	6,669,616
Total liabilities	6,965,855	1,335,205	8,301,060
NET ASSETS			
Invested in capital assets, net of related debt	13,204,537	1,856,653	15,061,190
Restricted for restricted assets	7,780	0	7,780
Unrestricted	654,390	(1,141,486)	(487,096)
Total net assets	$ 13,866,707	$ 715,167	$ 14,581,874

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

FRANKLIN COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2009

	Business-Type Activities		
	Water and Sewer	Solid Waste	Totals
OPERATING REVENUES			
Charges for sales and services	$ 853,014	$ 48,321	$ 901,335
Miscellaneous revenue	351	0	351
Total operating revenues	853,365	48,321	901,686
OPERATING EXPENSES			
Costs of sales and services	598,669	31,367	630,036
Personal services	80,822	41,344	122,166
Depreciation	407,799	62,026	469,825
Other	73,097	1,513	74,610
Total operating expenses	1,160,387	136,250	1,296,637
Operating income (loss)	(307,022)	(87,929)	(394,951)
Non-operating revenues (expenses)			
Interest revenue	94,290	1,911	96,201
Payments to others	0	(3,840)	(3,840)
Interest expense	(141,193)	0	(141,193)
Amortization	(7,048)	0	(7,048)
Total non-operating revenues (expenses)	(53,951)	(1,929)	(55,880)
Income (loss) before transfers	(360,973)	(89,858)	(450,831)
Transfers in (out)			
Transfers in	556,428	1,957	558,385
Change in net assets	195,455	(87,901)	107,554
Net assets, July 1	13,671,252	803,068	14,474,320
Net assets, June 30	$ 13,866,707	$ 715,167	$ 14,581,874

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

FRANKLIN COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2009

	Business-Type Activities		
	Water and Sewer	Solid Waste	Totals
Cash flows from operating activities:			
Receipts from customers	$ 858,497	$ 48,321	$ 906,818
Payments to suppliers	(1,482,296)	(31,050)	(1,513,346)
Payments to employees	(80,571)	(42,316)	(122,887)
Other receipts	350	0	350
Other payments	(73,097)	(1,513)	(74,610)
Net cash provided (used) by operating activities	(777,117)	(26,558)	(803,675)
Cash flows from non-capital financing activities:			
Receipts from other funds	459,693	4,105	463,798
Payments to other funds	0	90,092	90,092
Payments for post-closure costs of landfill	0	(15,478)	(15,478)
Payments to other agencies	0	(3,840)	(3,840)
Net cash provided (used) by non-capital financing activities	459,693	74,879	534,572
Cash flows from capital and related financing activities:			
Receipts from other funds	96,683	0	96,683
Interest paid	(128,611)	0	(128,611)
Acquisition of capital assets	(257,484)	0	(257,484)
Principal payment - bonds payable	(185,000)	0	(185,000)
Principal payment - notes payable	(129,326)	0	(129,326)
Net cash provided (used) by capital and related financing activities	(603,738)	0	(603,738)
Cash flows from investing activities:			
Interest received	103,614	1,911	105,525
Proceeds from sale of investments	3,002,834	0	3,002,834
Purchase of investments	(2,069,069)	0	(2,069,069)
Net cash provided (used) by investing activities	1,037,379	1,911	1,039,290
Net increase (decrease) in cash and cash equivalents	116,217	50,232	166,449
Cash and cash equivalents, July 1	458,118	143,487	601,605
Cash and cash equivalents, June 30	$ 574,335	$ 193,719	$ 768,054
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ (307,022)	$ (87,929)	$ (394,951)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	407,799	62,026	469,825
(Increase) decrease in accounts receivable	5,483	0	5,483
(Increase) decrease in inventory	(887,241)	0	(887,241)
Increase (decrease) in accounts payable	51,302	317	51,619
Increase (decrease) in intergovernmental payables	(47,688)	0	(47,688)
Increase (decrease) in accrued liabilities	251	(972)	(721)
Total adjustments	(470,094)	61,371	(408,723)
Net cash provided (used) by operating activities	$ (777,116)	$ (26,558)	$ (803,674)

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

FRANKLIN COUNTY, GEORGIA
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2009

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 666,214
Accounts receivable, net	456,291
Total assets	1,122,505
LIABILITIES	
Due to other agencies	$ 1,122,505

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

FRANKLIN COUNTY, GEORGIA
COMBINING STATEMENT OF NET ASSETS
COMPONENT UNITS
June 30, 2009

	Franklin County Recreation Department	Franklin County Industrial Building Authority	Franklin County Health Department	Totals
ASSETS				
Current assets				
Cash and cash equivalents	$ 27,467	$ 85,583	$ 160,105	$ 273,155
Certificates of deposit	0	150,000	0	150,000
Receivables (net)				
Accounts	0	26,769	16,023	42,792
Taxes	0	3,490	0	3,490
Interest	0	1,214	0	1,214
Other assets	0	10,000	0	10,000
Total current assets	27,467	277,056	176,128	480,651
Noncurrent assets				
Capital assets				
Non-depreciable	137,272	3,502,317	0	3,639,589
Depreciable (net)	2,479,604	407,329	0	2,886,933
Total noncurrent assets	2,616,876	3,909,646	0	6,526,522
Total assets	2,644,343	4,186,702	176,128	7,007,173
LIABILITIES				
Current liabilities				
Payables				
Accounts	0	3,195	3,012	6,207
Interest	0	5,368	0	5,368
Compensated absences	11,754	1,372	24,860	37,986
Total current liabilities	11,754	9,935	27,872	49,561
Noncurrent liabilities				
Notes payable	0	1,652,635	0	1,652,635
Total liabilities	11,754	1,662,570	27,872	1,702,196
NET ASSETS				
Invested in capital assets	2,616,876	2,257,011	0	4,873,887
Restricted for:				
Health and Welfare	0	0	148,256	148,256
Culture and Recreation	15,713	0	0	15,713
Housing and Development	0	267,121	0	267,121
Total net assets	$ 2,632,589	$ 2,524,132	$ 148,256	$ 5,304,977

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

FRANKLIN COUNTY, GEORGIA
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the fiscal year ended June 30, 2009

	Franklin County Recreation Department	Franklin County Industrial Building Authority	Franklin County Health Department	Totals
Expenses				
Health and Welfare	$ 0	$ 0	$ 503,262	$ 503,262
Culture and Recreation	446,534	0	0	446,534
Housing and Development	0	113,231	0	113,231
Total expenses	446,534	113,231	503,262	1,063,027
Program revenues				
Charges for services	104,988	0	269,674	374,662
Operating grants and contributions	0	0	167,585	167,585
Total program revenues	104,988	0	437,259	542,247
Net (expense) revenue	(341,546)	(113,231)	(66,003)	(520,780)
General revenues				
Property taxes	0	158,710	0	158,710
Interest	105	1,214	0	1,319
Payments from Franklin County	440,514	51,926	101,431	593,871
Miscellaneous	0	9,099	0	9,099
Total general revenues	440,619	220,949	101,431	762,999
Change in net assets	99,073	107,718	35,428	242,219
Net assets, July 1	2,533,516	2,416,414	112,828	5,062,758
Net assets, June 30	$ 2,632,589	$ 2,524,132	$ 148,256	$ 5,304,977

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

1. Description of Government Unit

Franklin County, Georgia (the County) is located in the Northeastern area of Georgia about 80 miles northeast of Atlanta and about 60 miles southwest of Greenville, South Carolina, along Interstate 85.

The County provides a full range of governmental services, including public safety, health and welfare services, recreational programs and economic development as well as water and sewer service and solid waste services.

The government is governed by an elected Chairman and four Commissioners.

2. Summary of Significant Accounting Policies

A. Basis of Presentation

The financial statements of Franklin County, Georgia, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies established in GAAP and used by the County are discussed below.

B. Reporting Entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of Franklin County (the primary government) and material component units. The component units discussed below are included in the County's reporting entity because of the significance of its operational and financial relationship with the County.

In conformity with generally accepted accounting principles, as set forth in Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, the financial statements of component units have been included either as blended or discretely presented component units.

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

Blended Component Units – Blended component units, although legally separate entities, are, in substance, part of the Government's operations.

Solid Waste Management Authority – On October 23, 1995, Franklin County created the Solid Waste Management Authority of Franklin County, Georgia, under the provisions of the Official Code of Georgia Annotated Section 12-8-50. The Authority consists of five directors who are appointed by the Franklin County Board of Commissioners. The Authority is blended with the Solid Waste Enterprise Fund. Separate financial statements are not issued for the Authority.

Water and Sewer Authority – On April 1, 1980, Franklin County created the Water and Sewer Authority of Franklin County, Georgia, under the provisions of 1980 Georgia Law page 4388. The Authority consists of nine directors, five are each Mayor of the five municipalities in the County and the remaining four are appointed by the Franklin County Board of Commissioners. The Authority is blended with the Water Enterprise Fund. Separate financial statements are not issued for the Authority.

Public Building Authority - On April 29, 1997, Franklin County created the Public Building Authority of Franklin County, Georgia, under the provisions of 1997 Georgia Law act 229 (H.B. 904). The Authority consists of five directors, which are appointed by the Franklin County Board of Commissioners. The Authority is blended with the General Fund. Separate financial statements are not issued for the Authority.

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

Discretely Presented Component Units – Discretely presented component units are reported in a separate column in the combined financial statements to emphasize it is legally separate from the government.

Franklin County Recreation Department – The Franklin County Recreation Board was established as a legally separate entity in August 1993 and operates pursuant to the Official Code of Georgia Annotated Section 36-64-1. The Board consists of seven members approved by the Board of Commissioners. The Recreation Board provides leisure services to the citizens of Franklin County and the citizens of Municipalities within the County. The Board undertakes special projects and assignments for County management. In many respects it functions similar to a County department through regular participation in department director meetings, budget approval, accounting, payroll, etc. Individual financial statements are presented as part of the County's Annual Report in the section labeled "Component Unit". (See Exhibit I). The Franklin County Recreation Department has a June 30 year-end (See Note 23). Individual financial statements may be obtained by contacting the Franklin County Recreation Department, PO Box 311, Carnesville, Georgia 30521.

Franklin County Industrial Building Authority – The Franklin County Industrial Building Authority was established as a legally separate entity and operates pursuant to the Official Code of Georgia Annotated Section 36-62-4. The Board consists of seven members. Two members are appointed by the Board of Commissioners. The remaining five members are the mayors of the five cities located in Franklin County. The Industrial Building Authority facilitates economic development in the County. Individual financial statements are presented as part of the County's Annual Report in the section labeled "Component Unit". (See Exhibit I). The Franklin County Industrial Building Authority has a June 30 year-end (See Note 23). Individual financial statements may be obtained by contacting the Franklin County Industrial Building Authority, PO Box 151, Carnesville, Georgia 30521.

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

Franklin County Health Department – The Franklin County Health Department was established as a legally separate entity and operates pursuant to the Georgia Health Code 88-2, Georgia Laws 1964. The District Health Director is the Executive Officer of the Franklin County Health Department and is responsible for the overall coordination of the local health activities. The Franklin County Health Department is funded by the State and County under the Grant-in-Aid provisions, and operated under the supervision of the local Board of Health. The Franklin County Health Department has a June 30 year-end. A copy of the Franklin County Health Department financial statements can be obtained from the Franklin County Health Department, P.O. Box 546, Carnesville, Georgia 30521. This component unit has not been included as part of the notes to the financial statements.

C. Government-wide and Fund Financial Statements

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

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

2. Summary of Significant Accounting Policies (continued)

C. Government-wide and Fund Financial Statements, continued

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

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

The County's government-wide financial statements include a Statement of Net Assets and a Statement of Activities and Changes in Net Assets. These statements present summaries of Governmental and Business-Type activities for the County. Fiduciary activities of the County are not included in these statements.

These statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Accordingly, all the County's assets and liabilities, including capital assets, as well as current year infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Assets. The Statement of Activities presents changes in assets. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The types of transactions reported as program revenues for the County are reported in three categories: 1) charges for services to customers who directly benefit from goods, services or privileges provided by a given function, 2) operating grants and contributions that are restricted to meeting the operational needs requirements of a particular function and 3) capital grants and contributions that are restricted to meeting the capital needs requirements of a particular function.

Certain indirect costs have been included as part of the program expenses reported for the various functional activities.

2. Summary of Significant Accounting Policies (continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Assets have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated, however, those transactions between governmental and business-type activities have not been eliminated. Governmental activities that normally are supported by taxes and intergovernmental revenues are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Governmental Fund Financial Statements

Governmental Fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. Governmental Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Those revenues susceptible to accrual are property taxes, sales taxes, licenses, interest revenue and charges for services. Sales taxes collected and held by the state at year-end on behalf of the government also are recognized as revenue. The County considers property taxes as available in the period for which they were levied if they are collected within 60 days subsequent to year-end. A 60-day availability period is also used for revenue recognition for all other governmental fund revenue.

2. Summary of Significant Accounting Policies (continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

The County reports the following major governmental funds:

General Fund – The general operating fund of the County is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund – This fund is used to account for the accumulation of resources and payment of general government long-term debt principal and interest from governmental resources.

2004 Special Purpose Local Option Sales Tax Capital Projects Fund – This fund is used to account for financial resources to be used for the acquisition or construction of capital facilities financed by special purpose local option sales taxes passed by the 2004 referendum.

The County reports the following major proprietary funds:

Water and Sewer Enterprise Fund – This fund is used to account for activities connected with the development, operation and maintenance of water and sewer services in Franklin County.

Solid Waste Enterprise Fund – This fund is used to account for activities connected with the disposal of residential and commercial solid waste at the County's solid waste transfer station.

Additionally, the County reports the following fund types:

Governmental Fund Types

Special Revenue Funds - This fund type is used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Capital Projects Funds - Funds are used to account for financial resources to be used for the acquisition or construction of specifically planned projects (other than those financed by proprietary funds).

2. Summary of Significant Accounting Policies (continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

Fiduciary Fund Types

Agency Funds – Agency Funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that are held either for the County or for others.

Component Units

The Franklin County Recreation Department, the Franklin County Industrial Building Authority, and the Franklin County Health Department are accounted for using a current financial resources measurement focus and use the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual (i.e., when they both become measurable and available).

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

Private-sector standards of accounting and financial reporting issued on or before November 30, 1989, are generally followed in both the government-wide and proprietary fund financial statements to the extent that those standards do no conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option for following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

2. Summary of Significant Accounting Policies (continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

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

E. Budgets and Budgetary Accounting

The Board of Commissioners adopts an annual budget for all governmental fund types, prior to June 30, except for the Capital Projects Funds. The Capital Projects Funds are budgeted by the Board of Commissioners when capital projects are approved. The operating budget includes proposed expenditures and the means of financing them. The budget is legally enacted at a public meeting.

Each year in August, each department submits a proposed budget to the Board of Commissioners for their review. Each department will have scheduled meetings with the Board of Commissioners to review the proposed budget and to ratify any adjustments to the budget. Public hearings are held to discuss the proposed budget and to obtain input from the citizens of Franklin County. These hearings are publicized in the local newspaper at least one week before the first hearing, and the budget document is made available for public inspection during this week.

The final proposed budget is presented at a Board of Commissioners meeting for final passage prior to June 30.

The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is the department level. Any changes in total departmental expenditures/expenses, personnel benefits, or capital purchases must be approved by the Board of Commissioners.

2. Summary of Significant Accounting Policies (continued)

E. Budgets and Budgetary Accounting, continued

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) at the legal level of budgetary control, which is the department, sub-department, or project level. Expenditures may not exceed the appropriations within a fund. Budgets, as reported in the financial statements, are as originally passed by ordinance and subsequently amended. During the year, several supplementary appropriations are made as needed. The results are increases and decreases to the appropriations within the funds. All annual appropriations lapse at year end.

The County does not use the encumbrance system of accounting.

F. Cash and Investments

Cash and equivalents, as reported in the statement of cash flows, includes amounts in demand deposits, amounts with fiscal agents, and investments with an original maturity at three months or less. Investments are reported at fair market value with accrued interest shown under a separate caption on the balance sheet. Reinvested interest on certain debt service and capital projects investments is included in the investment accounts.

G. Intergovernmental Receivables

Receivables from other governments are recorded as revenue for the period of the allocation or as earned based on expenditures made for which reimbursement is due.

H. Inventories

Inventories in the Water and Sewer Enterprise Fund are valued at cost on the first-in, first-out method.

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2009, are recorded as prepaid items.

2. Summary of Significant Accounting Policies (continued)

J. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date donated.

Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets ranging as follows:

	Useful Life in Years	Capitalization Threshold
Land	N/A	$ 1
Land Improvements	15	$ 5,000
Buildings	40	$ 5,000
Machinery and Equipment	5-10	$ 5,000
Furniture and Fixtures	5	$ 5,000
Vehicles	5-10	$ 5,000
Computer Hardware and Software	3-5	$ 5,000
Infrastructure	15-50	$20,000 - $100,000

The costs of normal maintenance and repairs that do not add value or materiality extend the life of the asset are charged to operations as incurred. Costs of major additions and improvements are capitalized.

2. Summary of Significant Accounting Policies (continued)

K. Compensation for Future Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and compensation benefits. These will be paid to the employees upon separation from County service. Accumulated unpaid vacation pay amounts are accrued when incurred by the County in the government-wide, proprietary, and fiduciary fund financial statements. The liability of the proprietary funds is recorded as an expense and a liability of those funds as the benefits accrue to the employees. In governmental fund types, a liability is recorded only if the benefit has matured and is expected to be liquidated with expendable available financial resources.

L. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. The face amount of debt issued is reported as an other financing source. Premiums received on debt issuances are reported as other financial sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

M. Capital Contributions

Federal, state and local government assistance in the form of grants that are permanent in nature and restricted for the construction or acquisition of specific property and equipment is recorded as an asset and as non-operating revenue.

2. Summary of Significant Accounting Policies (continued)

N. Reservations and Designations of Fund Balances

Reservations represent the portions of fund balances, which are not appropriable for expenditure or have been segregated for specific future uses by legal mandate. Designations represent the portions of fund balance for which the government has made tentative plans.

O. Comparative Data and Reclassifications

Comparative total data of the prior period has been presented in the accompanying individual fund financial statements in order to provide an understanding of the changes in the County's financial position and operations. Certain 2008 amounts have been reclassified to conform with the 2009 presentation.

3. Deposit and Investment Risk

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that, in the event of a financial institution failure, the County's deposits may not be returned. The City has no formal policy, but follows State of Georgia requirements that all deposits be federally insured or fully collateralized.

Interest Rate Risk

The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

State of Georgia law limits investments to include certificates of deposit, repurchase agreements, direct and agency obligations of the United States, obligations of the State of Georgia or other states, obligations of other political subdivisions of the State of Georgia, and pooled investment programs of the State of Georgia. The County has no investment policy that would further limit its investment choices. Investments are reported at fair value.

3. Deposit and Investment Risk (continued)

Concentration of Credit Risk

The County has no formal policy on the amount the County may invest in any one issuer.

Foreign Currency Risk

The County has no investments denominated in a foreign currency.

As of June 30, 2009, the County's investments included a US Treasuries obligation fund with a fair value of $7,033,907; the average maturity of the fund at June 30, 2009, was less than 30 days.

4. Accounts Receivable

Net accounts receivable at June 30, 2009, consist of the following:

Primary Government:		
Major Funds		
General Fund	$ 428,337	
Less: Allowance for Uncollectables	(74,995)	$ 353,342
Enterprise Funds		
Water and Sewer	116,046	
Less: Allowance for Uncollectibles	(17,396)	98,650
Nonmajor Funds		
Emergency 911 Special Revenue Fund		27,482
Total primary government		$ 479,474
Component Units		
Franklin County Industrial Building Authority	$ 26,769	
Franklin County Health Department	16,023	$ 42,792
Fiduciary Funds		
Agency Funds		
Magistrate Court	$ 72,418	
Less: Allowance for Uncollectables	(7,470)	
Probate Court	328,037	
Less: Allowance for Uncollectables	(4,613)	
Clerk of Superior Court	76,065	
Less: Allowance for Uncollectables	(8,146)	$ 456,291

5. Intergovernmental Receivables

Intergovernmental receivables at June 30, 2009, consist of the following:

Major Funds		
General Fund		
Georgia Department of Natural Resources	$ 23,997	
Franklin County Board of Education	242,947	
Northern Judicial Circuit	7,148	$ 274,092
Nonmajor Funds		
Special Revenue Funds		
MANS Unit		
Georgia Criminal Justice Coordinating Council	61,128	
Probation Services		
Northern Judicial Circuit	28,344	89,472
Total primary government		$ 363,564

6. Property Taxes

Property tax rates are set by the Board of Commissioners each year and are limited by statutory or constitutional provision. Property values are assessed as of January 1st each year. Property taxes for fiscal year 2009, based upon the assessments of January 1, 2008, were levied on July 18, 2008, billed on August 1, 2008, and due on November 15, 2008. Tax liens may be issued 90 days after the due date.

Taxes receivable as of June 30, 2009, consist of property taxes for seven years as follows:

Year of Levy	Franklin County	Franklin County Industrial Building Authority
2008	$ 150,997	$ 5,301
2007	43,064	0
2006	22,163	0
2005	35,580	0
2004	35,453	0
2003	35,724	0
2002	30,868	0
	353,849	5,301
Less allowance for uncollectible	(145,286)	(1,811)
Total	$ 208,563	$ 3,490

7. Interfund Receivables, Payables, and Transfers

A summary of interfund receivables and payables as of June 30, 2009, is as follows:

Receivable Fund	Payable Fund	Amount
General	Water and Sewer	$ 1,060,470
	Solid Waste	88,135
	Nonmajor Governmental	247,160
Water and Sewer	Nonmajor Governmental	54
Nonmajor Governmental	General	3,575
	Debt Service	2,100
	2004 SPLOST	368,726
Subtotal		$ 1,770,220

The balances reported as Due to/Due from represent loans between the borrower funds and the lender funds. These balances resulted from the time lag between the dates that transactions are recorded in the accounting system and payments between the funds are made.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

A summary of interfund transfers as of June 30, 2009, is as follows:

Transfer Out Fund	Transfer In Fund	Amount
General	Water and Sewer	$ 459,745
	Nonmajor Governmental	434,170
2004 SPLOST	Water and Sewer	96,683
Debt Service	2004 SPLOST	380,454
Nonmajor Governmental	Solid Waste	1,957
Subtotal		$ 1,371,052

Interfund transfers are used to 1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, and 2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers are eliminated in the government-wide financial statements if the interfund transfer is within the governmental fund group or business-type fund group.

8. Capital Assets

Capital asset activity for the primary government for the fiscal year ended June 30, 2009, was as follows:

	Balance 6/30/2008	Increases	Decreases	Balance 6/30/2009
Governmental Activities				
Nondepreciable assets				
Land	$ 4,854,587	$ 0	0	$ 4,854,587
Construction in progress	68,812	112,434	0	181,246
Total non-depreciable assets	4,923,399	112,434	0	5,035,833
Depreciable assets				
Infrastructure	40,708,314	0	0	40,708,314
Buildings	6,665,762	19,133	0	6,684,895
Machinery and equipment	2,237,640	58,190	0	2,295,830
Vehicles	4,400,067	159,073	0	4,559,140
Total depreciable assets	54,011,783	236,396	0	54,248,179
Accumulated Depreciation				
Infrastructure	(13,586,489)	(814,166)	0	(14,400,655)
Buildings	(1,905,867)	(166,510)	0	(2,072,377)
Machinery and equipment	(1,045,135)	(271,752)	0	(1,316,887)
Vehicles	(3,075,549)	(452,827)	0	(3,528,376)
Total accumulated depreciation	(19,613,040)	(1,705,255)	0	(21,318,295)
Total depreciable assets, net	34,398,743	(1,468,859)	0	32,929,884
Governmental Activities capital assets, net	$ 39,322,142	$ (1,356,425)	$ 0	$ 37,965,717
Business-type Activities				
Nondepreciable assets				
Land	$ 399,323	$ 0	$ 0	$ 399,323
Construction in progress	143,319	0	0	143,319
Total non-depreciable assets	542,642	0	0	542,642
Depreciable assets				
Land improvements	29,382	0	0	29,382
Distribution system	18,794,137	250,461	0	19,044,598
Buildings	1,875,731	0	0	1,875,731
Machinery and equipment	428,651	7,024	0	435,675
Vehicles	268,909	0	0	268,909
Total depreciable assets	21,396,810	257,485	0	21,654,295
Accumulated Depreciation				
Land improvements	(11,099)	(1,960)	0	(13,059)
Distribution system	(2,013,107)	(376,551)	0	(2,389,658)
Buildings	(380,968)	(48,406)	0	(429,374)
Machinery and equipment	(284,252)	(39,982)	0	(324,234)
Vehicles	(262,327)	(2,926)	0	(265,253)
Total accumulated depreciation	(2,951,753)	(469,825)	0	(3,421,578)
Total depreciable assets, net	18,445,057	(212,340)	0	18,232,717
Business-type Activities capital assets, net	$ 18,987,699	$ (212,340)	$ 0	$ 18,775,359

8. Capital Assets (continued)

Capital asset activity for the Recreation Department and Industrial Building Authority Component Units for the fiscal year ended June 30, 2009, was as follows:

	6/30/2008	Increases	Decreases	6/30/2009
Recreation Department Component Unit				
Nondepreciable assets				
Land	$ 99,000	$ 0	$ 0	$ 99,000
Construction in progress	14,272	24,000	0	38,272
Total non-depreciable assets	113,272	24,000	0	137,272
Depreciable assets				
Land improvements	706,778	176,075	0	882,853
Buildings	2,008,784	0	0	2,008,784
Machinery and equipment	47,386	18,438	0	65,824
Vehicles	6,000	0	0	6,000
Total depreciable assets	2,768,948	194,513	0	2,963,461
Accumulated Depreciation				
Land improvements	(267,624)	(55,922)	0	(323,546)
Buildings	(61,470)	(50,220)	0	(111,690)
Machinery and equipment	(38,825)	(3,796)	0	(42,621)
Vehicles	(6,000)	0		(6,000)
Total accumulated depreciation	(373,919)	(109,938)	0	(483,857)
Total depreciable assets, net	2,395,029	84,575	0	2,479,604
Recreation Department Component Unit capital assets, net	$ 2,508,301	$ 108,575	$ 0	$ 2,616,876
Industrial Building Authority Component Unit				
Nondepreciable assets				
Land	$ 2,206,434	$ 1,295,883	$ 0	$ 3,502,317
Depreciable assets				
Buildings	0	362,194	0	362,194
Land improvements	28,500	21,625	0	50,125
Total depreciable assets	28,500	383,819	0	412,319
Accumulated Depreciation				
Buildings	0	0	0	0
Land improvements	(2,850)	(2,140)	0	(4,990)
Total accumulated depreciation	(2,850)	(2,140)	0	(4,990)
Total depreciable assets, net	25,650	381,679	0	407,329
Industrial Building Authority Component Unit capital assets, net	$ 2,232,084	$ 1,677,562	$ 0	$ 3,909,646

8. Capital Assets (continued)

Depreciation expense was charged to functions/programs as follows:

Primary Government	
Governmental activities	
General Government	$ 73,795
Judicial	1,633
Public Safety	603,291
Public Works	995,447
Health and Welfare	27,312
Housing and Development	3,777
Total depreciation expense for governmental activities	$ 1,705,255
Business-type activities	
Water and Sewer	407,799
Solid Waste	62,026
Total depreciation expense for business-type activities	$ 469,825
Recreation Department Component Unit	$ 109,938
Industrial Building Authority Component Unit	$ 2,140

9. Operating Lease Agreements

The County's lease agreements are relatively minor commitments and are in compliance with state law.

10. Other Liabilities

At June 30, 2009, the County had $151,856 in excess property taxes received from the sale of properties with delinquent taxes due. This excess amount received over taxes and fees is legally due to the owner of the sold property and is held as a liability until all efforts to contact the property owner have been exhausted.

11. Long-Term Debt

Long - Term Debt

The County enters into promissory notes with the Georgia Environmental Facilities Authority and the United States Department of Agriculture for the financing of water and sewer construction projects. The County pledges the full faith credit and taxing powers of the County in this financing arrangement.

General Obligation Bonds

General obligation bonds have been issued for governmental activities and are comprised of the following individual issue at June 30, 2009:

$15,250,000 2005 Franklin County General Obligation Sales Tax series bonds due in annual installments of $3,000,000 to $4,000,000 through August 1, 2011; interest at 3.00% to 5.00% ($10,500,000 outstanding), for various equipment purchase and capital projects of Franklin County and the five municipalities located in the County; revenues of the 2004 special purpose local option sales tax referendum have been obligated for debt service.

Annual debt service requirements to maturity for general obligation bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2010	$ 3,000,000	$ 415,000	$ 3,415,000
2011	3,500,000	277,500	3,777,500
2012	4,000,000	100,000	4,100,000
Totals	$ 10,500,000	$ 792,500	$ 11,292,500

$3,095,236 is available in the Debt Service Fund to service the general obligation bonds.

11. Long-Term Debt (continued)

Revenue Bonds

Revenue bonds have been issued for business-type activities and are comprised of the following individual issue at June 30, 2009:

$4,190,000 2008 Franklin County Water and Sewerage Authority series revenue bonds due in annual installments of $225,000 to $355,000 through March 1, 2023; interest at 3.599% ($4,005,000 outstanding), for expansion of the County's water and sewerage system and retirement of promissory notes with the United States Department of Agriculture.

Annual debt service requirements to maturity for revenue bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2010	$ 225,000	$ 144,140	$ 369,140
2011	235,000	136,042	371,042
2012	240,000	127,585	367,585
2013	250,000	118,947	368,947
2014	260,000	109,949	369,949
2015-2019	1,445,000	402,548	1,847,548
2020-2023	1,350,000	123,626	1,473,626
Totals	$ 4,005,000	$ 1,162,837	$ 5,167,837

Notes Payable

Business-type Activities

The County has entered into a lending agreement with the Georgia Environmental Facility Authority for expansion of the water and sewer system in the original amount of $2,166,217. At June 30, 2009, the balance of this note is $1,778,238. Quarterly installments of $32,332 principal are due through March 1, 2023; interest at 0%.

11. Long-Term Debt (continued)

Notes Payable, continued

Business-type Activities (continued)

Annual debt service requirements for notes payable are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2010	$ 129,326	$ 0	$ 129,326
2011	129,326	0	129,326
2012	129,326	0	129,326
2013	129,326	0	129,326
2014	129,326	0	129,326
2015-2019	646,630	0	646,630
2020-2023	484,978	0	484,978
Totals	$ 1,778,238	$ 0	$ 1,778,238

Industrial Building Authority Component Unit

The Authority has entered into a lending agreement with Pinnacle Bank for the purchase of real property in the original amount of $222,457. At June 30, 2009, the balance of this note is $222,457. Quarterly installments of interest are due through March 18, 2011; unpaid principal and interest due June 18, 2011. Interest is variable at the Wall Street Journal Prime Rate plus 0.5%; the interest rate at June 30, 2009, was 4.5%.

The Authority has entered into a lending agreement with Pinnacle Bank for the purchase of real property in the original amount of $444,746. At June 30, 2009, the balance of this note is $444,746. Quarterly installments of interest are due through March 9, 2011; unpaid principal and interest due June 9, 2011. Interest is variable at the Wall Street Journal Prime Rate plus 0.5%; the interest rate at June 30, 2009, was 4.5%.

The Authority has entered into a lending agreement with Pinnacle Bank for the purchase of real property in the original amount of $985,432. At June 30, 2009, the balance of this note is $985,432. Quarterly installments of interest are due through February 28, 2011; unpaid principal and interest due May 28, 2011. Interest is variable at the Wall Street Journal Prime Rate plus 0.5%; the interest rate at June 30, 2009, was 4.5%.

11. Long-Term Debt (continued)

Notes Payable, continued

Industrial Building Authority Component Unit (continued)

Annual debt service requirements for notes payable are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2010	$ 0	$ 74,369	$ 74,369
2011	1,652,635	74,369	1,727,004
Totals	$ 1,652,635	$ 148,738	$ 1,801,373

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

	Balance 6/30/2008	Additions	Deductions	Balance 6/30/2009	Due Within One Year
Governmental activities					
General obligation bonds	$ 13,000,000	$ 0	$ 2,500,000	$ 10,500,000	$ 3,000,000
Unamortized bond premium	458,503	0	148,704	309,799	0
Compensated absences	294,269	385,305	294,269	385,305	385,305
Total Governmental activities	$ 13,752,772	$ 385,305	$ 2,942,973	$ 11,195,104	$ 3,385,305
Business-type activities					
Notes payable	$ 1,907,564	$ 0	$ 129,326	$ 1,778,238	$ 129,326
Bonds payable	4,190,000	0	185,000	4,005,000	225,000
Post-closure care costs	1,256,181	0	15,477	1,240,704	0
Compensated absences	10,324	10,611	10,324	10,611	10,611
Total business-type activities	$ 7,364,069	$ 10,611	$ 340,127	$ 7,034,553	$ 364,937
Recreation Department Component Unit					
Compensated absences	$ 8,902	$ 11,754	$ 8,902	$ 11,754	$ 11,754
Industrial Buildling Authority Component Unit					
Notes payable	$ 0	$ 1,652,635	$ 0	$ 1,652,635	$ 0
Compensated absences	0	1,372	0	1,372	2,963
Total Industrial Building Authority Component Unit	$ 0	$ 1,654,007	$ 0	$ 1,654,007	$ 2,963

Compensated absences are liquidated by those governmental funds that have salary and wage expenditures. In prior years, long-term liabilities, such as compensated absences, of the governmental activities were liquidated in the General Fund and Emergency 911 and MANS Unit Special Revenue Funds.

12. Landfill Post-Closure Care Costs

The County closed its solid waste landfill in 2002. State and federal laws and regulations require the County to perform certain maintenance and monitoring operations at the landfill site for 30 years after official closure. The estimated cost of all post closure care activities is $1,240,704 and is reflected as a long-term liability in the Solid Waste Enterprise Fund. Because of future changes in technology, laws, or regulations, these costs may change.

13. Reserved Equity Balances

General Fund

Reserved for prepaid items - An amount of $67,826 has been reserved for prepaid items since this amount is not legally available for appropriation.

Reserved for program expenditures – The total of $598,437 has been reserved to reflect amounts that are restricted by revenue source, but are accounted for in the General Fund.

Enterprise Funds

Restricted for restricted assets – An amount of $7,780 has been restricted in the Water and Sewer Fund for restricted assets since this amount is not legally available for appropriation.

14. Deficit Equity Balances

Governmental Activities

At June 30, 2009, the Governmental Activities have negative unrestricted net assets of $2,871,510. This is due to general obligation bonds recorded in the governmental activities. The County plans to liquidate the negative unrestricted net assets through future revenue recognition.

At June 30, 2009, the Public Defender Special Revenue Fund has a deficit fund balance of $10,960. This is due to the payment for services in anticipation of future revenues. The County plans to liquidate this deficit fund balance through future revenue recognition.

14. Deficit Equity Balances (continued)

Governmental Activities, continued

At June 30, 2009, the Probation Services Special Revenue Fund has a deficit fund balance of $85,433. This is due to the payment for services in anticipation of future revenues. The County plans to liquidate this deficit fund balance through future revenue recognition.

Business-type Activities

At June 30, 2009, the Solid Waste Enterprise Fund has negative unrestricted net assets of $1,141,486. This is due to the estimated cost of post closure care activities. The County plans to liquidate the negative unrestricted net assets through payment of post closure care costs.

15. Changes in Beginning Balances

Governmental Activities

General Fund – A prior period adjustment has been made to reflect deferred property taxes and allowance for property taxes receivable incorrectly calculated at June 30, 2008. The 2008 amounts for property revenue, property taxes receivable, deferred revenue, and unreserved fund balance were restated to reflect this adjustment. This adjustment decreased beginning fund balance by $186,429.

This adjustment decreased beginning net assets of the governmental activities by $186,429.

16. Pension Plan

Plan Description and Contribution Information

Franklin County contributes to the Association of County Commissioners of Georgia ("ACCG") Defined Benefit Plan ("Plan"), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia. The County elected to participate in the Plan as of the result of Board of Commissioner vote and a contract between the County and the ACCG. The county has been participating in the Plan since January 1, 1994.

16. Pension Plan (continued)

Plan Description and Contribution Information, continued

The Plan's assets may be used only for the payment of benefits to the members of the Plan, in accordance with the terms of the Plan. See Note 2 – Summary of Significant Accounting Policies for reporting of investments. The ACCG issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained by writing to Pension Service Company, 1100 Circle 75 Parkway, Suite 320, Atlanta, GA 30339.

All full-time County employees are eligible to participate in the Plan after completing three years of service. Benefits vest after five years of service. Participants become eligible to retire with unreduced benefits at age 65 with 3 years of plan participation. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of 2% of average annual compensation for each year of service payable as a life annuity. Compensation is averaged over a five-year period prior to retirement or termination. The Plan also provides benefits in the event of death or disability. These benefit provisions were established by an adoption agreement executed by the County Board of Commissioners.

Current Membership and current year payrolls are as follows:

Retirees and beneficiaries currently receiving benefits	26
Terminated vested participants entitled to but not yet receiving benefits	69
Active participants	95
Total number of participants	190

Funding Policy

County employees are not required to contribute to the Plan. The County contributes the entire cost of the Plan, based on an actuarially determined rate. The current rate is 13.9% of annual covered payroll. The Board of Commissioners provides for the benefits and funding policy through County ordinance and maintains the authority to change the policy.

16. Pension Plan (continued)

Annual Pension Cost and Net Pension Obligation

The net pension obligation was computed as part of an actuarial valuation performed as of January 1, 2008. Significant actuarial assumptions used in the valuation include:

Rate of return on investments of present and future assets compounded annually	8.0%
Projected salary increases due to:	
Inflation	3.0%
Merit	2.0%
Post-retirement benefit increases	none
Life expectancy before and after retirement (Group Annuity Mortality table)	1983

The Plan's funding policy provides for actuarially determined periodic contributions at rates that, for individual employees, accumulate funds so that sufficient assets will be available to pay benefits when due. The contribution rate for normal cost is determined using the projected unit credit actuarial funding method. The actuarial value of Franklin County's assets was determined using market value. The unfunded actuarially accrued liability is being amortized as a level dollar of projected payroll on a closed basis over a thirty-year period. The remaining amortization period at January 1, 2008, was 10 years.

The County's annual pension cost and net pension obligations for the current year ended June 30, 2009, were as follows:

Annual required contribution	$ 459,453
Interest on net pension obligation	(53,883)
Adjustment to ARC	56,851
Annual pension cost	462,421
Contributions made	498,688
Increase (decrease) in net pension obligation	(36,267)
Net pension obligation - beginning of year	(673,542)
Net pension obligation - end of year	$ (709,809)

16. Pension Plan (continued)

Historical Trend Information

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

Pension Cost Information

Plan Year Ended December 31,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
2003	$ 186,333	100%	$ 0
2004	200,436	114%	(27,265)
2005	218,408	110%	(49,004)
2006	227,873	107%	(63,823)
2007	390,281	256%	(673,542)
2008	462,421	107%	(709,809)

Schedule of Funding Progress

Actuarial Valuation Date December 31,	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll** (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2003	$ 897,878	$ 1,865,834	$ 967,956	48.1%	$ 2,016,889	48.0%
2004	1,118,229	2,032,295	914,066	55.0%	2,243,960	40.7%
2005	1,276,929	2,204,290	927,361	57.9%	2,611,381	35.5%
2006	1,526,514	2,259,649	733,135	67.6%	2,761,559	26.5%
2007	2,558,303	3,532,826	974,523	72.4%	2,918,887	33.4%
2008	2,900,000	4,187,012	1,287,012	69.3%	3,312,499	38.9%

17. Deferred Compensation Plans

The County provides retirement benefits for its employees through two deferred compensation, defined contribution plans. The Plans were created under Internal Revenue Code Sections 457 and 401(a), and are administered by the Variable Annuity Life Insurance Company (VALIC) and the Government Employees Benefits Corporation (GEBCorp) of Georgia, independent third parties. Under the terms of the Plans, employees may defer a portion of their salary through voluntary contributions to the Plans. Employees may defer a maximum of 25% of their salary, up to the maximum allowed by federal law. Employees may choose to contribute to one or both of the Plans.

The County will contribute 1% for each year of service of the employee's contribution per year. There is a cap of 12% for this additional match and an overall cap of $1,000 for County contributions. County contributions are paid into the Plans at the end of each calendar year.

Funds are vested 100% at the time of contribution. Amounts held in the Plans are not available to the employees until termination, retirement, death, or unforeseeable emergency.

During the year ended June 30, 2009, the County contributed $9,240 to the Plans, based on covered salaries of $2,485,123. Total payroll was $6,502,004. Plan members made voluntary contributions of $122,672.

The County has no fiduciary relationship with the Plans, and Plan assets are not available to the County or its general creditors. The Plan assets are held in trust by the administrators for the exclusive benefit of the participants of the Plans.

18. Hotel/Motel Lodging Tax

The County has levied a 5% lodging tax in accordance with OCGA 48-13-51. A summary of the transactions for the year ended June 30, 2009 follows:

Lodging tax receipts	$	192	
Disbursements for tourism	$	192	100% of tax receipts

19. Joint Ventures

Franklin County participates jointly with Hart County, Georgia in the Franklin-Hart Airport. Both Franklin and Hart County have agreed to allocate funds as part of their respective budget toward the venture. The Airport is a separate entity that maintains and accumulates assets of its individual ownership. The Airport entity will apply for grants and seek other outside revenue needed to supplement the entity's budget. Franklin County contributed $8,184 to the Airport during the year ended June 30, 2009. A copy of the Airport financial statements can be obtained from Franklin-Hart Airport, 710 Hartwell Street, Royston, Georgia 30662.

Under Georgia law, the County, in conjunction with other cities and counties in the northeast Georgia area, is a member of the Georgia Mountains Regional Development Center (GMRDC) and is required to pay annual dues thereto. During the year ended June 30, 2009, the County paid $17,038 in such dues. Membership in an RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the RDC in Georgia. The RDC Board membership includes the chief elected official in each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RDC. A copy of the GMRDC financial statements can be obtained from GMRDC, 1310 West Ridge Road, Gainesville, Georgia 30501.

Franklin County has entered into an intergovernmental agreement with the Joint Development Authority of Hart, Franklin, and Stephens Counties, Georgia, in the creation of the Gateway Business Park, an industrial park development located jointly in Hart and Franklin Counties. No monies were spent on this project during the year ended June 30, 2009. Separate financial statements may be obtained from Joint Development Authority of Hart, Franklin, and Stephens Counties, Georgia, PO Box 793, Hartwell, Georgia 30643.

20. Risk Financing Activities

◊ Material estimates have been made by management about the historical cost of capital assets and the life of the depreciated capital assets. Management has used a conservative approach on these estimates.

20. Risk Financing Activities (continued)

◊ The County is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other municipalities in the state as part of the Association of County Commissioners of Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Association of County Commissioners of Georgia Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and 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 agent and attorneys to represent the County in investigation, settlement discussions, and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

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

21. Commitments and Contingencies

Contingencies

◊ The County is a defendant in several lawsuits. Management intends to contest these open cases vigorously. The County's legal counsel has stated that the outcome of these lawsuits is not presently determinable.

21. Commitments and Contingencies

Contingencies, continued

◊ Franklin County participates in a number of Revenue Sharing Grants. Expenditures financed by Revenue Sharing Grants are subject to a compliance audit by the grantor or its representative. If expenditures are disallowed due to noncompliance with program regulations, the County may be required to reimburse the grantor government. The County believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual funds or the overall financial position of the County.

22. Excess of Expenditures over Appropriations in Individual Governmental Funds for which Budgets are Adopted

During the fiscal year ended June 30, 2009, the County incurred expenditures in the following General Fund departments, Special Revenue Funds, and the Debt Service Fund that were materially in excess of the amounts appropriated:

Department	Budget	Actual	Variance
Commission Board	$ 75,113	$ 91,848	$ (16,735)
Registrar	75,528	86,155	(10,627)
Elections	32,395	72,110	(39,715)
Probate Court	213,898	227,615	(13,717)
Clerk of Superior Court	228,427	239,778	(11,351)
District Attorney	0	15,976	(15,976)
Fire Departments	286,093	302,883	(16,790)
Emergency Management	9,156	12,087	(2,931)
Health Department	103,431	110,355	(6,924)
Drug Enforcement Fund	45,000	68,604	(23,604)
Law Library Fund	5,380	6,392	(1,012)
MANS Unit Fund	294,426	311,554	(17,128)
Public Defender	278,960	306,043	(27,083)
Probation Services	444,577	501,984	(57,407)
Debt Service Fund	2,833,750	3,014,600	(180,850)

Management concurs with these findings. The County Clerk will be reviewing the comparative financial statements to budget and recommend any necessary budget revisions to the Board of Commissioners.

COMBINING STATEMENTS

Nonmajor Governmental Funds

FRANKLIN COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2009

	Special Revenue			
	Emergency 911	**Drug Enforcement**	**Inmate Welfare**	**Law Library**
ASSETS				
Cash and cash equivalents	$ 197,081	$ 83,672	$ 6,791	$ 74,830
Certificates of deposit	0	0	0	10,710
Receivables				
Accounts	27,482	0	0	0
Intergovernmental	0	0	0	0
Interest	0	0	0	0
Due from other funds	0	0	0	0
Total assets	$ 224,563	$ 83,672	$ 6,791	$ 85,540
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 201	$ 0	$ 0	$ 0
Accrued salaries	22,705	0	0	0
Due to other agencies	0	0	0	0
Due to other funds	146,152	0	0	0
Total liabilities	169,058	0	0	0
Fund balances				
Unreserved	55,505	83,672	6,791	85,540
Total liabilities and fund balances	$ 224,563	$ 83,672	$ 6,791	$ 85,540

Special Revenue					
MANS Unit	Public Defender	Probation Service	SPLOST Capital Projects	Total Nonmajor Governmental Funds
$ 259,400	$ 0	$ 0	$ 1,024,813	$ 1,646,587
0	0	0	68,769	79,479
0	0	0	0	27,482
61,128	0	28,344	0	89,472
0	0	0	277	277
0	0	0	374,401	374,401
$ 320,528	$ 0	$ 28,344	$ 1,468,260	$ 2,217,698
$ 0	$ 0	$ 0	$ 0	$ 201
0	1,615	22,060	0	46,380
56,432	0	0	0	56,432
0	9,345	91,717	0	247,214
56,432	10,960	113,777	0	350,227
264,096	(10,960)	(85,433)	1,468,260	1,867,471
$ 320,528	$ 0	$ 28,344	$ 1,468,260	$ 2,217,698

FRANKLIN COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2009

	Special Revenue			
	Emergency 911	**Drug Enforcement**	**Inmate Welfare**	**Law Library**
REVENUES				
Fines, fees, and forfeitures	$ 0	$ 147,659	$ 0	$ 17,573
Charges for services	370,122	0	52,196	0
Intergovernmental	0	0	0	0
Interest	1,446	51	0	1,409
Other	0	0	0	0
Total revenues	371,568	147,710	52,196	18,982
EXPENDITURES				
Current				
Judicial	0	0	0	6,392
Public Safety	710,805	68,604	49,780	0
Capital outlay	0	0	0	0
Total expenditures	710,805	68,604	49,780	6,392
Excess (deficiency) of revenues over (under) expenditures	(339,237)	79,106	2,416	12,590
Other financing sources (uses)				
Transfers in	356,072	0	0	0
Transfers out	0	0	0	0
Total other financing sources (uses)	356,072	0	0	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	16,835	79,106	2,416	12,590
Fund balances, July 1	38,670	4,566	4,375	72,950
Fund balances, June 30	$ 55,505	$ 83,672	$ 6,791	$ 85,540

Special Revenue			SPLOST Capital Projects	Total Nonmajor Governmental Funds
MANS Unit	Public Defender	Probation Service		
$ 50,570	$ 0	$ 436,424	$ 0	$ 652,226
0	0	0	0	422,318
303,301	228,879	0	0	532,180
930	0	0	6,480	10,316
0	10,000	0	0	10,000
354,801	238,879	436,424	6,480	1,627,040
0	306,043	501,984	0	814,419
311,554	0	0	0	1,140,743
0	0	0	52,779	52,779
311,554	306,043	501,984	52,779	2,007,941
43,247	(67,164)	(65,560)	(46,299)	(380,901)
13,982	64,116	0	0	434,170
0	0	0	(1,957)	(1,957)
13,982	64,116	0	(1,957)	432,213
57,229	(3,048)	(65,560)	(48,256)	51,312
206,867	(7,912)	(19,873)	1,516,516	1,816,159
$ 264,096	$ (10,960)	$ (85,433)	$ 1,468,260	$ 1,867,471

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GENERAL FUND

The general operating fund of the County is used to account for all financial resources except those required to be accounted for in another fund.

FRANKLIN COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEETS
June 30, 2009 and 2008

	2009	2008
ASSETS		
Cash and cash equivalents	$ 1,212,825	$ 1,646,316
Certificates of deposit	1,706,099	1,621,752
Receivables (net)		
Accounts	353,342	345,462
Intergovernmental	274,092	190,901
Taxes	379,523	620,628
Interest	21,373	47,027
Prepaid items	67,826	54,017
Due from other funds	1,395,765	1,810,959
Restricted Assets		
Cash	598,437	496,288
Total assets	$ 6,009,282	$ 6,833,350
LIABILITIES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 48,418	$ 28,592
Excess taxes	151,856	137,360
Accrued salaries and expenses	675,923	569,094
Deferred revenue	145,286	167,622
Due to other funds	3,575	4,105
Total liabilities	1,025,058	906,773
Fund balances		
Reserved for prepaid items	67,826	54,107
Reserved for program expenditures	598,437	496,288
Unreserved, designated for budget	1,591,275	2,063,285
Unreserved, undesignated	2,726,686	3,312,897
Total fund balances	4,984,224	5,926,577
Total liabilities and fund balances	$ 6,009,282	$ 6,833,350

FRANKLIN COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2009 and 2008

	2009	2008
REVENUES		
Taxes	$ 7,439,155	$ 7,273,249
Licenses and permits	4,905	20,222
Fines, fees and forfeitures	1,215,850	1,129,751
Charges for services	1,173,984	1,071,366
Intergovernmental	185,719	253,507
Interest	77,360	176,405
Other	56,349	30,870
Total revenues	10,153,322	9,955,370
EXPENDITURES		
Current		
General Government	2,476,216	2,546,599
Judicial	890,570	849,353
Public Safety	5,092,537	5,440,180
Public Works	972,200	1,414,316
Health and Welfare	346,798	351,325
Culture and Recreation	249,501	257,269
Housing and Development	173,938	240,736
Total expenditures	10,201,760	11,099,778
Excess (deficiency) of revenues over (under) expenditures	(48,438)	(1,144,408)
Other financing sources (uses)		
Transfers in (out) -		
2004 SPLOST Fund	0	5,333
E911 Fund	(356,072)	(336,019)
MANS Unit Fund	(13,982)	(13,982)
Public Defender Fund	(64,116)	(60,066)
Water and Sewer Fund	(459,745)	(591,097)
Sales of capital assets	0	64,793
Total other financing sources (uses)	(893,915)	(931,038)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(942,353)	(2,075,446)
Fund balances, July 1 (restated)	5,926,577	8,002,023
Fund balances, June 30	$ 4,984,224	$ 5,926,577

FRANKLIN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2009
(with comparative actual amounts for the fiscal year ended June 30, 2008)

	2009			2008
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes				
General property taxes				
Property tax	$ 3,664,000	$ 3,988,702	$ 324,702	$ 3,487,466
Motor vehicle tax	400,000	426,981	26,981	446,999
Mobile home tax	57,000	57,343	343	52,643
Cost, penalties, and interest	105,250	140,545	35,295	96,956
Total general property tax	4,226,250	4,613,571	387,321	4,084,064
Intangibles tax	98,500	77,324	(21,176)	97,601
Real estate transfer tax	35,000	11,852	(23,148)	28,046
Local option sales tax	2,200,000	1,931,918	(268,082)	2,276,425
Insurance premium	674,925	726,990	52,065	709,692
Franchise tax	63,500	58,418	(5,082)	58,778
Occupational tax	20,000	15,698	(4,302)	15,314
Other taxes	21,032	3,192	(17,840)	2,428
Hotel/motel tax	130	192	62	901
Total taxes	7,339,337	7,439,155	99,818	7,273,249
Licenses and Permits				
Business and inspection licenses	3,700	2,870	(830)	4,340
Other permits	6,900	2,035	(4,865)	15,882
Total licenses and permits	10,600	4,905	(5,695)	20,222
Fines, fees and forfeitures	638,100	1,215,850	577,750	1,129,751
Charges for Services				
Emergency medical services	600,000	674,689	74,689	582,476
Tax collection commissions	95,000	300,758	205,758	313,804
Sheriff services	27,000	117,589	90,589	105,931
Prisoner board	35,000	48,468	13,468	43,814
Other	13,000	32,480	19,480	25,341
Total charges for services	770,000	1,173,984	403,984	1,071,366
Intergovernmental				
Grants and receipts	127,400	185,719	58,319	253,507
Interest	178,500	77,360	(101,140)	176,405
Other	6,000	56,349	50,349	30,870
Total revenues	$ 9,069,937	$ 10,153,322	$ 1,083,385	$ 9,955,370

FRANKLIN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2009
(with comparative actual amounts for the fiscal year ended June 30, 2008)

	2009			2008
	Final Budget	Actual	Variance	Actual
EXPENDITURES				
Current				
General Government				
Commission Board				
Personal services	$ 70,013	$ 83,757	$ (13,744)	$ 72,416
Supplies and materials	5,100	8,091	(2,991)	2,185
Total Commission Board	75,113	91,848	(16,735)	74,601
County Manager's Office				
Personal services	246,795	248,278	(1,483)	248,131
Contract services	42,600	28,316	14,284	42,833
Supplies and materials	9,120	9,523	(403)	9,743
Capital outlay	11,000	0	11,000	10,999
Total County Manager's Office	309,515	286,117	23,398	311,706
General Building and Plant				
Personal services	99,098	65,265	33,833	0
Contract services	52,500	21,113	31,387	48,526
Supplies and materials	25,800	21,005	4,795	35,921
Total General Building and Plant	177,398	107,383	70,015	84,447
General Administration				
Personal services	1,147,250	736,446	410,804	729,717
Contract services	386,805	344,511	42,294	384,576
Supplies and materials	2,895	1,741	1,154	2,519
Payments to other agencies	10,000	0	10,000	25,900
Total General Administration	1,546,950	1,082,698	464,252	1,142,712
Tax Commissioner				
Personal services	223,565	234,273	(10,708)	209,113
Contract services	75,630	46,051	29,579	47,653
Supplies and materials	10,870	9,730	1,140	9,613
Capital outlay	1,500	0	1,500	21,750
Total Tax Commissioner	311,565	290,054	21,511	288,129
Tax Assessor				
Personal services	290,002	277,801	12,201	260,683
Contract services	165,240	73,653	91,587	137,181
Supplies and materials	48,516	12,427	36,089	14,126
Capital outlay	34,000	0	34,000	18,681
Total Tax Assessor	537,758	363,881	173,877	430,671
Registrar				
Personal services	59,678	66,486	(6,808)	57,882
Contract services	10,250	13,329	(3,079)	9,046
Supplies and materials	5,600	6,340	(740)	4,009
Total Registar	75,528	86,155	(10,627)	70,937

FRANKLIN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2009
(with comparative actual amounts for the fiscal year ended June 30, 2008)

	2009			2008
	Final Budget	Actual	Variance	Actual
General Government, continued				
Elections				
Personal services	$ 2,695	$ 1,792	$ 903	$ 1,055
Contract services	24,000	65,139	(41,139)	39,495
Supplies and materials	5,700	5,179	521	4,017
Total Elections	32,395	72,110	(39,715)	44,567
County Engineer				
Personal services	94,968	94,154	814	97,077
Contract services	400	1,732	(1,332)	1,562
Supplies and materials	200	84	116	190
Total County Engineer	95,568	95,970	(402)	98,829
Total General Government	3,161,790	2,476,216	685,574	2,546,599
Judicial				
Probate Court				
Personal services	191,598	201,795	(10,197)	190,490
Contract services	14,400	15,690	(1,290)	10,835
Supplies and materials	7,900	10,130	(2,230)	10,076
Total Probate Court	213,898	227,615	(13,717)	211,401
Magistrate Court				
Personal services	138,315	143,187	(4,872)	138,567
Contract services	17,240	9,762	7,478	11,973
Supplies and materials	9,000	6,033	2,967	5,462
Total Magistrate Court	164,555	158,982	5,573	156,002
Superior Court				
Personal services	115,156	105,109	10,047	113,512
Contract services	119,750	120,846	(1,096)	125,663
Supplies and materials	7,700	7,028	672	6,685
Total Superior Court	242,606	232,983	9,623	245,860
Superior Court Judge				
Contract services	7,375	7,074	301	6,189
Supplies and materials	7,825	8,162	(337)	7,402
Total Superior Court Judge	15,200	15,236	(36)	13,591
Clerk of Superior Court				
Personal services	199,277	217,324	(18,047)	195,898
Contract services	13,140	12,067	1,073	11,183
Supplies and materials	16,010	10,387	5,623	15,418
Total Clerk of Superior Court	228,427	239,778	(11,351)	222,499
District Attorney				
Contract services	0	15,976	(15,976)	0
Total Judicial	864,686	890,570	(25,884)	849,353

FRANKLIN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2009
(with comparative actual amounts for the fiscal year ended June 30, 2008)

	2009			2008
	Final Budget	Actual	Variance	Actual
Public Safety				
Fire Departments				
Personal services	$ 4,200	$ 5,498	$ (1,298)	$ 4,182
Contract services	2,996	1,584	1,412	1,690
Supplies and materials	7,952	5,444	2,508	8,035
Payments to other agencies	270,945	290,357	(19,412)	270,888
Total Fire Departments	286,093	302,883	(16,790)	284,795
Coroner Services				
Personal services	15,075	13,791	1,284	12,522
Contract services	10,900	9,872	1,028	8,275
Supplies and materials	1,400	1,011	389	36
Total Coroner Services	27,375	24,674	2,701	20,833
Emergency Medical Service				
Personal services	1,267,370	1,354,087	(86,717)	1,124,565
Contract services	75,030	50,375	24,655	64,876
Supplies and materials	153,892	112,051	41,841	151,731
Capital outlay	125,588	106,994	18,594	118,853
Payments to other agencies	0	0	0	340,068
Total Emergency Medical Services	1,621,880	1,623,507	(1,627)	1,800,093
Emergency Management				
Personal services	4,931	10,611	(5,680)	4,926
Contract services	3,925	874	3,051	2,700
Supplies and materials	300	602	(302)	135
Total Emergency Management	9,156	12,087	(2,931)	7,761
County Marshal				
Personal services	39,241	39,574	(333)	38,763
Contract services	6,032	1,468	4,564	4,872
Supplies and materials	5,568	3,289	2,279	3,991
Capital outlay	25,000	0	25,000	18,461
Total County Marshal	75,841	44,331	31,510	66,087
Sheriff Department				
Personal services	2,200,601	2,270,685	(70,084)	2,178,042
Contract services	181,945	235,154	(53,209)	271,634
Supplies and materials	533,900	474,604	59,296	675,505
Capital outlay	116,300	69,612	46,688	100,430
Total Sheriff Department	3,032,746	3,050,055	(17,309)	3,225,611
Animal Shelter				
Payments to other agencies	35,000	35,000	0	35,000
Total Public Safety	5,088,091	5,092,537	(4,446)	5,440,180

FRANKLIN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2009
(with comparative actual amounts for the fiscal year ended June 30, 2008)

	2009			2008
	Final Budget	Actual	Variance	Actual
Public Works				
Highways and Streets				
Personal services	$ 646,960	$ 512,876	$ 134,084	$ 625,660
Contract services	132,304	62,522	69,782	128,015
Supplies and materials	509,107	396,802	112,305	598,730
Capital outlay	0	0	0	61,911
Total Public Works	1,288,371	972,200	316,171	1,414,316
Health and Welfare				
Senior Center				
Personal services	96,275	99,978	(3,703)	91,342
Contract services	14,160	6,445	7,715	12,186
Supplies and materials	137,535	93,386	44,149	93,265
Capital outlay	3,900	0	3,900	0
Total Senior Center	251,870	199,809	52,061	196,793
Foster Care Services				
Payments to other agencies	67,010	36,634	30,376	45,368
Health Department				
Contract services	600	7,444	(6,844)	3,113
Supplies and materials	1,400	1,480	(80)	4,620
Payments to other agencies	101,431	101,431	0	101,431
Total Health Department	103,431	110,355	(6,924)	109,164
Total Health and Welfare	422,311	346,798	75,513	351,325
Culture and Recreation				
Recreation Department				
Payments to other agencies	228,881	222,001	6,880	227,269
Library Board				
Payments to other agencies	30,000	27,500	2,500	30,000
Total Culture and Recreation	258,881	249,501	9,380	257,269
Housing and Development				
County Agent				
Personal services	49,394	40,328	9,066	45,266
Contract services	15,715	20,599	(4,884)	12,215
Supplies and materials	3,895	3,062	833	3,419
Capital outlay	6,000	0	6,000	0
Total County Agent	75,004	63,989	11,015	60,900
Forestry Service				
Payments to other agencies	2,918	2,918	0	2,918

FRANKLIN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2009
(with comparative actual amounts for the fiscal year ended June 30, 2008)

	2009			2008
	Final Budget	Actual	Variance	Actual
Housing and Development, continued				
Planning and Zoning				
Personal services	$ 68,516	$ 30,470	$ 38,046	$ 59,781
Contract services	16,550	13,541	3,009	13,728
Supplies and materials	3,970	214	3,756	3,978
Capital outlay	1,530	0	1,530	0
Total Planning and Zoning	90,566	44,225	46,341	77,487
Industrial Building Authority				
Payments to other agencies	85,711	51,926	33,785	88,225
Airport Authority				
Contract services	3,500	5,576	(2,076)	3,206
Payments to other agencies	8,000	5,304	2,696	8,000
Total Airport Authority	11,500	10,880	620	11,206
Total Housing and Development	265,699	173,938	91,761	240,736
Total expenditures	$ 11,349,829	$ 10,201,760	$ 1,148,069	$ 11,099,778

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SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Emergency 911 Fund – This fund is used to account for the County's share of telephone fees for the operation of their 911 emergency system.

Drug Enforcement Fund – This fund is used to account for monies confiscated during drug arrests by the Sheriff's Department. These monies are held for evidence and then disbursed by court order to the appropriate agencies. This fund also includes monies paid to the County that are restricted for law enforcement against drugs.

Inmate Welfare Fund – This fund is used to account for monies legally restricted for the benefit of detainees in the County jail.

Law Library Fund – This fund is used to account for the funds court office fines and fees legally restricted for operation of a County Law Library.

MANS Unit Fund – This fund is used to account for funds legally restricted for law enforcement activity.

Public Defender Fund – This fund is used to account for funds legally restricted for the operation of the Northern Judicial Circuit Public Defender's Office.

Probation Service Fund – This fund is used to account for funds legally restricted for the operation of Probation Services.

FRANKLIN COUNTY, GEORGIA
EMERGENCY 911 SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2009 and 2008

	2009	2008
ASSETS		
Cash and cash equivalents	$ 197,081	$ 415,441
Accounts receivable	27,482	34,610
Total assets	$ 224,563	$ 450,051
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 201	$ 2,422
Accrued salaries	22,705	22,205
Due to other funds	146,152	386,753
Total liabilities	169,058	411,380
Fund balances		
Unreserved	55,505	38,671
Total liabilities and fund balances	$ 224,563	$ 450,051

FRANKLIN COUNTY, GEORGIA
EMERGENCY 911 SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2009
(with comparative actual amounts for the fiscal year ended June 30, 2008)

	2009			2008
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	$ 356,947	$ 370,122	$ 13,175	$ 386,245
Interest	0	1,446	1,446	11,892
Total revenues	356,947	371,568	14,621	398,137
EXPENDITURES				
Current				
Public Safety				
Personal services	493,494	532,704	(39,210)	534,495
Contractual services	188,710	160,135	28,575	159,141
Supplies and materials	15,815	17,966	(2,151)	14,562
Capital outlay	15,000	0	15,000	13,600
Total expenditures	713,019	710,805	2,214	721,798
Excess (deficiency) of revenues over (under) expenditures	(356,072)	(339,237)	16,835	(323,661)
Other financing sources (uses)				
Transfers in (out)				
General Fund	356,072	356,072	0	336,019
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	16,835	16,835	12,358
Fund balances, July 1	0	38,670	38,670	26,313
Fund balances, June 30	$ 0	$ 55,505	$ 55,505	$ 38,670

FRANKLIN COUNTY, GEORGIA
DRUG ENFORCEMENT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2009 and 2008

	2009	2008
ASSETS		
Cash and cash equivalents	$ 83,672	$ 4,566
LIABILITIES AND FUND BALANCES		
Fund balances		
Unreserved	$ 83,672	$ 4,566

FRANKLIN COUNTY, GEORGIA
DRUG ENFORCEMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2009
(with comparative actual amounts for the fiscal year ended June 30, 2008)

	2009			2008
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees and forfeitures	$ 45,000	$ 147,659	$ 102,659	$ 50,998
Interest	0	51	51	80
Total revenues	45,000	147,710	102,710	51,078
EXPENDITURES				
Current				
Public Safety				
Supplies	45,000	19,080	25,920	33,133
Capital outlay	0	44,115	(44,115)	13,500
Payments to other agencies	0	5,409	(5,409)	22,075
Total expenditures	45,000	68,604	(23,604)	68,708
Excess (deficiency) of revenues over (under) expenditures	0	79,106	79,106	(17,630)
Fund balances, July 1	0	4,566	4,566	22,196
Fund balances, June 30	$ 0	$ 83,672	$ 83,672	$ 4,566

FRANKLIN COUNTY, GEORGIA
INMATE WELFARE SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2009 and 2008

	2009	2008
ASSETS		
Cash and cash equivalents	$ 6,791	$ 4,375
LIABILITIES AND FUND BALANCES		
Fund balances		
Unreserved	$ 6,791	$ 4,375

FRANKLIN COUNTY, GEORGIA
INMATE WELFARE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2009
(with comparative actual amounts for the fiscal year ended June 30, 2008)

	2009			2008
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	$ 56,000	$ 52,196	$ (3,804)	$ 54,077
Total revenues	56,000	52,196	(3,804)	54,077
EXPENDITURES				
Current				
Public Safety				
Supplies	56,000	49,780	6,220	57,117
Total expenditures	56,000	49,780	6,220	57,117
Excess (deficiency) of revenues over (under) expenditures	0	2,416	2,416	(3,040)
Fund balances, July 1	0	4,375	4,375	7,415
Fund balances, June 30	$ 0	$ 6,791	$ 6,791	$ 4,375

FRANKLIN COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2009 and 2008

	2009	2008
ASSETS		
Cash and cash equivalents	$ 74,830	$ 62,369
Certificates of deposit	10,710	10,581
Total assets	$ 85,540	$ 72,950
LIABILITIES AND FUND BALANCES		
Fund balances		
Unreserved	$ 85,540	$ 72,950

FRANKLIN COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2009
(with comparative actual amounts for the fiscal year ended June 30, 2008)

	2009			2008
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees and forfeitures	$ 13,100	$ 17,573	$ 4,473	$ 16,491
Interest	0	1,409	1,409	1,737
Total revenues	13,100	18,982	5,882	18,228
EXPENDITURES				
Current				
Judicial				
Personal services	1,680	1,680	0	1,680
Supplies and materials	3,700	4,712	(1,012)	3,435
Total expenditures	5,380	6,392	(1,012)	5,115
Excess (deficiency) of revenues over (under) expenditures	7,720	12,590	4,870	13,113
Other financing sources (uses)				
Contingency	(7,720)	0	7,720	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	12,590	12,590	13,113
Fund balances, July 1	0	72,950	72,950	59,837
Fund balances, June 30	$ 0	$ 85,540	$ 85,540	$ 72,950

FRANKLIN COUNTY, GEORGIA
MANS UNIT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2009 and 2008

	2009	2008
ASSETS		
Cash and cash equivalents	$ 259,400	$ 195,723
Intergovernmental receivable	61,128	34,222
Total assets	$ 320,528	$ 229,945
LIABILITIES AND FUND BALANCES		
Liabilities		
Due to other agencies	$ 56,432	$ 23,078
Fund balances		
Unreserved	264,096	206,867
Total liabilities and fund balances	$ 320,528	$ 229,945

FRANKLIN COUNTY, GEORGIA
MANS UNIT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2009
(with comparative actual amounts for the fiscal year ended June 30, 2008)

	2009			2008
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees and forfeitures	$ 82,833	$ 50,570	$ (32,263)	$ 75,686
Intergovernmental	206,063	303,301	97,238	276,789
Interest	850	930	80	1,106
Total revenues	289,746	354,801	65,055	353,581
EXPENDITURES				
Current				
Public Safety				
Personal services	195,114	200,694	(5,580)	230,797
Contract services	35,015	33,137	1,878	35,076
Supplies and materials	64,297	77,723	(13,426)	45,120
Total expenditures	294,426	311,554	(17,128)	310,993
Excess (deficiency) of revenues over (under) expenditures	(4,680)	43,247	47,927	42,588
Other financing sources (uses)				
Transfers in (out)				
General Fund	13,982	13,982	0	13,982
Contingency	(9,302)	0	9,302	0
Total other financing sources (uses)	4,680	13,982	9,302	13,982
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	57,229	57,229	56,570
Fund balances, July 1	0	206,867	206,867	150,297
Fund balances, June 30	$ 0	$ 264,096	$ 264,096	$ 206,867

FRANKLIN COUNTY, GEORGIA
PUBLIC DEFENDER SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2009 and 2008

	2009	2008
ASSETS		
Intergovernmental receivable	$ 0	$ 27,360
LIABILITIES AND FUND BALANCES		
Liabilities		
Accrued salaries	$ 1,615	$ 1,500
Due to other funds	9,345	33,772
Total liabilities	10,960	35,272
Fund balances		
Unreserved	(10,960)	(7,912)
Total liabilities and fund balances	$ 0	$ 27,360

FRANKLIN COUNTY, GEORGIA
PUBLIC DEFENDER SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal year ended June 30, 2009
(with comparative actual amounts for the fiscal year ended June 30, 2008)

	2009			2008
	Final Budget	Actual	Variance	Actual
REVENUES				
Intergovernmental	$ 278,960	$ 228,879	$ (50,081)	$ 219,997
Other	0	10,000	10,000	0
Total revenues	278,960	238,879	(40,081)	219,997
EXPENDITURES				
Current				
Judicial				
Personal services	35,064	32,410	2,654	32,295
Contract services	231,896	262,116	(30,220)	233,714
Supplies and materials	12,000	11,517	483	12,638
Total expenditures	278,960	306,043	(27,083)	278,647
Excess (deficiency) of revenues over (under) expenditures	0	(67,164)	(67,164)	(58,650)
Other financing sources (uses)				
Transfers in (out)				
General Fund	0	64,116	64,116	60,066
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(3,048)	(3,048)	1,416
Fund balances, July 1	0	(7,912)	(7,912)	(9,328)
Fund balances, June 30	$ 0	$ (10,960)	$ (10,960)	$ (7,912)

FRANKLIN COUNTY, GEORGIA
PROBATION SERVICE SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2009 and 2008

	2009	2008
ASSETS		
Intergovernmental receivable	$ 28,344	$ 28,650
LIABILITIES AND FUND BALANCES		
Liabilities		
Accrued salaries	$ 22,060	$ 18,065
Due to other funds	91,717	30,458
Total liabilities	113,777	48,523
Fund balances		
Unreserved	(85,433)	(19,873)
Total liabilities and fund balances	$ 28,344	$ 28,650

FRANKLIN COUNTY, GEORGIA
PROBATION SERVICE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal year ended June 30, 2009
(with comparative actual amounts for the fiscal year ended June 30, 2008)

	2009			2008
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees and forfeitures	$ 444,577	$ 436,424	$ (8,153)	$ 459,939
Total revenues	444,577	436,424	(8,153)	459,939
EXPENDITURES				
Current				
Judicial				
Personal services	415,577	474,074	(58,497)	422,089
Contract services	20,500	16,787	3,713	14,069
Supplies and materials	8,500	11,123	(2,623)	13,008
Total expenditures	444,577	501,984	(57,407)	449,166
Excess (deficiency) of revenues over (under) expenditures	0	(65,560)	(65,560)	10,773
Fund balances, July 1	0	(19,873)	(19,873)	(30,646)
Fund balances, June 30	$ 0	$ (85,433)	$ (85,433)	$ (19,873)

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DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources and payment of general government long-term debt principal and interest from governmental resources.

FRANKLIN COUNTY, GEORGIA
DEBT SERVICE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2009 and 2008

	2009	2008
ASSETS		
Investments	$ 2,824,236	$ 2,775,000
Taxes receivable	273,100	668,215
Total assets	$ 3,097,336	$ 3,443,215
LIABILITIES AND FUND BALANCES		
Liabilities		
Due to other funds	$ 2,100	$ 2,100
Fund balances		
Unreserved	3,095,236	3,441,115
Total liabilties and fund balances	$ 3,097,336	$ 3,443,215

FRANKLIN COUNTY, GEORGIA
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal years ended June 30, 2009 and 2008

	2009			2008
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes	$ 3,500,000	$ 3,040,822	$ (459,178)	$ 3,642,459
Interest	0	8,353	8,353	49,130
Total revenues	3,500,000	3,049,175	(450,825)	3,691,589
EXPENDITURES				
Debt Service				
Principal	2,250,000	2,500,000	(250,000)	2,250,000
Interest and fiscal charges	583,750	514,600	69,150	585,850
Total expenditures	2,833,750	3,014,600	(180,850)	2,835,850
Excess (deficiency) of revenues over (under) expenditures	666,250	34,575	(631,675)	855,739
Other financing sources (uses)				
Transfers in (out)				
2004 SPLOST Fund	0	(380,454)	(380,454)	(612,912)
Contingency	(666,250)	0	666,250	0
Total other financing sources (uses)	(666,250)	(380,454)	285,796	(612,912)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(345,879)	(345,879)	242,827
Fund balances, July 1	0	3,441,115	3,441,115	3,198,288
Fund balances, June 30	$ 0	$ 3,095,236	$ 3,095,236	$ 3,441,115

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CAPITAL PROJECTS FUNDS

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of specifically planned projects (other than those financed by proprietary funds).

Special Purpose Local Option Sales Tax Fund – This fund is used to account for long-term projects financed by the passage of a special purpose local option sales tax.

2004 Special Purpose Local Option Sales Tax Fund – This fund is used to account for long-term projects financed by the passage of the 2004 special purpose local option sales tax.

FRANKLIN COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2009 and 2008

	2009	2008
ASSETS		
Cash and cash equivalents	$ 1,024,813	$ 1,170,113
Certificates of deposit	68,769	349,423
Interest receivable	277	18,021
Due from other funds	374,401	278,467
Total assets	$ 1,468,260	$ 1,816,024
LIABILITIES AND FUND BALANCES		
Liabilities		
Due to other funds	$ 0	$ 299,508
Fund balances		
Unreserved	1,468,260	1,516,516
Total liabilities and fund balances	$ 1,468,260	$ 1,816,024

FRANKLIN COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For the fiscal years ended June 30, 2009 and 2008

	2009	2008
REVENUES		
Intergovernmental	$ 0	$ 89
Interest	6,480	41,594
Total revenues	6,480	41,683
EXPENDITURES		
Capital outlay		
Public Safety		
Jail	47,391	0
Public Works		
Highways and Streets	4,040	0
Housing and Development		
Airport Authority - intergovernmental allocation	0	12,500
Industrial Building Authority - intergovernmental allocation	1,348	330,484
Total expenditures	52,779	342,984
Excess (deficiency) of revenues over (under) expenditures	(46,299)	(301,301)
Other financing sources (uses)		
Transfers in (out)		
Solid Waste Fund	(1,957)	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(48,256)	(301,301)
Fund balances, July 1	1,516,516	1,817,817
Fund balances, June 30	$ 1,468,260	$ 1,516,516

FRANKLIN COUNTY, GEORGIA
2004 SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2009 and 2008

	2009	2008
ASSETS		
Investments	$ 4,209,671	$ 4,306,227
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 22,471	$ 32,445
Due to other funds	368,726	276,367
Total liabilities	391,197	308,812
Fund balances		
Unreserved	3,818,474	3,997,415
Total liabilities and fund balances	$ 4,209,671	$ 4,306,227

FRANKLIN COUNTY, GEORGIA
2004 SPECIAL PURPOSE LOCAL OPTION SALES TAX
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For the fiscal years ended June 30, 2009 and 2008

	2009	2008
REVENUES		
Interest	$ 24,119	$ 215,315
Other	0	5,333
Total revenues	24,119	220,648
EXPENDITURES		
Capital outlay		
Public Safety		
Fire	0	54,770
Public Works		
Highways and Streets	142,613	274,848
Highways and Streets - intergovernmental allocation	47,626	518,089
Water - intergovernmental allocation	65,000	65,529
Total Public Works	255,239	858,466
Culture and Recreation		
Recreation	223,092	79,124
Recreation - intergovernmental allocation	1,200	60,000
Library - intergovernmental allocation	7,300	17,600
Total Culture and Recreation	231,592	156,724
Housing and Development		
Industrial Building Authority - intergovernmental allocation	0	1,967
Total expenditures	486,831	1,071,927
Excess (deficiency) of revenues over (under) expenditures	(462,712)	(851,279)
Other financing sources (uses)		
Transfers in (out)		
Debt Service Fund	380,454	612,912
General Fund	0	(5,333)
Water and Sewer Fund	(96,683)	(344,366)
Total other financing sources (uses)	283,771	263,213
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(178,941)	(588,066)
Fund balances, July 1	3,997,415	4,585,481
Fund balances, June 30	$ 3,818,474	$ 3,997,415

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ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The funds are self-supporting in nature where the costs, including depreciation, of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges.

Water and Sewer Fund - Used to account for activities connected with the development, operation and maintenance of water and sewer services in Franklin County.

Solid Waste Fund - Used to account for activities connected with the disposal of residential and commercial solid waste at the County's solid waste transfer station.

FRANKLIN COUNTY, GEORGIA
WATER AND SEWER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET ASSETS
June 30, 2009 and 2008

	2009	2008
ASSETS		
Current assets		
Cash and cash equivalents	$ 574,335	$ 458,118
Accounts receivable (net)	98,650	104,134
Inventory	1,067,064	179,823
Due from other funds	54	0
Total current assets	1,740,103	742,075
Restricted assets		
Construction Fund		
Certificates of deposit	2,069,069	3,002,834
Interest receivable	7,780	17,104
Total restricted assets	2,076,849	3,019,938
Capital assets		
Land	20,347	20,347
Water lines and towers	19,044,599	18,794,138
Buildings	5,400	5,400
Machinery and equipment	264,723	257,700
Vehicles	40,420	40,420
Construction in progress	143,319	143,319
Accumulated depreciation	(2,600,102)	(2,192,303)
Total capital assets (net of accumulated depreciation)	16,918,706	17,069,021
Other assets		
Debt issuance costs (net of accumulated amortization)	96,904	103,951
Total assets	20,832,562	20,934,985
LIABILITIES		
Current liabilities		
Payables		
Accounts	59,692	8,391
Intergovernmental	0	47,688
Interest	48,047	35,465
Accrued salaries	7,254	8,217
Compensated absences	7,154	5,940
Notes payable	129,326	129,326
Bonds payable	225,000	185,000
Due to other funds	1,060,470	1,060,468
Total current liabilities	1,536,943	1,480,495
Long-term liabilities		
Notes payable	1,648,912	1,778,238
Bonds payable	3,780,000	4,005,000
Total long-term liabilities	5,428,912	5,783,238
Total liabilities	6,965,855	7,263,733

FRANKLIN COUNTY, GEORGIA
WATER AND SEWER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET ASSETS
June 30, 2009 and 2008

	2009	2008
NET ASSETS		
Invested in capital assets, net of related debt	$ 13,204,537	$ 13,974,291
Restricted for restricted assets	7,780	17,104
Unrestricted	654,390	(320,143)
Total net assets	$ 13,866,707	$ 13,671,252

FRANKLIN COUNTY, GEORGIA
WATER AND SEWER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
For the fiscal years ended June 30, 2009 and 2008

	2009	2008
OPERATING REVENUES		
Charges for sales and services		
Water and sewer charges	$ 853,014	$ 867,039
Miscellaneous revenue	351	525
Total operating revenues	853,365	867,564
OPERATING EXPENSES		
Costs of sales and services	598,669	571,809
Personal services	80,822	76,415
Depreciation	407,799	402,133
Miscellaneous expenses	73,097	27,799
Total operating expenses	1,160,387	1,078,156
Operating income (loss)	(307,022)	(210,592)
Non-operating revenues (expenses)		
Interest revenue	94,290	31,184
Interest expense	(141,193)	(76,983)
Amortization expense	(7,048)	(3,702)
Total non-operating revenues (expenses)	(53,951)	(49,501)
Net income (loss) before transfers	(360,973)	(260,093)
Transfers in (out)		
General Fund	459,745	591,097
2004 SPLOST Fund	96,683	344,366
Total transfers	556,428	935,463
Change in net assets	195,455	675,370
Net assets, July 1	13,671,252	12,995,882
Net assets, June 30	$ 13,866,707	$ 13,671,252

FRANKLIN COUNTY, GEORGIA
WATER AND SEWER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2009 and 2008

	2009	2008
Cash flows from operating activities:		
Receipts from customers	$ 858,497	$ 850,958
Payments to suppliers	(1,482,296)	(438,302)
Payments to employees	(80,571)	(75,027)
Other receipts	350	525
Other payments	(73,097)	(27,799)
Net cash provided (used) by operating activities	(777,117)	310,355
Cash flows from non-capital financing activities:		
Receipts from other funds	459,693	591,097
Cash flows from capital and related financing activities:		
Receipts from other funds	96,683	344,366
Interest paid	(128,611)	(41,518)
Acquisition of capital assets	(257,484)	(1,453,712)
Issuance of bonds payable	0	4,190,000
Debt issue costs	0	(66,915)
Principal payment - bonds payable	(185,000)	0
Principal payment - notes payable	(129,326)	(1,257,263)
Net cash provided (used) by capital and related financing activities	(603,738)	1,714,958
Cash flows from investing activities:		
Interest received	103,614	14,080
Proceeds from sale of investments	3,002,834	0
Purchases of investments	(2,069,069)	(3,002,834)
Net cash provided (used) by investing activities	1,037,379	(2,988,754)
Net increase (decrease) in cash and cash equivalents	116,217	(372,344)
Cash and cash equivalents, July 1	458,118	830,462
Cash and cash equivalents, June 30	$ 574,335	$ 458,118
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ (307,022)	$ (210,592)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation expense	407,799	402,133
(Increase) decrease in accounts receivable	5,483	(16,081)
(Increase) decrease in inventory	(887,241)	107,866
Increase (decrease) in accounts payable	51,302	(22,047)
Increase (decrease) in intergovernmental payables	(47,688)	47,688
Increase (decrease) in accrued payroll liabilities	251	1,388
Total adjustments	(470,094)	520,947
Net cash provided (used) by operating activities	$ (777,116)	$ 310,355

FRANKLIN COUNTY, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET ASSETS
June 30, 2009 and 2008

	2009	2008
ASSETS		
Current assets		
Cash and cash equivalents	$ 193,719	$ 143,487
Due from other funds	0	4,105
Total current assets	193,719	147,592
Capital assets		
Land	378,976	378,976
Land improvements	29,382	29,382
Buildings	1,870,331	1,870,331
Machinery and equipment	170,951	170,951
Vehicles	228,489	228,489
Accumulated depreciation	(821,476)	(759,451)
Total capital assets (net of accumulated depreciation)	1,856,653	1,918,678
Total assets	2,050,372	2,066,270
LIABILITIES		
Liabilities		
Accounts payable	1,127	810
Accrued salaries	1,782	1,827
Compensated absences	3,457	4,384
Due to other funds	88,135	0
Total current liabilities	94,501	7,021
Long-term liabilities		
Closure/post-closure care	1,240,704	1,256,181
Total liabilities	1,335,205	1,263,202
NET ASSETS		
Invested in capital assets	1,856,653	1,918,678
Unrestricted	(1,141,486)	(1,115,610)
Total net assets	$ 715,167	$ 803,068

FRANKLIN COUNTY, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
For the fiscal years ended June 30, 2009 and 2008

	2009	2008
OPERATING REVENUES		
Charges for sales and services		
Landfill fees	$ 48,321	$ 63,622
Total operating revenues	48,321	63,622
OPERATING EXPENSES		
Costs of sales and services	31,367	1,404
Personal services	41,344	27,223
Depreciation	62,026	105,071
Miscellaneous expenses	1,513	763
Total operating expenses	136,250	134,461
Operating income (loss)	(87,929)	(70,839)
Non-operating revenues (expenses)		
Intergovernmental revenue	0	88,022
Interest revenue	1,911	6,228
Payments to other agencies	(3,840)	(5,760)
Total non-operating revenues (expenses)	(1,929)	88,490
Net income (loss) before transfers	(89,858)	17,651
Transfers in (out)		
SPLOST Fund	1,957	0
Change in net assets	(87,901)	17,651
Net assets, July 1	803,068	785,417
Net assets, June 30	$ 715,167	$ 803,068

FRANKLIN COUNTY, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2009 and 2008

	2009	2008
Cash flows from operating activities:		
Receipts from customers	$ 48,321	$ 63,622
Payments to suppliers	(31,050)	(31,308)
Payments to employees	(42,316)	(25,640)
Other payments	(1,513)	(763)
Net cash provided (used) by operating activities	(26,558)	5,911
Cash flows from non-capital financing activities:		
Receipts from other funds	4,105	8,867
Receipts from other agencies	0	88,022
Payments to other funds	90,092	(136,711)
Payments for post-closure costs of landfill	(15,478)	(20,500)
Payments to other agencies	(3,840)	(5,760)
Net cash provided (used) by non-capital financing activities	74,879	(66,082)
Cash flows from investing activities:		
Interest received	1,911	6,228
Net increase (decrease) in cash and cash equivalents	50,232	(53,943)
Cash and cash equivalents, July 1	143,487	197,430
Cash and cash equivalents, June 30	$ 193,719	$ 143,487
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ (87,929)	$ (70,839)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:		
Depreciation expense	62,026	105,071
Closure/postclosure care costs	0	(30,714)
Increase (decrease) in accounts payable	317	810
Increase (decrease) in accrued payroll liabilities	(972)	1,583
Total adjustments	61,371	76,750
Net cash provided (used) by operating activities	$ (26,558)	$ 5,911

AGENCY FUNDS

These funds are used to account for assets held by the County as an agent to be expended in accordance with the conditions of its agency capacity.

Tax Commissioner - This fund accounts for assets and related liabilities for the collection of taxes and tag and title fees.

Magistrate Court, Probate Court, and Clerk of Superior Court - These funds account for assets and related liabilities for the collection of court related fees.

Sheriff Department - This fund accounts for deposits held for incarcerated inmates.

FRANKLIN COUNTY, GEORGIA
AGENCY FUNDS
COMBINING BALANCE SHEET
June 30, 2009
(with comparative totals for June 30, 2008)

	Tax Commissioner	Magistrate Court
ASSETS		
Cash and cash equivalents	$ 12,760	$ 43,895
Accounts receivable (net)	0	64,948
Total assets	$ 12,760	$ 108,843
LIABILITIES		
Due to other agencies	$ 12,760	$ 108,843

Probate Court	Clerk of Superior Court	Sheriff Department	Totals 2009	Totals 2008
$ 100,601	$ 506,654	$ 2,304	$ 666,214	$ 987,966
323,424	67,919	0	456,291	441,882
$ 424,025	$ 574,573	$ 2,304	$ 1,122,505	$ 1,429,848
$ 424,025	$ 574,573	$ 2,304	$ 1,122,505	$ 1,429,848

FRANKLIN COUNTY, GEORGIA
AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the fiscal year ended June 30, 2009

	Balance, July 1	Additions	Deletions	Balance, June 30
TAX COMMISSIONER				
ASSETS				
Cash and cash equivalents	$ 9,796	$ 16,901,583	$ 16,898,619	$ 12,760
LIABILITIES				
Due to others	$ 9,796	$ 16,901,583	$ 16,898,619	$ 12,760
MAGISTRATE COURT				
ASSETS				
Cash and cash equivalents	$ 50,366	$ 270,729	$ 277,200	$ 43,895
Accounts receivable	64,740	11,224	11,016	64,948
Total assets	$ 115,106	$ 281,953	$ 288,216	$ 108,843
LIABILITIES				
Due to others	$ 115,106	$ 281,953	$ 288,216	$ 108,843
PROBATE COURT				
ASSETS				
Cash and cash equivalents	$ 80,886	$ 1,124,830	$ 1,105,115	$ 100,601
Accounts receivable	299,094	143,690	119,360	323,424
Total assets	$ 379,980	$ 1,268,520	$ 1,224,475	$ 424,025
LIABILITIES				
Due to others	$ 379,980	$ 1,268,520	$ 1,224,475	$ 424,025
CLERK OF SUPERIOR COURT				
ASSETS				
Cash and cash equivalents	$ 844,322	$ 1,129,925	$ 1,467,593	$ 506,654
Accounts receivable	78,048	40,406	50,535	67,919
Total assets	$ 922,370	$ 1,170,331	$ 1,518,128	$ 574,573
LIABILITIES				
Due to others	$ 922,370	$ 1,170,331	$ 1,518,128	$ 574,573
SHERIFF DEPARTMENT				
ASSETS				
Cash and cash equivalents	$ 2,596	$ 131,520	$ 131,812	$ 2,304
LIABILITIES				
Due to others	$ 2,596	$ 131,520	$ 131,812	$ 2,304
TOTALS ALL AGENCY FUNDS				
ASSETS				
Cash and cash equivalents	$ 987,966	$ 19,558,587	$ 19,880,339	$ 666,214
Accounts receivable	441,882	195,320	180,911	456,291
Total assets	$ 1,429,848	$ 19,753,907	$ 20,061,250	$ 1,122,505
LIABILITIES				
Due to others	$ 1,429,848	$ 19,753,907	$ 20,061,250	$ 1,122,505

COMPONENT UNITS

Recreation Department – This component unit is used to account for the County's operation of the recreation programs.

Industrial Building Authority – This component unit is used to account for the County's operation of economic development through recruitment and retention of industry.

FRANKLIN COUNTY, GEORGIA
RECREATION DEPARTMENT (A COMPONENT UNIT)
COMPARATIVE BALANCE SHEETS
June 30, 2009 and 2008

	2009	2008
ASSETS		
Cash and cash equivalents	$ 27,467	$ 34,117
LIABILITIES AND FUND BALANCES		
Fund balances		
Unreserved	$ 27,467	$ 34,117

FRANKLIN COUNTY, GEORGIA
RECREATION DEPARTMENT (A COMPONENT UNIT)
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2009
(with comparative actual amounts for the fiscal year ended June 30, 2008)

	2009			2008
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for sales and services	$ 129,500	$ 104,988	$ (24,512)	$ 102,601
Intergovernmental	209,110	222,001	12,891	228,323
Interest	500	105	(395)	118
Contributions	11,800	0	(11,800)	2,200
Total revenues	350,910	327,094	(23,816)	333,242
EXPENDITURES				
Current				
Culture and recreation				
Administrative services	270,350	262,323	8,027	267,112
Recreational services	80,560	71,421	9,139	63,928
Total expenditures	350,910	333,744	17,166	331,040
Excess (deficiency) of revenues over (under) expenditures	0	(6,650)	(6,650)	2,202
Fund balances, July 1	0	34,117	34,117	31,915
Fund balances, June 30	$ 0	$ 27,467	$ 27,467	$ 34,117

FRANKLIN COUNTY, GEORGIA
INDUSTRIAL BUILDING AUTHORITY (A COMPONENT UNIT)
COMPARATIVE BALANCE SHEETS
June 30, 2009 and 2008

	2009	2008
ASSETS		
Cash and cash equivalents	$ 85,583	$ 156,567
Certificates of deposit	150,000	0
Receivables (net)		
Accounts	26,769	27,763
Taxes	3,490	0
Interest	1,214	0
Other assets	10,000	0
Total assets	$ 277,056	$ 184,330
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 3,195	$ 0
Deferred revenue	1,811	0
Total liabilities	5,006	0
Fund balances		
Unreserved	272,050	184,330
Total liabilities and fund balances	$ 277,056	$ 184,330

FRANKLIN COUNTY, GEORGIA
INDUSTRIAL BUILDING AUTHORITY (A COMPONENT UNIT)
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2009
(with comparative actual amounts for the fiscal year ended June 30, 2008)

	2009			2008
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes	$ 85,555	$ 156,899	$ 71,344	$ 0
Intergovernmental	54,350	51,926	(2,424)	88,226
Interest	0	1,214	1,214	0
Other	0	9,099	9,099	1,322
Total revenues	139,905	219,138	79,233	89,548
EXPENDITURES				
Current				
Economic Development				
Personal services	85,291	80,383	4,908	72,916
Contract services	19,477	21,774	(2,297)	0
Supplies and materials	1,500	2,194	(694)	15,713
Capital outlay	44,688	1,679,702	(1,635,014)	2,700
Contingencies	1,368	0	1,368	0
Total expenditures	152,324	1,784,053	(1,631,729)	91,329
Excess (deficiency) of revenues over (under) expenditures	(12,419)	(1,564,915)	(1,552,496)	(1,781)
Other financing sources (uses)				
Proceeds from notes payable	0	1,652,635	1,652,635	0
Excess (deficiency of revenues and other financing sources over (under) expenditures and other financing uses	(12,419)	87,720	100,139	(1,781)
Fund balances, July 1	12,419	184,330	171,911	186,111
Fund balances, June 30	$ 0	$ 272,050	$ 272,050	$ 184,330

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OTHER REPORTING SECTION

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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

Honorable Chairman and Members
of the Board of Commissioners
Franklin County, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Franklin County, Georgia, as of and for the fiscal year ended June 30, 2009, which collectively comprise Franklin County, Georgia's basic financial statements and have issued our report thereon dated November 11, 2009. We did not audit the financial statements of the Franklin County Health Department, a component unit of Franklin County, Georgia. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion on the basic financial statements, insofar as it relates to the amounts included for the Franklin County Health Department, is based on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Franklin County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Franklin County's financial statements that is more than inconsequential will not be prevented or detected by Franklin County's internal control. We noted the following significant deficiencies in the internal control over financial reporting:

Comment 09-1

Condition: County personnel may require additional training in the application of generally accepted accounting principles and the preparation of financial statements. Currently, the County relies on the external auditors for technical assistance in applying generally accepted accounting principles and the preparation of the financial statements. This is common for governments of similar size and structure to Franklin County. Under current auditing standards, providing technical assistance does not impair the independence of the external auditor. However, changes to auditing standards by standards setting boards could state that providing technical assistance would impair the independence of the external auditor. This does not indicate that the County Clerk is not trained to perform the daily accounting functions, but that the County has elected as a cost benefit to outsource this expertise to their auditors.

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Comment 09-1, continued

Criteria: Effective internal control requires that the County accept responsibility and understanding of the audited financial report.

Effect: Failure to understand the financial statements may lead to material misstatements.

Recommendation: County personnel should continue to receive training in the identification and application of generally accepted accounting principles and the preparation of the County's financial statements.

Management Response: Management concurs with this finding. The Board of Commissioners and management have determined that personnel should receive training to the extent that is economically feasible and to continue to rely on the technical assistance of the external auditor or other qualified professional when necessary. This action was taken immediately upon receipt of the comment from our auditors.

Comment 09-2

Condition: While performing audit procedures on cash in the Probate Court, we noted that the Clerk of Court maintains the checkbook and reconciles the bank accounts.

Criteria: Generally accepted accounting principles require adequate segregation of duties in control over adjustments to the general ledger.

Effect: Failure to maintain adequate separation of duties subjects the assets of the County to greater risk of misappropriation.

Recommendation: The Probate Judge should review the bank statements to verify the appropriateness of all transactions and evidence his review by signature or initials.

Management Response: Management concurs with this finding. The Probate Judge will review the bank statements on a monthly basis. This action was implemented immediately upon receipt of the comment from our auditors.

Comment 09-3

Condition: While performing audit procedures on cash in the Sheriff's Department, we noted that the Chief Deputy maintains the accounting records, signs checks, makes deposits and reconciles the drug account and the bookkeeper maintains the accounting records, signs checks, makes deposits, and reconciles all other bank accounts.

Criteria: Generally accepted accounting principles require adequate segregation of duties in control over adjustments to the general ledger.

Effect: Failure to maintain adequate separation of duties subjects the assets of the County to greater risk of misappropriation.

Recommendation: The Sheriff or Chief Deputy should assume the responsibility of signing all checks and should review the bank statements to verify the appropriateness of all transactions and evidence the review by signature or initials. However, the Chief Deputy should not sign checks written out of the drug account. The Sheriff should review the drug account bank statements.

Management Response: Management concurs with this finding. The Sheriff will sign all checks and review the bank statements on a monthly basis. This action was implemented immediately upon receipt of the comment from our auditors.

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

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider item 09-3 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Franklin County, Georgia's basic 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 the following instances of noncompliance or other matters that are required to be reported under *Governmental Auditing Standards*:

Comment 09-4

Condition: The County experienced a material excess of expenditures over appropriations in the General Fund, Debt Service Fund and the Drug Enforcement, MANS Unit, Law Library, Public Defender, and Probation Services Special Revenue Funds.

Criteria: OCGA Code Section 36-81-3 requires local governments to operate under an approved annual budget for the General Fund, special revenue funds, and debt service funds.

Effect: Failure to maintain expenditures within the balanced budget for the General Fund will place the County in violation of state law.

Recommendation: Budget to actual comparisons should be periodically reviewed by County management and budgets amended as needed to ensure that the County remains in compliance with state law.

Management Response: Management concurs with this finding. The County Manager will be reviewing the budget to actual comparisons and recommend any necessary budget revisions to the Board of Commissioners. This action was implemented immediately upon receipt of the comment from our auditors.

We noted certain other matters involving the internal control over financial reporting that we have reported to management of Franklin County, Georgia, in a separate letter dated November 11, 2009.

Franklin County, Georgia's responses to the findings identified in our audit are described above. We did not audit Franklin County's responses and, accordingly, we express no opinion on them.

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

Rushton & Company

Certified Public Accountants

Gainesville, Georgia
November 11, 2009

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FRANKLIN COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2009

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Periods	Current Periods	Total
SPLOST II					
Franklin County					
Recreation facilities	$ 1,600,000	$ 1,505,138	$ 1,499,007	$ 0	$ 1,499,007
Fire equipment	1,140,800	1,073,160	1,082,900	0	1,082,900
Solid Waste improvements	1,120,000	1,053,593	967,878	1,957	969,835
Airport improvements	320,000	301,027	335,290	0	335,290
Construction and improvements of roads	3,824,000	3,597,268	3,658,928	4,040	3,662,968
Industrial development	1,120,000	1,053,593	1,067,334	1,348	1,068,682
Water expansion	4,400,000	4,139,115	5,850,086	0	5,850,086
Courthouse improvements	160,000	150,513	178,987	0	178,987
Jail improvements	160,000	150,513	7,275	47,391	54,666
City of Lavonia	590,400	555,394	555,395	0	555,395
City of Royston	665,200	625,759	625,760	0	625,760
City of Canon	299,866	282,087	281,787	0	281,787
City of Carnesville	299,867	282,087	282,087	0	282,087
City of Franklin Springs	299,867	282,087	282,086	0	282,086
Total SPLOST II	$ 16,000,000	$ 15,051,334	$ 16,674,800	$ 54,736	$ 16,729,536
SPLOST III					
Franklin County					
Recreation facilities	$ 1,620,000	$ 1,620,000	$ 1,181,180	$ 223,092	$ 1,404,272
Public Safety	1,400,000	1,400,000			
Emergency 911 equipment			381,467	0	381,467
Fire facilities and equipment			1,511,689	0	1,511,689
Airport improvements	360,000	360,000	350,108	0	350,108
Construction and improvements of roads	4,020,000	4,020,000	4,630,041	142,613	4,772,654
Industrial development	1,080,000	1,080,000	1,040,924	0	1,040,924
Water expansion	4,020,000	4,020,000	4,176,070	96,683	4,272,753
Courthouse improvements	180,000	180,000	460,579	0	460,579
Jail improvements	180,000	180,000	0	0	0
City of Lavonia	1,402,143	1,402,143	1,180,156	23,626	1,203,782
City of Royston	1,402,144	1,402,144	715,392	52,500	767,892
City of Canon	778,571	778,571	375,000	45,000	420,000
City of Carnesville	778,571	778,571	704,120	0	704,120
City of Franklin Springs	778,571	778,571	924,478	0	924,478
Total SPLOST III	$ 18,000,000	$ 18,000,000	$ 17,631,204	$ 583,514	$ 18,214,718

* Estimated cost represents the portion of these projects to be financed with Special Purpose Local Option Sales Tax. Actual costs that are in excess of these amounts have been financed through alternative funds.

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