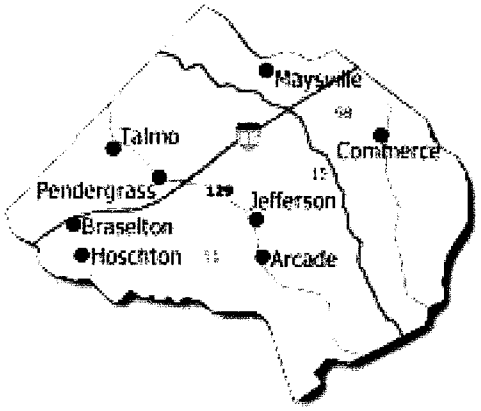
Comprehensive Annual Financial Report
Year Ended December 31, 2011
Jackson County, Georgia

"Jackson County...The Center of Opportunity"



Jackson County has truly been the "Center of Opportunity" as demonstrated by the many leading industries that have recently located or announced locations and plant expansions within several of the County's world-class industrial developments. These industries are leading to the creation of thousands of new jobs making Jackson County the State of Georgia leader in planned job creation for 2011. Through top-of-the-line infrastructure, an upgraded airport for executive access, and aggressive economic development leadership, Jackson County is poised to continue its success in economic development partnerships for its businesses and citizens to enjoy unsurpassed lifestyle and opportunity.

Prepared by: The Office of Financial Administration

JACKSON COUNTY, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED December 31, 2011

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JACKSON COUNTY
BOARD OF COMMISSIONERS

67 ATHENS STREET • JEFFERSON, GEORGIA 30549 • 706-367-6312

Hunter Bicknell
Chairman

Tom Crow
District 1

Chas Hardy
District 2

Bruce Yates
District 3

Dwain Smith
District 4

June 6, 2012

The Honorable Hunter Bicknell, Chairman,
Members of the Board of Commissioners, and
The Citizens of Jackson County Georgia

The Official Code of Georgia as Amended (OCGA) requires that county governments publish, within six months of the end of each of their fiscal years, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report (CAFR) of Jackson County, Georgia (the "County") for the fiscal year ended December 31, 2011.

This report consists of management's representation concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and responsibility of all the information presented in this CAFR. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the County's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the costs of internal controls should *not* outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this CAFR is complete and reliable in all material respects.

The County's financial statements have been audited by Bates, Carter & Co., LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the County for the fiscal year ended December 31, 2011 are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and, evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County's financial statements for the fiscal year ended December 31, 2011, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this CAFR.

As a recipient of federal and state financial assistance, the County is also responsible for ensuring that adequate internal controls are in place to assure compliance with applicable

laws and regulations related to those programs. Thus internal controls are subject to periodic evaluation by management.

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. In 2003, the County adopted the new reporting model required by GASB Statement No. 34 (GASB # 34). As part of the requirements contained in GASB # 34, management is to present a narrative introduction, overview and analysis to accompany the basic financial statements in the form of *Management's Discussion and Analysis* (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A is found directly following the independent auditor's opinion in the financial section of this CAFR.

Geographical and Economic Profile of the County

Jackson County is located on the upper fringes of the Piedmont Plateau in northeastern Georgia. The City of Jefferson serves as the County Seat, and is located approximately five miles off of U.S. Interstate Highway 85 (I-85). I-85 runs from southwest to northeast from Montgomery, Alabama to its confluence with I-95 in Richmond, Virginia. The City of Atlanta is less than one hour's travel time along I-85 from most sections of the County. Jefferson is about 20 miles from Athens, which is the home of the state's flagship institution of higher learning, the University of Georgia.

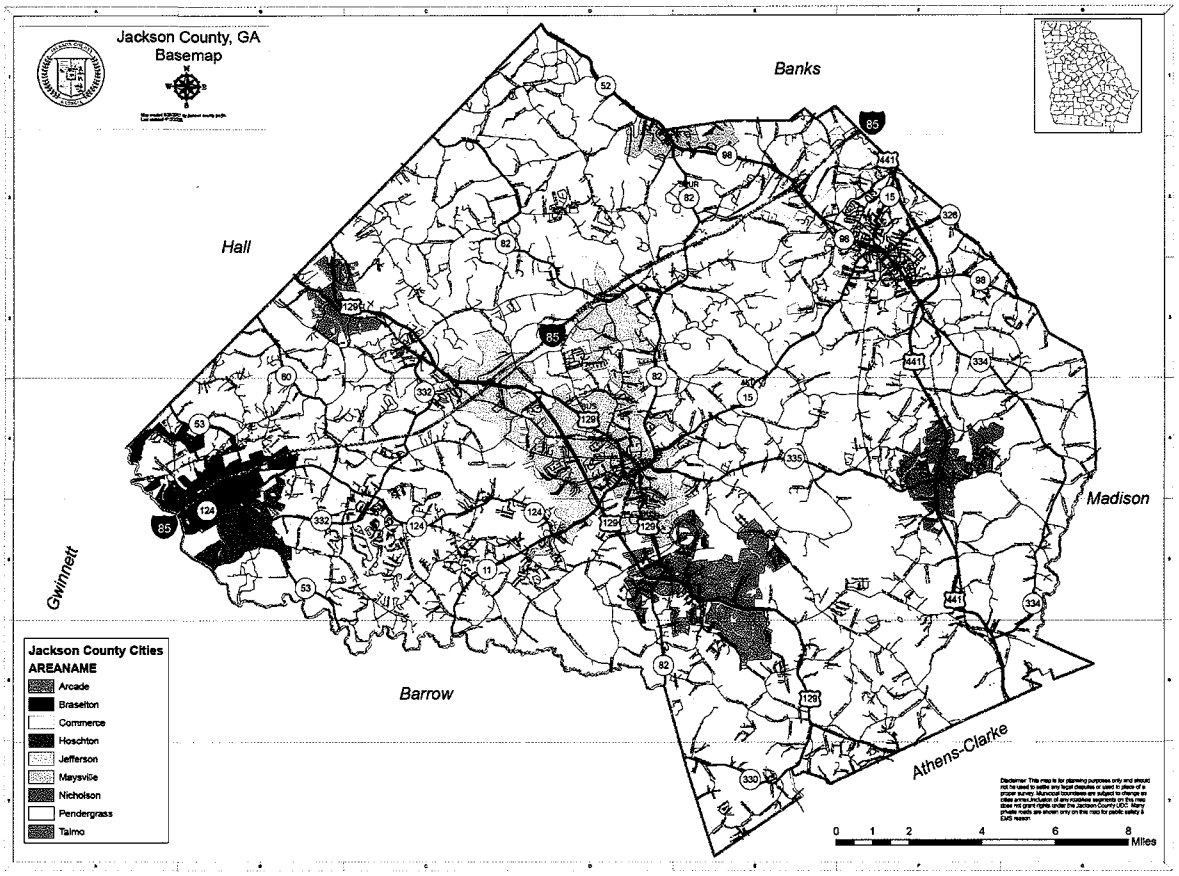
With the close proximity of I-85, and other major highways and railways, the County has become home to several large warehousing and manufacturing facilities and continues to attract quality economic development because of the location and available workforce. Among these businesses are Haverty's Furniture near Braselton, Toyota Industries of North America, Denso Corporation facilities near Pendergrass, and The Kubota Corporation near Jefferson. The City of Commerce has several major retail outlet malls along the I-85 corridor which provide employment and sales tax revenues to the County. U.S. Highway 441, which runs north and south from Knoxville, Tennessee to the state of Florida, also runs through Commerce, giving it ready access from virtually any point within the four-state area of Tennessee, North Carolina, South Carolina and Georgia. Commerce is served by the Norfolk Southern and CSX rail lines.

Despite the downturn in the economy, Jackson County has led the State of Georgia in economic growth in 2011 by announcing the creation of more private-sector jobs than any other county. Recently there have been several new construction and expansion of industrial projects in the county. Tiger Direct, a Systemax Company, recently opened a combination distribution center and retail outlet in Jefferson. The Aldi Corporation recently completed construction of a $40 million distribution center and has begun operations. Additionally, existing distribution centers have become home to more major national and international companies over the past year such as Safelite Auto Glass in Braselton. Perhaps the biggest announcements for future industrial development have come from Bed, Bath, & Beyond who will open an e-fulfillment center in Braselton, Kubota tractor manufacturer who will expand its operations with an $80 million facility improvement, and largest of all, Toyota Automotive Compressor Group who will create a $350 million plant expansion. In total, these three companies promise about 2,000 new jobs and a combined half billion dollars in new development. Highlighting the expanded job opportunities is the fact that 67% of new

economic development projects are in the manufacturing sector as opposed to 75-80% distribution just two years before. There are signs that the economic outlook for 2012 for industrial development is just as promising. Retail growth has been slow for Jackson County but the county did see some new retail establishments open last year such as the new CVS pharmacy in Jefferson. Most of the new retailers were small businesses not associated with major chains but were welcomed by the community as an integral part of the commercial/retail dynamic in the County. Jackson County has continued to sustain many of its locally-owned and national chain restaurants throughout 2011. There were less numbers of business closings and layoffs in the past year, and Jackson County still saw positive growth in terms of population and business. This trend is expected to continue in 2012.

The official 2010 Census places the growth rate at 45.4% since 2000 with an official population of 60,485. The official Census population estimate for Jackson County as of July 1, 2011 is 61,257. Despite this growth, the County has managed to balance a rural atmosphere with the suburban character of business and residential developments. Land use studies show the County's area is about 40% commercial, 40% residential and 20% agricultural. The County has been able to avoid some of the pitfalls of rapid growth through wise planning and management of its resources, although the fallout from the home building bust has left many subdivision developments incomplete. However, there continues to be constant and growing demands for additional County services, the County school system, as well as the City school systems of Commerce and Jefferson, which are acutely feeling the pains of growth even today. Highlighting this continued growth are improved housing market data and forecasts that show while growth remains slow, there is positive developed lot absorption and a decline in finished housing inventory.

The Jackson County Airport has now been upgraded to a Category Two Airport Facility to accommodate corporate and general aviation traffic as a boost to economic development. Construction has been completed on the main runway extension to 5,000 feet, which enables most corporate and private aircraft to use the facility. The runway extension project was completed in late 2009 with small peripheral improvements made during 2010. Throughout 2011 and moving into 2012, the airport is striving to improve services to match the demand required from the major expansion project. The Airport is less than five miles off of I-85 and is located near Jefferson. In addition, Atlanta's Hartsfield-Jackson International Airport, which serves virtually all major U.S. and international airlines, is within 1½ hours of the County.



Jackson County, Georgia

Municipalities of the County

The County has nine incorporated municipalities, which compose approximately 40% of the County's population according to the official 2010 U.S Census. The municipalities are Commerce (6,544), Jefferson (9,432), Arcade (1,786), Nicholson (1,696), Hoschton (1,377), Braselton (part) (1,763), Maysville (part) (872), Talmo (180) and Pendergrass (422). Parts of the Town of Braselton are located in four different counties, while parts of the City of Maysville are located in both Jackson and Banks Counties. The City of Commerce provides full municipal services including electricity, gas, fire, water and sewerage. Hoschton and Braselton offer water and sewerage services.

School Systems

The County has a county-wide school system as well as two city school systems. The Jackson County School System operates elementary and middle schools in various parts of the County, and two high schools, the Jackson County Comprehensive High School and the East Jackson High School. The Commerce City School System and the Jefferson City School System are operated as component units of their respective municipalities. The Jackson County School System is fiscally independent of the County BOC and, consequently, its financial statements are separately issued and are not included within the County's financial statements.

Form of Government

The County operates under the commission/manager form of government. Four members of the Board of Commissioners (BOC) are elected from geographically distinct, single-member districts, while the chairman is elected at-large county-wide. The members serve four-year staggered terms. The BOC hires a county manager to serve as the administrative head of the county government. The manager in turn hires department heads and managers to implement BOC policies and to operate the various functions of county government.

Every four years citizens of the County elect persons to serve the constitutional offices of sheriff, clerk of superior court, tax commissioner, and probate court judge. Other elected officials include the magistrate court judge, solicitor general, district attorney, superior court judges and the state court judge.

County Services

The County provides a full range of services including law enforcement; construction and maintenance of highways, streets, bridges and other infrastructure; emergency services; recreational and cultural activities, limited transportation, and solid waste disposal. Fire protection (outside the municipalities which have full-time fire departments) is provided by nine volunteer fire departments which levy property taxes within their districts to fund their operations. Water and sewer services outside of the municipalities (which offer such services) are provided by a legally separate Water and Sewer Authority which has been included as a component unit in the County's financial statements. The County is also financially accountable for a legally separate Health Department and a legally separate Airport Authority, both of which are reported as component units of the County. Additional information on these component units may be found in Note 1 in the notes to the financial statements.

Financial and Budgetary Matters

The County maintains budgetary controls to ensure compliance with state law. The level of budgetary control is at the department/fund level, i.e., expenditures may not exceed the total for any department within a fund. Transfers of appropriations within a department shall require only approval of the Finance Director. Transfers between or among departments or funds or an increase in the overall appropriation for a department or fund shall require the approval of the BOC in accordance with the enabling legislation. Department heads and management personnel are directed to operate within budgetary limits to avoid "emergency" situations which would require supplementary appropriations.

Annual budgets are adopted on a basis consistent with GAAP for the general, special revenue funds, and debt service fund, and are integrated into the general ledgers of such funds. Project length budgets are adopted for Capital Projects Funds. The County's proprietary fund, the Solid Waste Fund, is budgeted for management and control purposes. No budget is prepared for the Mayfield Treatment Plant Proprietary Fund. Departments prepare, in conjunction with the Finance Department, revenue and expenditure estimates, as well as capital needs. These

budget requests are then reviewed by the BOC and the proposed budgets are presented at a public hearing as required by state law.

Capital Projects Recently Completed and for the Future

On March 15, 2005, the voters of Jackson County approved the continuation of a six-year Special Purpose Local Option Sales Tax (SPLOST). The special purpose tax was imposed July 1, 2005 and expired June 30, 2011. The tax yielded more than $53.2 million over the six-year period. The Special Purpose Local Option Sales Tax (SPLOST) was passed, in part, to pay for the construction of a new County Jail and to complete the construction of new Health Department Facilities in the City of Commerce.

On November 2, 2010, the voters approved another continuation of the SPLOST, this being SPLOST V. This revenue accounts for the financial resources provided from a six-year, one-cent special purpose local option sales tax for the purpose of resurfacing, paving, widening and repairing certain roads and bridges; expansions, renovations, developments of parks and recreations facilities, construction of emergency services facilities and equipment, and debt reduction on bonds used to build a new jail. In addition, over $13.7 million in funds will be provided to the various cities within Jackson County. Jackson County's SPLOST #5 has been estimated to collect $7,920,000 per year or $47,520,000 over the six-year period beginning on July 1, 2011 and expiring on June 30, 2017.

Renovation of Historic Courthouse

The Board of Commissioners has appropriated $2,000,000 for the restoration and renovation of the Historic Jackson County Courthouse that was constructed in 1879. Primary funding for this project comes from the issuance of 2007 Series "A" Revenue Bonds. Repayment of principal and interest on these bonds is to be paid through the Debt Service Fund.

A committee of Jackson County citizens has been appointed by the Board to assist with the restoration effort. At the end of 2010, exterior construction was completed. Additional funding from a variety of sources including grants will be utilized to complete the interior. Barker, Cunningham, Barrington, PC Architects was hired to prepare the restoration/renovation plans for the exterior of the Historic Courthouse. Interior construction commenced at the end of 2011 and will continue through 2012.

Public Safety Training Facility

This project was financed with Special Purpose Local Option Sales Tax (SPLOST) funds and local funds. Phase two of a multi-phase, eight-acre public safety training center began with a groundbreaking on August 6, 2008. This project includes a Burn Building, a pumper test station and various training facilities to support other emergency services operations, including the Sheriff's Office, EMA, E-911 and Rescue. This project supports all 12 Fire Units in the county and will be rented out to any other fire departments needed this valuable training area. The project was completed for $5.4 million and occupied in September, 2009. In a cost-saving measure, during construction, the Board voted to scale back the driving area paving instead using a gravel surface saving approximately $380,000. During 2011, the

county completed the housing component of the pump testing station and began installation of lighting at the complex.

IW Davis Correctional Facility

In 2010, renovation work began on the vacant IW Davis Detention Center owned by the State of Georgia and leased to Jackson County for the purposes of an expanded and safer Correctional Institute. An additional 20 inmates were added to the facility to contribute to various work details around the county. Renovation work continued into 2011 with occupation occurring in January. The cost of the renovation was approximately $600,000.

450 MHz Emergency Communications Upgrade

This major emergency communications radio project was funded from the proceeds of the Series 2007A Revenue Bonds. There have been nine new tower sites added or upgraded to facilitate the 450 MHz capacity. This project allows for a much broader range of emergency responder communications while virtually eliminating the communications dead zones frequent throughout the county on the old system that dated back to the 1940's. The project is due for completion in the first quarter of 2012.

West Jackson Middle School Concession Stand & Restrooms

In 2011, design and construction was completed on the new West Jackson Middle School concession stand and restroom project as part of the Recreation SPLOST project list since the county's recreation department is the primary user of the school's ball fields. This project also added additional batting cages adjacent to the concession stand area. For 2012, this center will provide much needed new accommodations for sports programs on the west side of the county to relieve the new, but heavily used Hoschton Park and recently expanded West Jackson Park.

Other Notable Initiatives Within the County

- Issuer Credit Rating and Bonds: The County's general obligation bond rating has been recently reaffirmed by Moody's Investors Service at "Aa2" on its Series 2009 Bonds that were used to refund 5.4% of the Series 2008 Economic Development Bonds. According to Moody's, "The Aa2 rating reflects the County's solid funds balance levels. A sizeable tax base, and above average debt levels." Standard and Poor's most recent review of Issuer Credit Rating for Jackson County was upgraded to "AA-" from "A+" rating and stable outlook for the county.

- Information Technology: The Information Technology Department has completed an integrated computer intranet system. The purpose of this system is to provide high-speed reliable communications throughout all county offices. This will improve citizen services and provide a very wide bandwidth of capacity in order to move regular data, photographic data, and telephone services. Additionally, the network provides significantly higher levels of security and protection to governmental data and high security files and mail lists. In 2009, this infrastructure was expanded to the Public

Safety facilities including integration with the new Jail and Fire Training Facility. The IT infrastructure expansion continued to new facilities for 2011. As of the end of 2011 almost all county offices have been connected into one centralized fiber optic network.

- Roads Paved: There were over 22.86 miles of roads resurfaced in FY 2008 and in FY 2009 the department resurfaced 7.2 miles of roadway. For FY 2010 the department resurfaced 8.0 miles of roadway. In FY 2011 the county resurfaced approximately 7.0 roadway miles. In FY 2012 the county is expecting to resurface another 6.56 miles. Currently, the county has 582 miles of road, 445 paved miles and 137 gravel miles. The county continues a road-paving program utilizing a combination of State aid such as LMIG (when available) and SPLOST funds.

- Jackson County Airport: Received an AIRGeorgia grant for $1,615,940 to complete a 5,000 foot runway expansion in order to accommodate larger aircraft such as corporate jets. This $4.1 million project is imperative to sustain economic viability for Jackson County as corporate businesses are seeking out this area for their facilities. Plans have also been readied for the addition of parallel taxiway that is essential for improving safety during takeoff and landings. The runway expansion was completed in September, 2009 where it hosted its first corporate jet customer on opening day. The airport has continued to host many corporate jets throughout 2011 including many of the executives involved with the recent economic development initiatives.

- Senior Center: Received a $500,000 CDBG grant notification from Governor Sonny Perdue on August 15, 2008. These funds were used to expand the current Senior Center to accommodate the growth and demand for service. Work began on the expansion in the summer of 2009 with a completion of the center in January, 2011. This much needed project was complete and capitalized at a total cost of $1,075,327 during FY 2011.

- Sheriff's Department: The Jackson County Sheriff's Department began retrofitting patrol cars in 2009 with a propane conversion system primarily funded through a U.S. Department of Justice grant with the intentions of providing for greater energy efficiency and a cleaner-burning fuel. The program was fully implemented for FY2010 was shown to save the department about 50% of the cost for fuel compared to the prior year at 2009 level prices. In 2011 with dramatically increased fuel prices, the savings of propane have increased much more.

Debt Management

The County continues to monitor all outstanding bond issues and market conditions. As a result, the county, on occasion, avails itself of refunding opportunities. On March 22, 2011, the County issued $20,355,000 of Series 2011 General Obligation Bonds to provide funds to partially advance refund the County's contract payable for the City of Jefferson Series 2007A bonds related to the County jail project. Up to $23,747,657 of the proceeds from the Special Purpose Local Options Sales Tax (SPLOST V) effective July 1, 2011 have been pledged towards repayment of these bonds which bear interest rates from 2% to 5% and mature September 1, 2017. The refunding reduced the aggregate debt service payments by

$13,587,126 and resulted in an economic gain (the difference between the present value of the old and new debt service payments) of about $5,656,000.

Additionally, on November 30, 2011, Jackson County entered into a contract with the City of Jefferson Public Building Authority to fund repayment of an issue of $9,190,000 of Series 2011 bonds with issuance cost of $86,500 which mature April 1, 2024, and bear interest at 2.9%. These bonds were issued to partially refund Series 2003 Certificates of Participation (COPS) issued to finance the construction of a new courthouse facility. The refunding reduced the aggregate debt service payments by $2,434,396 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of approximately $270,787.

Lastly, the county is pursuing a partial refunding opportunity in connection with the Jackson County Industrial Development Authority Series 2004 Bonds. The refunding par amount is expected to be approximately $10,080,000 while the refunded bonds par amount is $8,840,000. The gross savings and present value savings are $480,267 and $476,186 respectively. This transaction is expected to close during June 2012.

Awards, Accomplishments and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its CAFR for the fiscal year ended December 31, 2010. This was the tenth consecutive year that the County has received this prestigious award. In order to be awarded the Certificate of Achievement, the County must publish an easily readable and efficiently organized CAFR which satisfies both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that this CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another Certificate of Achievement for the fiscal year ended December 31, 2011.

In addition, the County also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning January 1, 2011. In order to qualify for the Distinguished Budget Presentation Award, the County must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device. The County has received the Distinguished Budget Presentation Award for the budget years beginning January 1, 2002 through January 1, 2011.

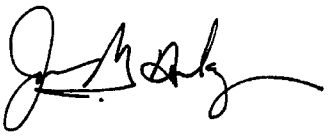
The preparation, design and publication of this CAFR represents a significant cooperative effort between the County's Finance Department and its independent auditor, Bates, Carter and Co., LLP, CPA's. A special thanks goes to the various County departments and their directors for their assistance and their cooperation in contributing to the preparation of this CAFR. We would be remiss in our duty if we did not recognize the professional efforts of the Finance Department staff, without their dedication and untiring efforts, the compilation of the CAFR would not have been possible.

Finally, and certainly not least, we wish to thank the members of the Board of Commissioners for their unfailing support for maintaining the highest professional expectations for the reports we produce, and for their continued support and direction in conducting the fiscal affairs of the County in a progressive and responsible manner.

Respectfully submitted,



Kevin C. Poe
County Manager



John G. Hulsey
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Jackson County Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to *government units and public employee retirement* systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



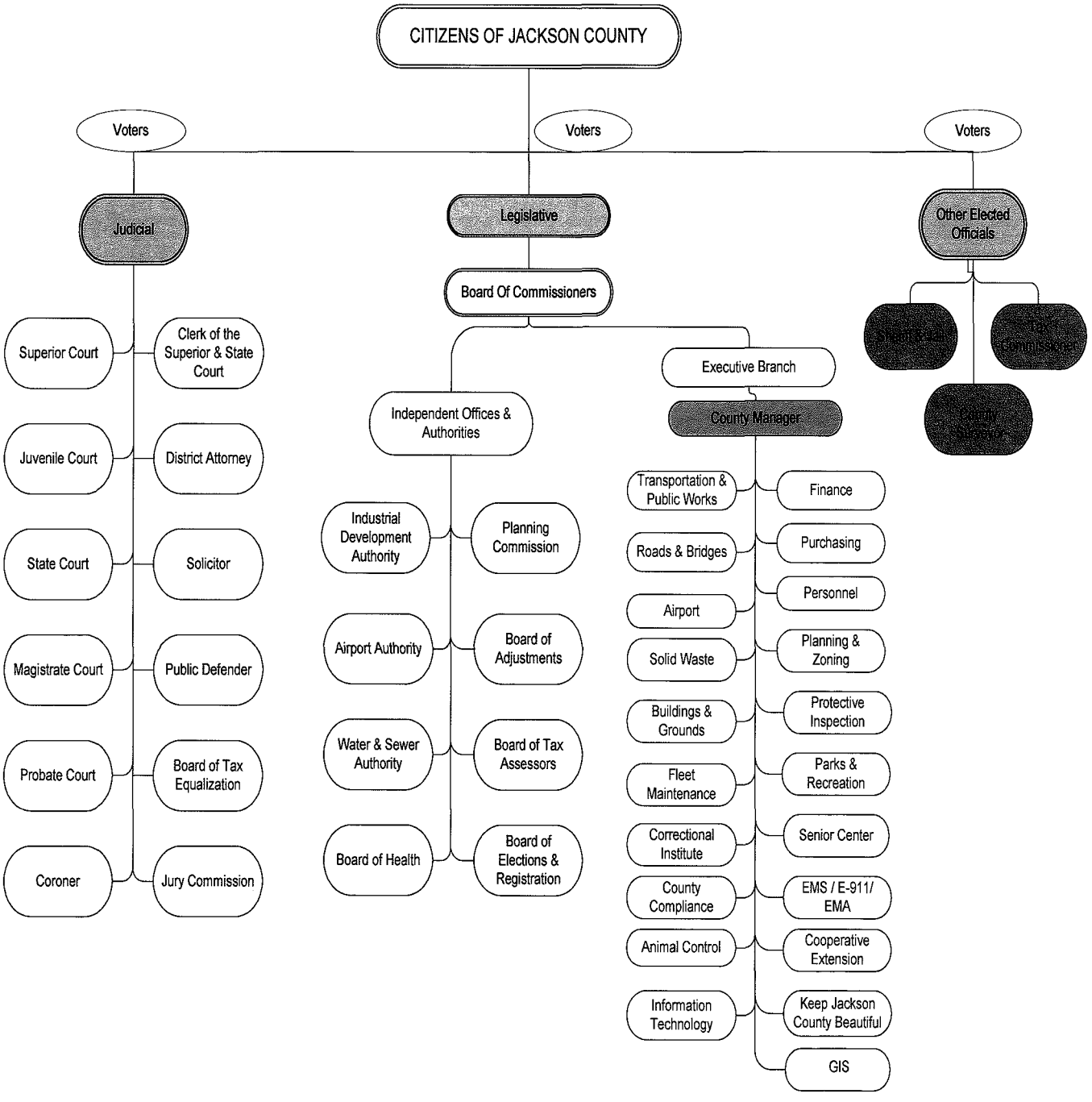
Linda C. Davidson

President

Jeffrey R. Esser

Executive Director

Jackson County Organizational Chart



Officials of

JACKSON County

Jackson County

BOARD OF COMMISSIONERS

COMMISSIONER	TERM
Hunter Bicknell – Chairperson	January 2009 – December 2012
Thomas Crow – District 1	January 2009 – December 2012
Chas Hardy – District 2	January 2009 – December 2012
Bruce Yates – District 3	January 2011 – December 2014
Dwain Smith – District 4	January 2011 – December 2014

ADMINISTRATION

Kevin Poe - County Manager

DEPARTMENT DIRECTORS

John Hulsey	**Finance**
Melanie Thomas	**Human Resources**
Len Bernat	**Purchasing**
Justin King	**Information Technology**
Ricky Sanders	**Parks & Recreation**
Gina Mitsdarffer	**Public Development**
Joel Logan	**GIS**
Steve Nichols	**Public Safety**
Valerie Thornton	**Interim Chief Tax Appraiser**
Tom Page	**Solid Waste**
Jeff Bridges	**Road Superintendent**
Johnny Weaver	**Correctional Institute**
Eugene Brogan	**Code Compliance**
Marty Rubio	**Maintenance Superintendent**
Donna Seagraves	**Public Defender**
Shirley Smith	**Senior Center**

JUDICIAL & OTHER ELECTED OFFICIALS

Camie Thomas	**Clerk of Court**
Brad Smith	**District Attorney**
Billy Chandler	**Magistrate Court Judge**
Margaret Deadwyler	**Probate Court Judge**
Stan Evans	**Sheriff**
Donald Moore	**Solicitor General**
Robert Alexander	**State Court Judge**
David Motes	**Superior Court Judge**
Penn McWhorter	***Superior Court Judge Emeritus***
Currie Mingledorff II	**Superior Court Judge**
Joseph Booth	**Superior Court Judge**
Don Elrod	**Tax Commissioner**
Keith Whitfield	**Coroner**

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WWW.BATESCARTER.COM

INDEPENDENT AUDITORS' REPORT

June 6, 2012

Board of Commissioners
JACKSON COUNTY, GEORGIA
Jefferson, 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 JACKSON COUNTY, GEORGIA, as of, and for the year ended December 31, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Board of Commissioners of JACKSON 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 Jackson County Health Department, a component unit of the County, as of and for the year then ended December 31, 2011, which statements reflect total assets of $754,582 as of December 31, 2011, and total revenues of $1,069,415, for the year then ended. 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 Jackson 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 the 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 JACKSON COUNTY, GEORGIA, as of December 31, 2011, and the respective changes in financial position, and where applicable, cash flows, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 6, 2012, on our consideration of JACKSON 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 considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, Schedule of Pension Funding Progress, Schedule of Other Post-Retirement Benefits Funding Progress, and the Budgetary Comparison Schedule-General Fund be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively compromise JACKSON COUNTY, GEORGIA's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, supplemental budgetary comparison schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the basic financial statements of JACKSON COUNTY, GEORGIA. The accompanying schedule of projects constructed with Special Sales Tax Proceeds is presented for purposes of additional analysis as required by Official Code of Georgia 48-8-12. The combining and individual nonmajor fund financial statements, supplemental budgetary comparison schedules, the schedule of expenditures of federal awards, and schedule of projects constructed with Special Sales Tax Proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying account and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Bates, Carter & Co, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Jackson County's Comprehensive Annual Financial Report provides readers with a narrative overview and analysis of the financial activities of Jackson County Government for the fiscal year that ended on December 31, 2011. We encourage readers to consider the information presented here in conjunction with the letter of transmittal at the front of this report, and the County's basic financial statements and notes to the financial statements, to enhance their understanding of the activities and financial health of Jackson County.

Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts. It should be read in conjunction with the Letter of Transmittal and the Basic Financial Statements.

FINANCIAL HIGHLIGHTS

The assets of Jackson County Government's Governmental Activities and Business Type Activities exceeded its liabilities at the close of the most recent fiscal year by $108.74 million. Of this amount, $6.95 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.

The primary government's total net assets decreased by $(3.33) million during 2011. Governmental activities' net assets decreased $(3.33) million during 2011. See Governmental-Wide Financial Analysis below for reasons for this change. Business-type activities' net assets increased by $- million during 2011. This is due to the fact that additional transfers were not needed from the general fund since the Solid Waste Disposal Facility Fund had positive net assets at the beginning of the year.

As of the close of the current fiscal year, the primary government's governmental funds reported combined ending fund balances of $38.65 million, a decrease of $(5.10) million in comparison with the prior year. This decrease is, in part, attributable to activity within the capital projects and SPLOST funds. These funds have project length budgets and as a result have years where expenditures exceed revenues. For example, proceeds from revenue bonds, to advance fund projects, have been recorded in previous fiscal years' and the related expenditures have been recorded in successive fiscal years.

Moreover, approximately 12.3% of the combined fund balances, $4.74 million, is considered unassigned and is available for spending at the government's discretion (unassigned fund balance).

At the end of the current fiscal year, unassigned fund balance for the general fund was $4.82 million or 18.33% of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four components: 1) management's discussion and analysis (this section), 2) basic financial statements, 3) required supplementary information, and 4) an optional section that presents combining statements for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of Jackson County Government:

Government-wide Financial Statements: The government-wide financial statements provide a broad overview of both long-term and short-term information about Jackson County Government's overall financial status in a manner similar to private-sector businesses. The statements include:

- A statement of net assets presents the County's total assets and total liabilities, with the difference between the two reported as net assets. Over time, the change in net assets is an indicator of the improvement (an increase) or deterioration (a decrease) in the County's financial condition. Additionally, when assessing the overall health of the County, consideration should be given to additional non-financial factors such as changes in the County's property tax base and the condition of the County's roads.

- A statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the aforementioned government-wide financial statements identify the various functions of Jackson County Government's operations that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of Jackson County, Georgia include general government, public safety, judicial system, public works, health and welfare, recreation and culture, and housing and development, and interest. The business-type activities of Jackson County, Georgia include the Solid Waste Disposal Facility and the Mayfield Treatment Plant.

The government-wide financial statements include not only Jackson County itself (known as the *primary government*), but also a legally separate health department, a legally separate airport authority, and a legally separate water and sewerage authority for which Jackson County is financially accountable. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 1 and 2 of this report.

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare 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 County's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Jackson County Government maintains seventeen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, special purpose local option sales tax fund (SPLOST), debt service fund, and capital projects fund, all of which are considered to be major funds. Data from the other twelve 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 elsewhere in this report.

Jackson County Government adopts an annual appropriated budget for its general fund, special revenue funds, and debt service fund. Project length budgets are adopted for the capital projects funds. A budgetary comparison schedule has been provided for the general fund, debt service fund and special revenue funds to demonstrate compliance with the annual appropriated budget.

The basic governmental fund financial statements can be found on pages 3- 6 of this report.

Proprietary Fund: Proprietary Fund statements offer short-term and long-term financial information about the two activities the County government operates similar to a private business, such as the Jackson County Solid Waste Disposal Facility and Mayfield Treatment Plant and internal services funds which provide services to other departments of governmental units within the County on a cost-reimbursement basis. Because the services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the solid waste disposal facility and for the Mayfield treatment plant operation, both of which are considered to be major funds of Jackson County. Conversely, the internal service fund is a single presentation in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 7-9 of this report.

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 statements because the resources of those funds are not available to support the County's own programs. Agency funds, a type of Fiduciary Fund, are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds. The County maintains the following Agency funds: Tax Commissioner, Clerk of Superior Court, Probate Court, Magistrate Court, Federal Equity Sharing, and Sheriff.

The basic fiduciary fund financial statement can be found on page 10 of this report.

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 13-59 of this report.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Jackson County Government's progress in funding its obligations to provide pension benefits to its employees and the budgetary comparison schedule for the General Fund.

Required supplementary information can be found on page 60-63 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 64-89 of this report.

Figure A-1 summarizes the major features of the Jackson County Government's financial statements, including the portion of the Government they cover and the types of information they contain.

Figure A-1
Major Features of Jackson County Government's Government-wide and Fund Financial Statements

		Fund Statements		
	Government-wide Statements	**Governmental Funds**	**Proprietary Funds**	**Fiduciary Funds**
Scope	Entire County government (except fiduciary funds) and the County's component units.	The activities of the county that are not proprietary or fiduciary in nature	Activities the County operates similar to private businesses: Solid Waste and Mayfield Treatment Plant	Where the County is the trustee or agent for someone else's resources, such as the retirement plan for County employees
Required financial statements	Statements of Net Assets; Statements of Activities	Balance Sheet: Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement of Net Assets; Statement of Net Revenues, Expenses, and Changes in Net Assets; Statement of Net Cash Flow	Statement of Fiduciary Net Assets; Statement of Changes in Fiduciary Net Assets
Accounting basis and measurement focus	Accrual accounting and economic resource focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic recourses focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term
Type of inflow/outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

GOVERNMENTAL-WIDE FINANCIAL ANALYSIS

The government-wide statements report information about Jackson County Government as a whole using accounting methods similar to those used by private sector companies.

Jackson County, on an entity-wide basis, decreased in net assets during 2011 by $(3.33) million, of which $(3.33) million was from governmental activities and $-million from business-type activities. At December 31, 2011, the County had $90.22 million invested in capital assets, net of related debt and accumulated depreciation and $11.6 million in restricted net assets. Unrestricted net assets as of December 31, 2011 equaled $6.95 million. The table below depicts the split of net assets between governmental and business-type activities.

The decrease in governmental activities net assets is, in part, primarily attributable to a decrease in both operating and capital grants and contributions. Specifically, donated infrastrustrure from developers decreased $(2) million from the prior year as result of slow economic growth. Other changes from the prior year include a $(1.1) million reduction related to the sale of the BJC Hospital to a private entity.

JACKSON COUNTY, GEORGIA'S NET ASSETS
DECEMBER 31, 2011
($ In thousands)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2011	2010	2011	2010	2011	2010
Assets						
Current and other assets	$ 77,045	$ 83,500	$ (1,502)	$ (1,288)	$ 75,543	$ 82,212
Capital assets (net of depreciation)	188,607	189,112	2,344	2,436	190,951	191,548
TOTAL ASSETS	265,652	272,612	842	1,148	266,494	273,760
Liabilities:						
Long-term liabilities outstanding	128,023	130,669	731	1,054	128,754	131,723
Other liabilities	28,891	29,878	106	89	28,997	29,967
TOTAL LIABILITIES	156,914	160,547	837	1,143	157,751	161,690
Net assets:						
Invested in capital assets, net of related debt	87,873	91,826	2,344	2,436	90,217	94,262
Restricted	11,579	11,084	-	-	11,579	11,084
Unrestricted	9,286	9,155	(2,339)	(2,431)	6,947	6,724
TOTAL NET ASSETS	$ 108,738	$ 112,065	$ 5	$ 5	$ 108,743	$ 112,070

Table may not add due to rounding

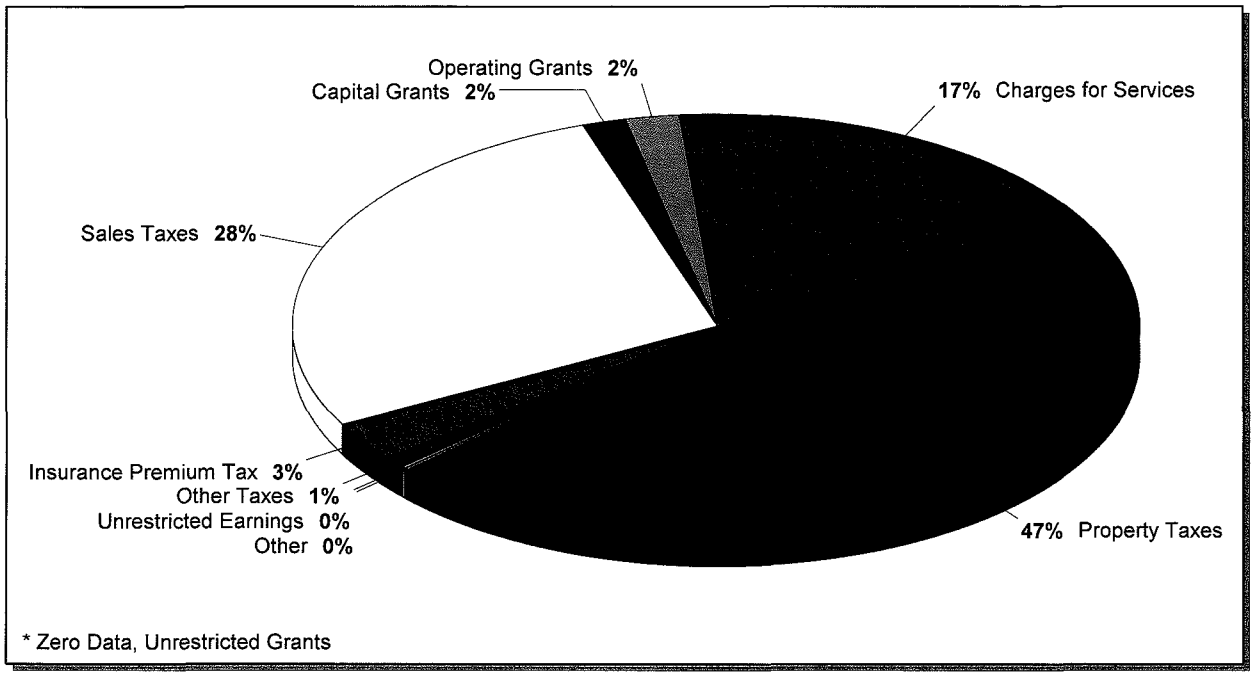
JACKSON COUNTY, GEORGIA'S CHANGES IN NET ASSETS
DECEMBER 31, 2011

($ In thousands)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
REVENUES						
Program revenues:	2011	2010	2011	2010	2011	2010
Charges for services	$ 8,835	$ 8,403	$ 1,020	$ 923	$ 9,855	$ 9,326
Operating grants and contributions	1,064	2,388	-	-	1,064	2,388
Capital grants and contributions	840	4,076	13	-	853	4,076
General Revenues:						
Property taxes	23,727	24,497	-	-	23,727	24,497
Sales taxes	13,947	13,772	-	-	13,947	13,772
Insurance premium tax	1,523	1,255	-	-	1,523	1,255
Other taxes	457	488	-	-	457	488
Unrestricted investment earnings	32	151	-	-	32	151
Other	87	183	-	-	87	183
TOTAL REVENUES	50,512	55,213	1,033	923	51,545	56,136
EXPENSES						
General Government	4,774	4,952	-	-	4,774	4,952
Judicial	3,679	3,516	-	-	3,679	3,516
Public safety	22,960	23,332	-	-	22,960	23,332
Public works	12,980	15,052	-	-	12,980	15,052
Health and welfare	1,088	1,172	-	-	1,088	1,172
Recreation and culture	2,038	1,634	-	-	2,038	1,634
Housing and development	1,039	1,329	-	-	1,039	1,329
Interest	5,034	4,554	-	-	5,034	4,554
Solid Waste Disposal Facility	-	-	1,273	1,416	1,273	1,416
Mayfield Treatment Plant	-	-	7	11	7	11
TOTAL EXPENSES	53,592	55,541	1,280	1,427	54,872	56,968
Increases in net assets before transfers	(3,080)	(328)	(247)	(504)	(3,327)	(832)
Transfers	(247)	(384)	247	384	-	-
Increase in net assets	(3,327)	(712)	-	(120)	(3,327)	(832)
Net assets, beginning of year	112,065	112,777	5	125	112,070	112,902
Net assets, end of year	$ 108,738	$ 112,065	$ 5	$ 5	$ 108,743	$ 112,070

Total government-wide revenues for 2011 were $51.55 million. These revenues consisted of $39.65 million in taxes, $1.92 million in grants and contributions, $0.03 million in investment earnings and $9.86 million in charges for services, and $0.09 million in other revenues. Of this amount, $50.51 million was in governmental activities and $1.03 million in business-type activities.

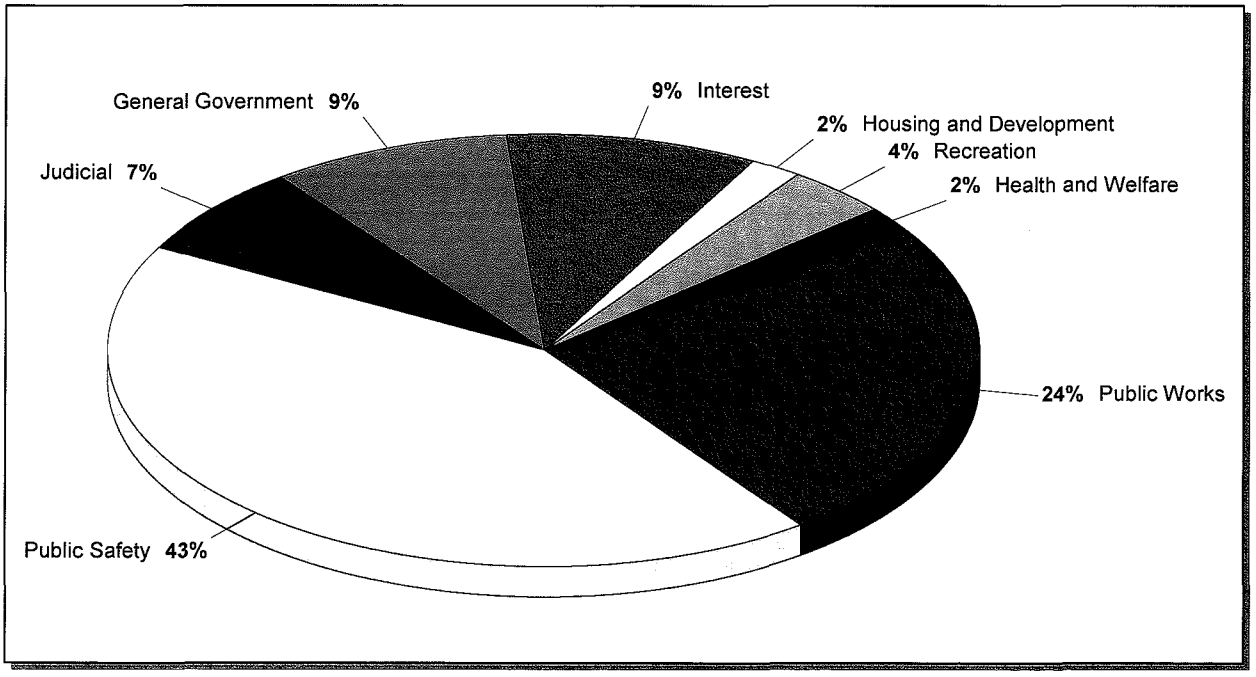
REVENUES BY SOURCE-GOVERNMENT-WIDE ACTIVITY



Note: Graph may not equal 100% due to rounding.

Government-wide expenses were $54.87 million for 2011, of which $53.59 million were for governmental activities and $1.28 million for business-type activities. The chart below depicts further detail of government-wide expenses.

EXPENSES BY FUNCTION-GOVERNMENT-WIDE ACTIVITY



Note: Graph may not equal 100% due to rounding.

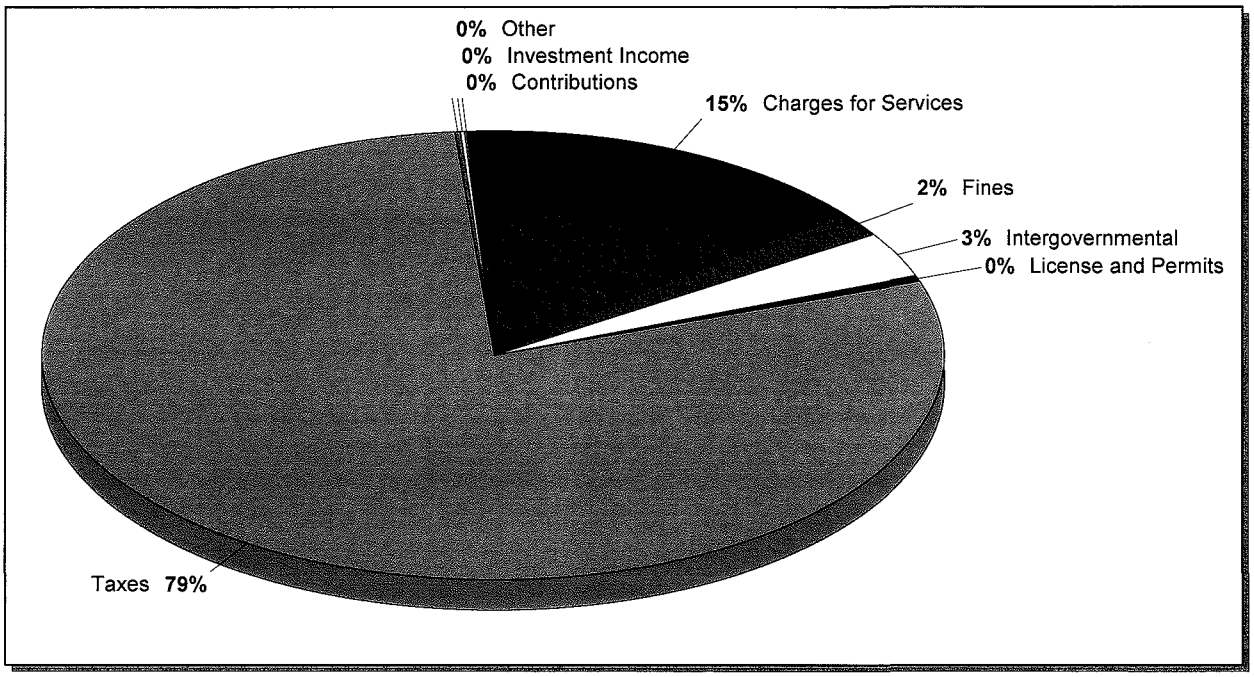
FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

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

Governmental revenues were down $(2.57) million from 2010. General Fund property taxes decreased $(0.77) million due to a decrease in the tax digest from the 2009 tax year to 2010 tax year. However, the millage rate was virtually unchanged from the prior year.

REVENUES BY SOURCE-GOVERNMENTAL FUNDS



Note: Graph may not equal 100% due to rounding.

The County's Local Option Sales Tax, the General Fund's second most significant revenue source, yielded $0.07 million more than in the prior year due to a slight economic recovery. The total amount of local option sales tax revenue was $5.36 million. The County currently shares two different 1% taxes on all sales within the County. The Local Option Sales Tax (LOST) is a direct offset to property taxes and is renewed every ten years with the municipalities of Arcade, Braselton, Commerce, Hoschton, Jefferson, Maysville, Nicholson, Pendergrass, and Talmo. The SPLOST Capital Projects fund accounts for the other sales tax which is a Special Purpose Local Option Sales Tax (SPLOST) authorized by voter referendum. The current SPLOST number four, effective for six years, was approved by the voters on March 15, 2005 with collections starting July 1, 2005. The SPLOST tax is for specific capital projects and constitutes a significant portion of Jackson County Government's ability to fund capital projects in the areas of water & sewerage, road & bridges, recreation, and fire training. A total of $5.24 million was expended during

2011 in the unincorporated areas for these capital projects; and $2.54 million was expended for projects in the incorporated areas at the direction of other governments.

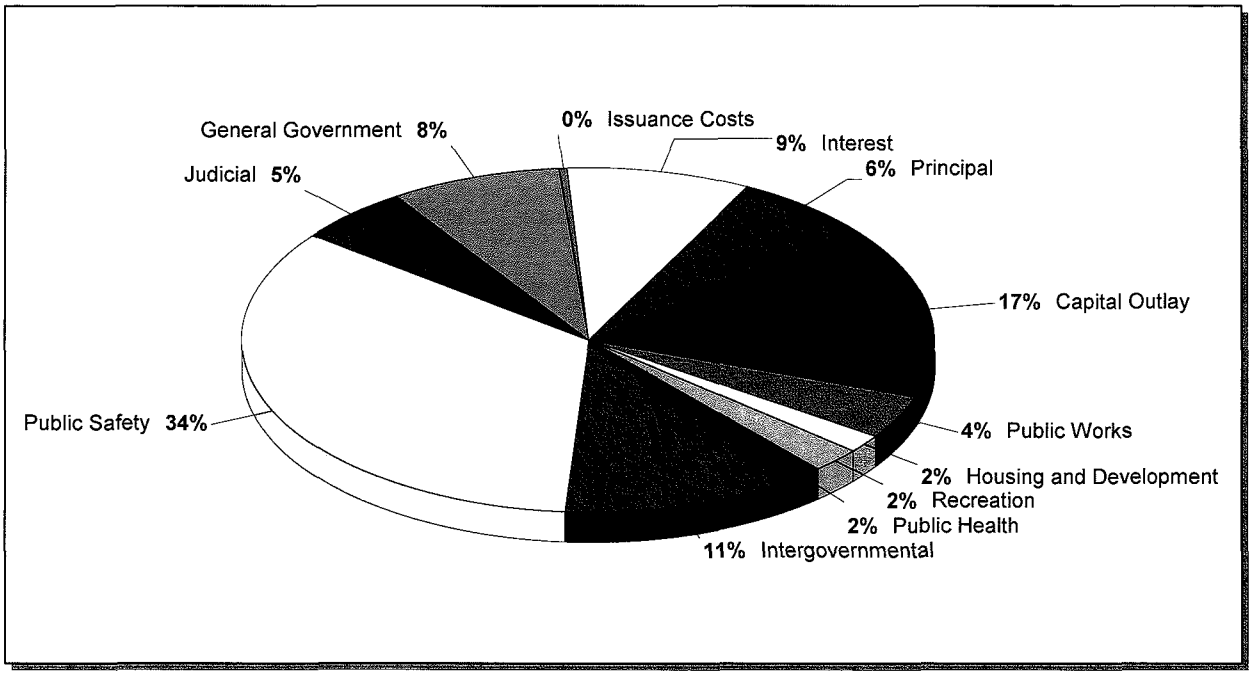
Other significant changes in revenues from the prior year include a $(1.1) million reduction in intergovernmental revenue of the Debt Service Fund. In the prior fiscal year, the Debt Service fund received $1.1 million related to the sale of the BJC Hospital to a private entity and the ending of the County's obligation to make payments on the debt of that hospital. The Capital projects fund had a decrease in revenue of $(.80) million. This primarily attributable to completion of the John B. Brooks Road Project, a joint city and county project, in the previous fiscal year. In the previous fiscal year, the County had received a $1.2 million reimbursement from the City of Jefferson that represented their share of the project costs. Investment income in the governmental funds decreased by $(.127) million due to reduced cash and investments as a result of spending bond proceeds issued in prior years as well as lower interest rates on the remaining investments.

Expenditures in the governmental funds were $57.82 million, down $(4.67) million from 2010. This decrease is primarily attributable to activities of the Debt Service and Capital Projects Funds. Expenditures of the Debt Service Fund are $(3.17) million less than in the previous fiscal year, Capital Project Fund expenditures are $2.49 million less than in the previous fiscal year.

In 2010, the County redeemed $15,595,000 of the Series 2008 economic development bonds, while in 2011 a partial refunding of the Series 2003 Certificates of Participation (COPS) and the County's contract payable for the City of Jefferson Series 2007A bonds related to the county jail project amounted to $30,763,646.

General Fund expenditures increased $.35 million from the previous fiscal year. This is primarily attributable to an increase in intergovernmental expenditures. The County transferred to the Jackson County Water and Sewerage Authority, a component unit, $.5 million for sewer debt obligations. Lastly, the other non-major governmental funds expenditures decreased $(1.1) million as a result of a decrease in capital outlay expenditures.

EXPENDITURES BY FUNCTION-GOVERNMENTAL FUNDS



Note: Graph may not equal 100% due to rounding.

After transfers, fund balances in the governmental funds had a decrease of $(5) million. This is primarily attributable to activities of the Capital Projects Fund. The Capital projects fund has a project length budget and therefore have revenues and expenditures that fluctuate from year to year. Typically, bond proceeds are recognized in on year and the expenditures occur in successive fiscal periods. This timing difference affects the fund balances shown in those funds.

The Capital Projects Fund had an decrease in fund balance of $(6.59) million. This decrease is attributable to on going capital projects, completed capital projects and the aforementioned refunding. During 2011, the county completed renovations to the Senior Center, completed housing for the Jackson County Fire Training Center Pump Testing Station, placed in service a propane fueling station, continued installation of a 450MHZ project to provide for improved public safety communications, and continued the design phase for a new EMS station for West Jackson County, Plainview, and Commerce. Additionally, the county continued an aggressive campaign to complete a number of infrastructure projects. These projects, as planned, are for the purpose of furthering commercial and industrial growth in the county's tax digest.

PROPRIETARY FUNDS: Jackson County Government's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The business-type activities of the Solid Waste Disposal Facility had revenues that increased by $100 thousand from the prior year, while expenses decreased by $27 thousand from 2010. There was no change from 2010 for the Mayfield Wastewater Treatment Plant fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget, the final budget and actual results are shown on pages 62-63. Over the course of the year, the Board of Commissioners revised the County's budget several times. The three primary reasons for amending the budget are:

- Carry-forwards from prior years unreserved fund balance to fund capital projects.
- Supplemental appropriations to increase revenue and expenditure accounts due to the receipt of unanticipated grant revenue.
- Increases in appropriations to prevent budget overruns and a violation of the state budget law.

Even with these adjustments, actual expenditures were $871,434 below final budget amounts. Resources available for appropriation at year end were $1,734,777 above final budget amounts.

The county prepares four interim financial reports throughout the year and apprises the Board of Commissioners of action needed to amend the county budget.

The final budget had anticipated nearly $1,874,597 of prior years' surplus to fund current activities; however, no reserves had to be used. This is primarily the result of the county divesting itself of heavy road equipment. The county realized other financing sources in the amount of $1.88 million from the sale of county property.

CAPITAL ASSET AND DEBT ADMINISTRATION

CAPITAL ASSETS: Jackson County's Government-wide investments in capital assets at December 31, 2011, were $190.95 million, net of $76.10 million in accumulated depreciation. This investment, which includes land, buildings, roads, bridges, machinery and equipment, park facilities and vehicles, is further explained in Note 6. Government-wide additions in 2011 were over $9.76 million, with $9.75 million in government-type activities and the residual in business-type activities.

Major capital asset activities in governmental type activities in 2011 were:

- Procurement of various vehicles and equipment and transfers in the amount of $1.36 million.

- Continued construction on a series of roads to further the County's economic development initiatives. Additions in the amount of $6.9 million were made in 2011 to roads, bridges, and other infrastructure including related land.

- Additions to construction in progress other than infrastructure in the amount of $1.33 million. These projects include South Jackson Fire Department land purchase, West Jackson EMS Station, Plainview EMS Station, Commerce EMS Station, renovations to the Jackson County Senior Center, Fire Training Center Lighting and housing for pump testing station, East Jackson Park Tennis Courts, Historic Courthouse interior renovations, and 450 MHZ communications project.

- $1.2M in projects were transferred out of construction in progress and capitalized during the year. These projects included the renovations to the Senior Center $1.07M and housing for Fire Training Center Pump Testing Station $.09M.

Long-term debt: Long-term debt increased as the result of additions by $28.52 million in 2011. However, the county retired $31.32 million in long-term debt. The new debt is primarily the result of $20.36 million of Series 2011 general obligation refunding bonds to provide funds to partially advance refund the County's contract payable for the City of Jefferson Series 2007A bonds related to the county jail project. Additionally, the County entered into a contract with the City of Jefferson Public Building Authority to fund repayment of an issue of $9.19 million of Series 2011 bonds. These bonds were issued to partially refund Series 2003 Certificates of Participation (COPS) issued to finance the construction of a new courthouse facility. Additional information on the county's debt is contained in Note 7.

In 2011, Standard and Poor's reviewed the Issuer Credit Rating for Jackson County, Georgia and upgraded the rating from "Aa2".

The aforementioned ratings reflect the county's favorable underlying credit characteristics, including a rapidly growing local economy that benefits from its proximity to the Atlanta metropolitan area, an improved financial position characterized by healthy reserve levels, a healthy and expanding tax base, a stable employment base with access to additional employment opportunities in the surrounding communities, and an above average debt burden.

ECONOMIC FACTORS AND THE 2012 BUDGET

The County's General Fund receives approximately $5.36 million or 15.48% of its revenues from the 1% local option sales and use tax; therefore, economic indicators are very important in forming the General Fund budget estimates. Given a suspect economy and declining disposable income as a result of increase petroleum prices, sales tax projections for 2012 remained rather conservative at $5.3 million.

Despite the downturn in the economy, Jackson County has led the State of Georgia in economic growth in 2011 by announcing the creation of more private-sector jobs than any other county. Recently there have been several new construction and expansion industrial projects in the county. To name a few, Tiger Direct, a Systemax Company, recently opened a combination distribution center and retail outlet in Jefferson. Also, the Aldi Corporation recently completed construction of a $40M distribution center and has begun operations. Bed, Bath, & Beyond will open an e-fulfillment center in Braselton and Kubota tractor manufacturer will expand its operations with an $80 million facility improvement. Lastly, Toyota Automotive Compressor Group has a $350 million planned plant expansion. It is expected that the investment in the community from these companies will create approximately 2,000 new jobs.

There are signs that the economic outlook for 2012 for industrial development is good. During the first quarter of 2012, the county responded to several potential economic development projects.

For 2012, Jackson County Government's Operating Budget showed a 1.8% decrease or $(.61) M decline in general fund revenues over the original budget for 2011. As a result, the county elected to assign fund balance in the amount of $2,217,396 to balance the budget.

The County's total number of employees for 2011 was 384, down 27 from 2010. The 2012 personnel count increased by 4 employees to a total of 388.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of Jackson County Government's finances for all those interested. Questions concerning any of the information provided in this report or requests

for additional information should be addressed to the County's Finance Director at 67 Athens Street, Jefferson, GA 30549.

JACKSON COUNTY, GEORGIA
STATEMENT OF NET ASSETS
December 31, 2011

	PRIMARY GOVERNMENT			
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
ASSETS				
Cash	$ 30,194,574	$ -	$ 30,194,574	$ 4,561,139
Investments	2,065,110	-	2,065,110	-
Capital lease receivable	-	91,525	91,525	-
Receivables (net of allowance for uncollectibles)	8,323,610	70,256	8,393,866	854,746
Internal balances	1,663,764	(1,663,764)	-	-
Due from component units	1,637,018	-	1,637,018	-
Inventories	147,646	-	147,646	85,791
Prepaid items	1,239,525	-	1,239,525	93,134
Restricted assets:				
Cash	18,844,195	-	18,844,195	2,230,262
Investments	2,948,298	-	2,948,298	-
Non-current assets:				
Receivables	7,783,617	-	7,783,617	-
Deferred charges	1,854,314	-	1,854,314	416,454
Net pension obligation	343,991	-	343,991	-
Capital assets:				
Capital assets not being depreciated	75,860,871	501,136	76,362,007	15,963,971
Capital assets being depreciated	188,540,787	2,143,779	190,684,566	120,619,600
Less: accumulated depreciation	(75,795,021)	(300,586)	(76,095,607)	(21,956,603)
Capital assets, net of depreciation	188,606,637	2,344,329	190,950,966	114,626,968
TOTAL ASSETS	265,652,299	842,346	266,494,645	122,868,494
LIABILITIES				
Accounts payable	2,960,866	106,522	3,067,388	329,220
Accrued interest payable	2,030,131	-	2,030,131	212,794
Other accrued items	310,123	-	310,123	18,339
Due to primary government	-	-	-	1,637,018
Unearned revenue	20,628,179	-	20,628,179	9,071,958
Amounts held in trust	2,961,887	-	2,961,887	71,602
Noncurrent liabilities:				
Due within one year				
Compensated absences payable	548,376	8,410	556,786	52,331
Accrued landfill closure / postclosure	-	52,970	52,970	-
Notes payable	26,346	72,723	99,069	207,870
Capital leases payable	1,182,362	-	1,182,362	-
General obligation bonds payable	840,058	-	840,058	-
Revenue bonds payable	-	-	-	1,119,747
Contracts payable	3,640,747	-	3,640,747	842,962
Due in more than one year				
Compensated absences payable	236,524	8,804	245,328	100,255
Accrued landfill closure / postclosure	-	569,550	569,550	-
Notes payable	112,127	18,802	130,929	1,610,806
Capital leases payable	14,856,934	-	14,856,934	-
General obligation bonds payable	17,947,027	-	17,947,027	-
Revenue bonds payable	-	-	-	15,420,536
Contracts payable	85,903,141	-	85,903,141	16,947,565
Net OPEB obligation	2,729,150	-	2,729,150	-
TOTAL LIABILITIES	156,913,978	837,781	157,751,759	47,643,003
NET ASSETS				
Invested in capital assets, net of related debt	87,872,888	2,344,329	90,217,217	78,290,664
Restricted for:				
Capital outlay projects	7,109,082	-	7,109,082	1,175,964
Debt service	1,024,998	-	1,024,998	845,709
Judicial programs	59,498	-	59,498	-
Public safety programs	3,385,605	-	3,385,605	-
Unrestricted	9,286,250	(2,339,764)	6,946,486	(5,086,846)
TOTAL NET ASSETS	$ 108,738,321	$ 4,565	$ 108,742,886	$ 75,225,491

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2011

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) AND CHANGES IN NET ASSETS: PRIMARY GOVERNMENT: GOVERNMENTAL ACTIVITIES	PRIMARY GOVERNMENT: BUSINESS-TYPE ACTIVITIES	PRIMARY GOVERNMENT: TOTAL	COMPONENT UNITS
PRIMARY GOVERNMENT								
GOVERNMENTAL ACTIVITIES								
General government	$ 4,774,374	$ 1,606,723	$ 143,849	$ -	$ (3,023,802)	$ -	$ (3,023,802)	$ -
Judicial	3,678,445	1,504,564	334,812	-	(1,839,069)	-	(1,839,069)	-
Public safety	22,959,989	5,028,766	310,370	129,050	(17,491,803)	-	(17,491,803)	-
Public works	12,979,900	16,543	-	686,367	(12,276,990)	-	(12,276,990)	-
Public health and welfare	1,088,442	25,252	269,591	-	(793,599)	-	(793,599)	-
Recreation and culture	2,038,287	443,507	-	24,839	(1,569,941)	-	(1,569,941)	-
Housing and development	1,038,844	209,612	5,400	-	(823,832)	-	(823,832)	-
Interest	5,034,036	-	-	-	(5,034,036)	-	(5,034,036)	-
Total Governmental Activities	53,592,317	8,834,967	1,064,022	840,256	(42,853,072)	-	(42,853,072)	-
BUSINESS-TYPE ACTIVITIES								
Solid waste/recycling	1,272,846	1,012,417	-	13,291	-	(247,138)	(247,138)	-
Mayfield Treatment Plant	7,324	7,324	-	-	-	-	-	-
Total Business-Type Activities	1,280,170	1,019,741	-	13,291	-	(247,138)	(247,138)	-
TOTAL PRIMARY GOVERNMENT	$ 54,872,487	$ 9,854,708	$ 1,064,022	$ 853,547	(42,853,072)	(247,138)	(43,100,210)	-
COMPONENT UNITS								
Health Department	$ 1,032,187	$ 315,808	$ 743,099	$ -	-	-	-	26,720
Water and Sewerage Authority	8,900,346	6,660,205	177,051	2,791,488	-	-	-	728,398
Airport Authority	671,620	316,765	87,962	1,843,734	-	-	-	1,576,841
TOTAL COMPONENT UNITS	$ 10,604,153	$ 7,292,778	$ 1,008,112	$ 4,635,222	-	-	-	2,331,959
GENERAL REVENUES								
Property taxes					23,726,515	-	23,726,515	-
Sales taxes					13,946,961	-	13,946,961	-
Insurance premium taxes					1,523,033	-	1,523,033	-
Real estate recording taxes					213,907	-	213,907	-
Other taxes					243,349	-	243,349	-
Total taxes					39,653,765	-	39,653,765	-
Unrestricted investment earnings					32,621	-	32,621	98,824
Gain on sale of capital assets					87,036	-	87,036	-
TRANSFERS					(247,138)	247,138	-	-
TOTAL GENERAL REVENUES AND TRANSFERS					39,526,284	247,138	39,773,422	98,824
CHANGES IN NET ASSETS					(3,326,788)	-	(3,326,788)	2,430,783
NET ASSETS, Beginning					112,065,109	4,565	112,069,674	72,813,527
PRIOR PERIOD ADJUSTMENT					-	-	-	(18,819)
NET ASSETS, Beginning as restated					112,065,109	4,565	112,069,674	72,794,708
NET ASSETS, Ending					$ 108,738,321	$ 4,565	$ 108,742,886	$ 75,225,491

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2011

ASSETS	GENERAL	DEBT SERVICE	SPLOST	CAPITAL PROJECTS	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Cash	$ 17,668,363	$ -	$ 7,107,247	$ -	$ 5,418,962	$ 30,194,572
Investments	2,065,110	-	-	-	-	2,065,110
Receivables (net of allowance for uncollectibles)	5,990,595	-	1,060,915	-	1,347,624	8,399,134
Interfund receivables	3,744,146	8,295	-	1,110,891	430,231	5,293,563
Due from component units	1,637,018	-	-	-	-	1,637,018
Prepaid items	950,839	-	7,500	-	281,188	1,239,527
Inventories	91,423	-	-	-	26,939	118,362
Restricted assets:						
Cash	966,377	-	686,600	17,191,218	-	18,844,195
Investments	-	-	-	2,948,298	-	2,948,298
TOTAL ASSETS	$ 33,113,871	$ 8,295	$ 8,862,262	$ 21,250,407	$ 7,504,944	$ 70,739,779
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	$ 307,214	$ 8,292	$ 1,056,580	$ 1,381,310	$ 184,799	$ 2,938,195
Other accrued items	291,911	-	-	-	18,212	310,123
Interfund payables	1,571,918	-	-	513,484	1,537,575	3,622,977
Deferred revenue	20,254,527	-	10,000	-	1,989,166	22,253,693
Amounts held in trust	13,590	-	-	2,948,298	-	2,961,888
TOTAL LIABILITIES	22,439,160	8,292	1,066,580	4,843,092	3,729,752	32,086,876
FUND BALANCES						
Nonspendable:						
Prepaid expenditure	950,839	-	7,500	-	281,188	1,239,527
Inventories	91,423	-	-	-	26,939	118,362
Long-term receivables	1,632,728	-	-	-	-	1,632,728
Restricted:						
Debt service	756,647	3	686,600	-	-	1,443,250
Capital outlay projects	209,729	-	7,101,582	16,407,315	-	23,718,626
Judicial programs	-	-	-	-	59,498	59,498
Public safety programs	-	-	-	-	3,153,006	3,153,006
Committed:						
Public safety programs	-	-	-	-	149,379	149,379
Health and welfare program	-	-	-	-	180,710	180,710
Assigned:						
General government programs	2,217,396	-	-	-	-	2,217,396
Unassigned:	4,815,949	-	-	-	(75,528)	4,740,421
TOTAL FUND BALANCES	10,674,711	3	7,795,682	16,407,315	3,775,192	38,652,903
TOTAL LIABILITIES AND FUND BALANCES	$ 33,113,871	$ 8,295	$ 8,862,262	$ 21,250,407	$ 7,504,944	$ 70,739,779

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS
For the Year Ended December 31, 2011

Total Fund Balances for Governmental Funds (page 3)		$ 38,652,903
Total net assets reported for governmental activities in the statement of net assets is different because:		
Capital assets used in the governmental activities are not financial resources and therefore are not reported in the funds.		188,606,637
Some assets are not available in the current period, and therefore, are not reported in the funds:		
Net pension obligation	343,991	
Deferred charge for issuance cost	1,854,314	
		2,198,305
Revenues in the statement of activities that do not provide current financial resources are reported as deferred revenues in the funds.		
Property Taxes	1,457,844	
Fines	167,670	
Contracts receivable City of Jefferson 2007B bonds	7,783,617	
		9,409,131
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General obligation bonds, net of premium and discounts	(18,787,085)	
Accrued interest	(2,030,131)	
Compensated absences	(784,900)	
Capital leases	(16,039,296)	
Notes payable	(138,473)	
Contracts payable	(89,543,888)	
Net OPEB obligation	(2,729,150)	
Internal loan	(75,734)	
		(130,128,657)
Rounding		2
Total net assets of governmental activities (page 1)		$ 108,738,321

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2011

	GENERAL	DEBT SERVICE	SPLOST	CAPITAL PROJECTS	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES						
Taxes	$ 28,985,643	$ -	$ 8,591,539	$ -	$ 2,061,440	$ 39,638,622
Licenses and permits	48,892	-	-	-	167,913	216,805
Intergovernmental	561,496	-	100,000	492,974	506,876	1,661,346
Fines and forfeitures	774,159	-	-	-	210,815	984,974
Charges for services	4,120,856	-	-	-	3,383,314	7,504,170
Contributions and donations	-	-	11,136	20,265	16,024	47,425
Investment income	23,501	-	3,533	1,919	7,201	36,154
Miscellaneous	106,270	-	3,750	31,451	14,316	155,787
TOTAL REVENUES	34,620,817	-	8,709,958	546,609	6,367,899	50,245,283
EXPENDITURES						
Current Expenditures						
General government	4,602,897	-	-	17,247	-	4,620,144
Judicial	3,017,578	-	-	-	19,585	3,037,163
Public safety	13,254,552	-	120,000	3,859	6,441,176	19,819,587
Public works	1,920,024	-	391,499	49,772	1,542	2,362,837
Public health and welfare	463,133	-	-	-	536,193	999,326
Recreation and culture	100,000	-	2,300	-	1,242,058	1,344,358
Housing and development	553,535	-	-	-	451,245	1,004,780
Intergovernmental	2,126,775	-	4,019,177	82,766	27,275	6,255,993
Capital outlay	258,025	-	1,128,360	7,793,010	381,674	9,561,069
Debt service						
Principal	-	2,556,898	659,958	-	395,032	3,611,888
Interest	-	3,444,563	1,473,463	-	38,765	4,956,791
Issuance costs	-	-	-	250,528	-	250,528
TOTAL EXPENDITURES	26,296,519	6,001,461	7,794,757	8,197,182	9,534,545	57,824,464
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER) EXPENDITURES	8,324,298	(6,001,461)	915,201	(7,650,573)	(3,166,646)	(7,579,181)
OTHER FINANCING SOURCES (USES)						
Sale of county property	1,885,624	-	-	11,397	7,338	1,904,359
Refunding bond proceeds	-	-	-	29,545,000	-	29,545,000
Payments to escrow agent	-	-	-	(30,763,646)	-	(30,763,646)
Premium on refunding bonds issued	-	-	-	1,214,075	-	1,214,075
Capital leases	-	-	-	823,157	-	823,157
Transfers in	113,326	6,001,464	-	348,455	3,114,102	9,577,347
Transfers out	(9,591,634)	-	-	(119,525)	(113,326)	(9,824,485)
TOTAL OTHER FINANCING SOURCES (USES)	(7,592,684)	6,001,464	-	1,058,913	3,008,114	2,475,807
NET CHANGE IN FUND BALANCES	731,614	3	915,201	(6,591,660)	(158,532)	(5,103,374)
FUND BALANCES, Beginning of year	9,943,097	-	6,880,481	22,998,975	3,933,724	43,756,277
FUND BALANCES, End of year	$ 10,674,711	$ 3	$ 7,795,682	$ 16,407,315	$ 3,775,192	$ 38,652,903

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2011

Net change in fund balances (page 5)		$ (5,103,374)
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 capital outlays exceeded depreciation in the current period.		
Capital outlays	9,561,069	
Depreciation expense	(7,548,109)	
		2,012,960
In the statement of activities, only the gain/loss on the sale of various capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the net book value of the capital assets sold.		
Net book value of capital assets sold	(2,710,370)	
		(2,710,370)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	1,457,844	
Donated assets	191,975	
Fines	167,670	
		1,817,489
Revenues reported in the funds that relate to prior years are not reported as revenue in the statement of activities.		
Property taxes	(1,442,698)	
Fines	(194,442)	
		(1,637,140)
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, where as these amounts are deferred and amortized in the statement of activities. This adjustment combines the net change of two balances.		
Proceeds from borrowing including premiums and discounts	(31,582,232)	
Principal payments on long-term debt, including payments to refunding escrow	34,375,534	
Bond issuance costs	250,528	
Amortization of bond premium, discounts and issuance cost	(295,456)	
Accrued interest on bonds, current year	(1,601,513)	
Accrued interest on bonds, prior year	1,817,777	
		2,964,638
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences, current year	(784,900)	
Compensated absences, prior year	748,591	
Net OPEB obligation, current year	(2,729,150)	
Net OPEB obligation, prior year	2,038,847	
		(726,612)
Net pension obligation is not available during the current period and therefore is not reported in the funds.		
Beginning of year	(290,319)	
End of year	343,991	
		53,672
Interest on Internal Loan reported in the funds and eliminated for governmental activities.		1,948
Rounding		1
Changes in net assets of governmental activities (page 2)		$ (3,326,788)

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
December 31, 2011

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITIES
	SOLID WASTE DISPOSAL FACILITY	MAYFIELD TREATMENT PLANT	TOTAL	INTERNAL SERVICE FUND FUEL DEPOT
ASSETS				
Current Assets				
Receivables (net of allowance for uncollectibles)	$ 70,256	$ -	$ 70,256	$ 209
Capital lease receivable	-	91,525	91,525	-
Interfund receivables	-	23,622	23,622	870
Inventories	-	-	-	29,284
TOTAL CURRENT ASSETS	70,256	115,147	185,403	30,363
Noncurrent Assets				
Capital assets				
Capital assets not being depreciated	501,136	-	501,136	-
Capital assets being depreciated	2,143,779	-	2,143,779	-
Less: accumulated depreciation	(300,586)	-	(300,586)	-
TOTAL CAPITAL ASSETS (NET OF ACCUMULATED DEPRECIATION)	2,344,329	-	2,344,329	-
TOTAL NONCURRENT ASSETS	2,344,329	-	2,344,329	-
TOTAL ASSETS	2,414,585	115,147	2,529,732	30,363
LIABILITIES				
Current Liabilities				
Accounts payable	87,465	19,057	106,522	22,671
Interfund payables	1,687,386	-	1,687,386	7,692
Compensated absences payable	8,410	-	8,410	-
Accrued landfill closure/postclosure	52,970	-	52,970	-
Notes payable	-	72,723	72,723	-
TOTAL CURRENT LIABILITIES	1,836,231	91,780	1,928,011	30,363
Noncurrent Liabilities				
Compensated absences payable	8,804	-	8,804	-
Accrued landfill closure/postclosure	569,550	-	569,550	-
Notes payable	-	18,802	18,802	-
TOTAL NONCURRENT LIABILITIES	578,354	18,802	597,156	-
TOTAL LIABILITIES	2,414,585	110,582	2,525,167	30,363
NET ASSETS				
Invested in capital assets	2,344,328	-	2,344,328	-
Unrestricted	(2,344,328)	4,565	(2,339,763)	-
TOTAL NET ASSETS	$ -	$ 4,565	$ 4,565	$ -

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the Year Ended December 31, 2011

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITIES
	SOLID WASTE DISPOSAL FACILITY	MAYFIELD TREATMENT PLANT	TOTAL	INTERNAL SERVICE FUND FUEL DEPOT
OPERATING REVENUES				
Charges for services	$ 1,012,417	$ 7,324	$ 1,019,741	$ -
Charges to other funds	-	-	-	659,058
Total Operating Revenues	1,012,417	7,324	1,019,741	659,058
OPERATING EXPENSES				
Salaries and benefits	268,369	-	268,369	-
Supplies	42,678	-	42,678	900
Other services and charges	22,075	-	22,075	1,695
Landfill closure/postclosure costs	(162,698)	-	(162,698)	-
Depreciation	93,943	-	93,943	-
Waste disposal fees	955,429	-	955,429	-
Professional fees	15,766	-	15,766	-
Repairs and maintenance	20,223	-	20,223	-
Utilities	17,061	-	17,061	-
Cost of goods sold	-	-	-	656,463
Total Operating Expenses	1,272,846	-	1,272,846	659,058
OPERATING INCOME (LOSS)	(260,429)	7,324	(253,105)	-
NONOPERATING REVENUES (EXPENSES)				
Interest expense	-	(7,324)	(7,324)	-
Total Nonoperating Revenues (Expenses)	-	(7,324)	(7,324)	-
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(260,429)	-	(260,429)	-
Capital grants	13,291	-	13,291	-
Transfer in	247,138	-	247,138	-
CHANGE IN NET ASSETS	-	-	-	-
TOTAL NET ASSETS, Beginning of year	-	4,565	4,565	-
TOTAL NET ASSETS, End of year	$ -	$ 4,565	$ 4,565	$ -

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2011

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITIES
	SOLID WASTE DISPOSAL FACILITY	MAYFIELD TREATMENT PLANT	TOTAL	INTERNAL SERVICE FUND FUEL DEPOT
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customer	$ 1,013,910	$ 7,324	$ 1,021,234	$ 5,909
Payments to suppliers	(999,177)	-	(999,177)	(664,967)
Payments to employees	(269,285)	-	(269,285)	-
Internal activity-payments from (to) other funds	-	-	-	659,058
Net cash provided by (used in) operating activities	(254,552)	7,324	(247,228)	-
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers in (out)	247,138	-	247,138	-
Principal payments on noncapital related debt	-	(68,905)	(68,905)	-
Interest expense on noncapital related debt	-	(7,324)	(7,324)	-
Net Cash provided (used) by non-capital financing activities	247,138	(76,229)	170,909	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(5,877)	-	(5,877)	-
Payments from other governments	13,291	-	13,291	-
Net cash provided (used) by capital and related financing activities	7,414	-	7,414	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Principal payments received on lease receivable	-	68,905	68,905	-
Net cash provided (used) by investing activities	-	68,905	68,905	-
Net increase (decrease) in cash and cash equivalents	-	-	-	-
CASH, Beginning of year	-	-	-	-
CASH, End of year	$ -	$ -	$ -	$ -
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	$ (260,429)	$ 7,324	$ (253,105)	$ -
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	93,943	-	93,943	-
(Increase) decrease in:				
Due from other governments	1,493	-	1,493	5,909
Other receivables	-	-	-	1,807
Increase (decrease) in:				
Compensated absences	20,415	-	20,415	3,822
Amounts held in trust	(916)	-	(916)	-
Other accrued items	(253,160)	-	(253,160)	-
Interfund balances	144,102	-	144,102	(11,538)
Net cash provided by (used in) operating activities	$ (254,552)	$ 7,324	$ (247,228)	$ -

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
December 31, 2011

ASSETS	AGENCY FUNDS
Cash	$ 2,535,954
TOTAL ASSETS	$ 2,535,954
LIABILITIES	
Amount held in trust	$ 2,535,954
TOTAL LIABILITIES	$ 2,535,954

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
COMPONENT UNITS
COMBINING STATEMENT OF NET ASSETS
December 31, 2011

	HEALTH DEPARTMENT	WATER AND SEWERAGE AUTHORITY	AIRPORT AUTHORITY	TOTAL
ASSETS				
Cash	$ 640,180	$ 3,822,682	$ 98,277	$ 4,561,139
Receivables (net of allowance for uncollectibles)	95,957	676,681	82,108	854,746
Inventories	-	64,852	20,939	85,791
Prepaid items	-	93,134	-	93,134
Restricted assets:				
Cash	-	2,230,262	-	2,230,262
Non-current assets:				
Deferred charges	-	390,228	26,226	416,454
Capital assets:				
Capital assets not being depreciated	-	5,320,549	10,643,422	15,963,971
Capital assets being depreciated	127,483	116,414,837	4,077,280	120,619,600
Less: accumulated depreciation	(109,038)	(20,556,209)	(1,291,356)	(21,956,603)
Capital assets, net of depreciation	18,445	101,179,177	13,429,346	114,626,968
TOTAL ASSETS	754,582	108,457,016	13,656,896	122,868,494
LIABILITIES				
Accounts payable	15,818	298,987	14,415	329,220
Accrued interest payable	-	208,589	4,205	212,794
Other accrued items	-	18,339	-	18,339
Due to primary government	-	4,290	1,632,728	1,637,018
Unearned revenue	-	9,071,433	525	9,071,958
Amounts held in trust	-	71,602	-	71,602
Noncurrent liabilities:				
Due within one year				
Compensated absences payable	24,819	27,512	-	52,331
Notes payable	-	22,870	185,000	207,870
Revenue bonds payable	-	1,119,747	-	1,119,747
Contracts payable	-	842,962	-	842,962
Due in more than one year				
Compensated absences payable	54,173	46,082	-	100,255
Notes payable	-	165,806	1,445,000	1,610,806
Revenue bonds payable	-	15,420,536	-	15,420,536
Contracts payable	-	16,947,565	-	16,947,565
TOTAL LIABILITIES	94,810	44,266,320	3,281,873	47,643,003
NET ASSETS				
Invested in capital assets, net of related debt	18,445	66,775,132	11,497,087	78,290,664
Restricted for:				
Capital outlay projects		1,175,964		1,175,964
Debt service		845,709		845,709
Unrestricted	641,327	(4,606,109)	(1,122,064)	(5,086,846)
TOTAL NET ASSETS	$ 659,772	$ 64,190,696	$ 10,375,023	$ 75,225,491

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2011

		.....PROGRAM REVENUES.....			....NET (EXPENSE) AND CHANGES IN NET ASSETS....			
FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	HEALTH DEPARTMENT	WATER AND SEWERAGE AUTHORITY	AIRPORT AUTHORITY	TOTAL
COMPONENT UNITS								
GOVERNMENTAL ACTIVITIES								
Health Department	$ 1,032,187	$ 315,808	$ 743,099	$ -	$ 26,720	$ -	$ -	$ 26,720
Water and Sewerage Authority	8,900,346	6,660,205	177,051	2,791,488	-	728,398	-	728,398
Airport Authority	671,620	316,765	87,962	1,843,734	-	-	1,576,841	1,576,841
TOTAL COMPONENT UNITS	$ 10,604,153	$ 7,292,778	$ 1,008,112	$ 4,635,222	26,720	728,398	1,576,841	2,331,959
GENERAL REVENUES								
Unrestricted investment earnings					10,508	88,241	75	98,824
TOTAL GENERAL REVENUES					10,508	88,241	75	98,824
CHANGES IN NET ASSETS					37,228	816,639	1,576,916	2,430,783
NET ASSETS, Beginning					641,363	63,374,057	8,798,107	72,813,527
PRIOR PERIOD ADJUSTMENT					(18,819)	-	-	(18,819)
NET ASSETS, Beginning as restated					622,544	63,374,057	8,798,107	72,794,708
NET ASSETS, Ending					$ 659,772	$ 64,190,696	$ 10,375,023	$ 75,225,491

The accompanying notes are an integral part of this statement.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(A) REPORTING ENTITY

The government is a political subdivision of the State of Georgia governed by a commission-manager form of government under which a five member Board of County Commissioners is elected to serve as the legislative body for the county. The commission chairman is elected at-large, while the remaining four commissioners are elected by geographical districts in which they reside. Elections for the district seats are staggered four year terms, so as to provide some continuity on the Board of Commissioners. In addition, there are four Constitutional Officers; the Clerk of Superior Court, Probate Court Judge, Sheriff, and Tax Commissioner. The Constitutional Officers are elected countywide. The Board of Commissioners approves all annual appropriations used by the respective Constitutional Officers. As required by generally accepted accounting principles, these financial statements present the government and its component units. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

The component unit columns in the combined financial statements include the financial data of the county's component units, which meet the criteria established by Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*. They are reported in separate columns to emphasize that they are legally separate from the county.

Brief descriptions of discretely presented component units follow:

JACKSON COUNTY AIRPORT AUTHORITY (airport authority): The airport authority operates the county's noncommercial airport facility. A five-member board governs the airport authority. The county appoints three members of the board, which represents a voting majority. The county also has the ability to impose its will on the authority as all amendments to the rules and regulations of the authority must be approved by the County Board of Commissioners. During fiscal year 2011, the airport authority received $87,962 from the County Board of Commissioners to subsidize annual operations and $16,781 for capital improvements..

JACKSON COUNTY HEALTH DEPARTMENT (health department): The health department is charged with determining the health needs and resources of its jurisdiction, developing programs, activities, and facilities responsive to those needs, and enforcing all laws related to health matters unless they fall under the jurisdiction of other agencies. The Jackson County Board of Health (board) governs the health department. The board includes seven members representing government, health professions, and the needy. The county appoints the voting majority of the board. Additionally, the health department is fiscally dependent on the county since it must have its

budget approved by the county. During fiscal year 2011, the health department received $275,784 from the County Board of Commissioners to subsidize annual operations. The health department has a June 30 fiscal year end.

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY (water authority): The water authority has five members appointed by the Board of Commissioners of Jackson County. A portion of special purpose sales tax funds is passed through to the water authority. The water authority was created for the purpose of acquiring, constructing, equipping, maintaining and operating adequate water supply, treatment and distribution facilities and sewerage collection, treatment and distribution facilities making such facilities and the services thereof available to public and private consumers and users located in the City of Jefferson, Jackson County and their environs, including municipalities within and without the County and to adjoining counties; extending and improving such facilities. During fiscal year 2011, the water authority received $2,775,588 from the County Board of Commissioners to subsidize annual operations and to make debt payments.

Complete financial statements may be obtained from the administrative offices at the following locations:

JACKSON COUNTY HEALTH DEPARTMENT
P O Box 260
Jefferson, Georgia 30549

JACKSON COUNTY WATER &
SEWERAGE AUTHORITY
P O Box 869
Jefferson, Georgia 30549

The JACKSON COUNTY AIRPORT AUTHORITY does not prepare separate financial statements.

(B) GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component 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 certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to 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.

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

(C) MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Neither fiduciary funds nor component units that are fiduciary in nature are included in the government-wide financial statements. Agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers property taxes as available if they are collected within 60 days of the end of the current fiscal year for which they are levied. Fines are considered available if they are collected within 60 days of the end of the current fiscal period. Other revenues susceptible to accrual are considered available if they are collected within 90 days of the end of the current fiscal period for which they are imposed. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales tax, franchise taxes, fines, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The *SPLOST Capital Projects Fund* accounts for funds received from the imposition of a local 1% voter approved sales tax reserved for construction of capital projects in the areas of water and sewerage improvements; roads, streets, bridges and sidewalks; parks and recreation; and public safety facilities.

The *Debt Service Fund* accounts for the servicing of general long-term debt associated with revenue bonds.

The *Capital Projects Fund* accounts for acquisition and construction of the County's capital assets.

The government reports the following major proprietary funds:

The *Solid Waste Disposal Facility Enterprise Fund* accounts for the activities of the County's solid waste transfer station.

The *Mayfield Treatment Plant Enterprise Fund* accounts for the operations of the Mayfield Wastewater Treatment Plant. However, the operation of this plant was transferred to the Jackson County Water and Sewerage Authority in the year 2000.

Additionally, the government reports the following fund types:

The *Fuel Depot Internal Service Fund* accounts for charges to other departments or agencies of the government for the purchase of fuel.

The *Agency Funds* are custodial in nature and do not represent 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 the Tax Commissioner, Clerk of Court, Probate Court, Magistrate Court, Federal Equity Sharing, and Sheriff holds for others in an agency capacity.

For their business-type activities and enterprise funds, the government has elected not to follow Financial Accounting Standards Board (FASB) statements and interpretation issued prior to December 1, 1989.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are interfund services provided and used are not eliminated in the process of consolidation. Elimination of these charges would distort the direct costs and program revenues for the various functions concerned.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues for the Solid Waste Disposal Facility enterprise fund and the Mayfield Treatment Plant enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds and internal service 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 nonoperating revenues and expenses.

(D) ASSETS, LIABILITIES AND NET ASSETS OR EQUITY

1. Deposits and Investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are recorded as fair value based on quoted market prices as of the balance sheet date. Increases or decreases in fair value during the year are recognized as part of investment income.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "interfund receivables/payables." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance of uncollectibles.

Property taxes attach as an enforceable lien on property as of January 1. Taxes are normally levied by October 20th of each year. The 2011 property taxes were levied October 20, 2011 and were due December 20, 2011. The taxes are subject to lien after March 20, 2012. Interest and penalties are assessed on taxes not paid by this date.

The County's property taxes were levied on the assessed values of all real and personal property including mobile homes and motor vehicles located in the County.

The County bills and collects its own property taxes and also those for the School Board and the fire districts. Only the County's tax levy is recognized as revenue when levied and uncollected taxes are recorded as deferred revenue in the general fund and fire districts special revenue funds.

3. Inventories and Prepaid Items

Inventories, consisting of expendable supplies, not held for resale are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

4. Restricted Assets

Certain proceeds of the County's capital leases or debt issues are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable lease or debt agreements.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, culverts, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Roads, bridges and culverts acquired prior to January 1, 2003 have been reported.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the assets constructed. No interest was capitalized during 2011.

Property, plant and equipment are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	50
Computers and peripherals	3
Infrastructure	20
Machinery and equipment	10
Nonstructural improvements	10
Vehicles	3-5
Water and Sewer lines	50
Sewer treatment plant	50
Water treatment plant	20

6. Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. In accordance with the provisions of Statement of Governmental Accounting Standards No. 16, "Accounting for Compensated Absences," no liability is reported for unpaid accumulated sick leave because the benefits are paid only upon illness of an employee, and the amount of such payments cannot be reasonably estimated. All vacation pay is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

7. 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, or proprietary fund type statement of net assets.

8. Fund Equity/Net Assets

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

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

- *Nonspendable* - Fund balances are reported as nonspendable when the amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash like inventories and prepaid items) or (b) legally or contractually required to be maintained intact.
- *Restricted* - Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- *Committed* - Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners through the adoption of a resolution prior to the end of the fiscal year. In order to modify or rescind the commitment, the Board of Commissioners must adopt another resolution.
- *Assigned* - Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board of Commissioners has authorized the County's finance director to assign fund balances.
- *Unassigned* - Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all other governmental funds.

Net Assets - Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any debt used for the acquisition, construction, or improvement of those assets. In determining the outstanding balance of any borrowing, proceeds of that debt which has not been spent is deducted. Accounts payable for costs related to acquisition, construction, or improvement of those capital assets is considered debt for this calculation. Net assets are reported as restricted as described in the fund balance section above. All other net assets are reported as unrestricted.

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

9. Invested in Capital Assets, Net of Related Debt

The "invested in capital assets, net of related debt" reported on the government-wide statement of net assets as of December 31, 2011 are as follows:

Invested in capital assets, net of related debt:	Governmental Activities	Component Unit Airport Authority
Cost of capital assets	$ 264,401,658	$ 14,720,702
Accumulated depreciation	(75,795,021)	(1,291,356)
Book value	188,606,637	13,429,346
Capital related debt	(117,015,269)	(1,630,000)
Unspent construction proceeds	16,281,520	-
Accounts payable related to capital assets	-	(302,259)
Invested in capital assets, net of related debt	$ 87,872,888	$ 11,497,087

10. Management Estimates

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

NOTE 2 - FUND BALANCE/NET ASSETS

The government-wide statement of net assets reports $11,579,183 of restricted net assets, of which $2,220,019 is restricted by enabling legislation.

Additional details related to fund balances at the governmental fund level are presented below:

Restricted:

General Fund	
Debt service - For unspent funds from bond issues and funds paid into bond sinking funds for future debt payments restricted by creditors	$ 756,647
Capital outlay projects - For unspent funds from capital leases and other debt	209,729
Debt Service Fund	
Debt service - For unspent funds from bond issues and funds paid into bond sinking funds for future debt payments restricted by creditors	3
SPLOST Fund	
Debt service - For unspent funds from bond issues and funds paid into bond sinking funds for future debt payments restricted by creditors	686,600

Capital outlay projects - For funds received from the imposition of the Special Purpose Local Option Sales Tax (SPLOST) restricted by the voter approved referendum	7,101,582
Capital Projects Fund	
Capital outlay projects - For funds received from issuance of bonds that has not been spent	16,407,315
Nonmajor Special Revenue Funds	
Judicial programs	
Law Library - Used to account for surcharges on fines and forfeitures which are for the operation of the County Law Library and other general expenditures as decided by the trustees of that library	59,498
Public Safety programs -	
Fire District Fund - For funds restricted for fire services from a separate tax levy	2,008,923
Emergency E911 Telephone Services Fund - For fund to operate the E911 center as restricted by the OCGA-46-5	395,340
Jail Fund - To account for funds received from surcharges on fines and forfeitures restricted for operation of the county jail	630,002
Drug Enforcement - to account for funds collected from fines and forfeitures to be used for drug abuse, treatment and education programs	118,741
Total Restricted Fund Balance	$ 28,374,380
Committed:	
Nonmajor Special Revenue Funds	
Public Safety programs -	
Emergency Management/Rescue Services - Used to account for funds received from state grants, donations from the general public, and transfers from the general fund for these services	$ 149,379
Health and Welfare Programs -	
Senior Center - to account for grants, fees charged to users of services as well as transfers from the General Fund for the operation of the County Senior Center	180,710
Total Committed Fund Balance	$ 330,089
Assigned:	
General Fund	
Appropriated as a resource in next year's budget	$ 2,217,396

NOTE 3 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

(A) BUDGETARY INFORMATION

Annual appropriated budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, all Special Revenue Funds, and Debt Service Fund. Project length budgets are adopted for the Capital Projects Funds. Annual operating budgets are prepared for each Enterprise and Internal Service Fund for planning, control, cost allocation and evaluation purposes. All annual appropriations lapse at fiscal year end.

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

In the summer of each year, all agencies of the government submit requests for appropriation to the Finance Director so that a budget may be prepared. The budget is prepared by fund, function and department, and line item, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. Before September 1, the proposed budget is presented to the government's Board of Commissioners for review. The government's Board of Commissioners holds public hearings and may add to, subtract from, or change appropriations.

The Office of Financial Administration may amend the line item budget within a department's appropriation as long as the total appropriation for that department is not changed. However, expenditures may not legally exceed budgeted appropriations at the department level without a resolution of the Board of Commissioners. The legal level of budgetary control is at the department level within individual funds.

During the year, the Board of Commissioners authorized amendments to include appropriations and revenues that were not originally budgeted and to reclassify certain expenditures.

The County finance director may amend the line item budget within a department's appropriation. Expenditures may not legally exceed budgeted appropriations at the department level.

(B) EXCESS OF REVENUES AND EXPENDITURES OVER APPROPRIATIONS

There are no excesses of expenditures over appropriations at the department level (the legal level of control).

(C) DEFICIT FUND EQUITY

At December 31, 2011, no funds had deficit fund equity.

NOTE 4 - DEPOSITS AND INVESTMENTS

As of December 31, 2011, Jackson County had the following investments, some of which are cash equivalents:

		INVESTMENT MATURITIES (in Years)		
Investment Type	Fair Value	Less Than 1	1-5	Rating (1)
General and Capital Project Funds				
Georgia Fund I	$ 2,620,769	$ 2,620,769	$ -	AAAm
Fidelity Treasury Port	3	3	-	AAAm
Goldman Sachs Treasury Obligations	686,601	686,601	-	AAAm
1st American Treasury Obligations (Class D shares)	20,133,902	20,133,902	-	AAAm
Total	$ 23,441,275	$ 23,441,275	$ -	
Maximum Investment		100.00 %	0.00 %	

1. Standard & Poor's

Cash per Statement of Net Assets (page 1)	
Cash	$ 30,194,574
Restricted cash	18,844,195
less cash equivalents that are investments	(18,427,867)
Cash held by Fiduciary Funds (page 10)	2,535,954
Deposits	$ 33,146,856

Investments Statement of Net Assets (page 1)	
Investments	$ 2,065,110
Restricted Investments	2,948,298
Investments included in cash equivalents	18,427,867
Investments as listed above	$ 23,441,275

The Jackson County investment program shall be operated for all investments to comply with federal, state, and local laws. The investment program should use a competitive selection process for investments in excess of 30 days. All investments shall be made with consideration for environmental and human rights impact.

The Local Government Investment Pool, "Georgia Fund 1", created by OCGA 36-83-8, is a stable net asset value investment pool which follows Standard and Poor's criteria for AAAm rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is managed by the Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on $1.00 per share.

Interest rate risk. Interest rate risk is the risk that changes in interest rates may adversely affect an investment's fair value. Since the price of a bond fluctuates with market interest rates, the risk that an investor faces is that the price of a bond held in a portfolio will decline if market interest rates rise. Jackson 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 statutes authorize the government to invest in obligations of the U.S. Treasury and of its agencies and instrumentalities; bonds or certificates of indebtedness of this state and of its agencies and instrumentalities; certificates of deposits of banks insured by FDIC; the State of Georgia Local Government Investment Pool; repurchase agreements; bonds, debentures, notes or other evidence of indebtedness of any solvent corporation subject to certain conditions. Jackson County has no investment policy that would further limit its investment choices. At December 31, 2011, the ratings of its investments are shown above.

Concentration of credit risk. Jackson County places no limit on the amount it may invest in any one issuer.

Custodial credit risk - investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Jackson County has a policy of placing investments with qualified financial institutions.

Custodial credit risk - deposits. In case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Jackson County may exceed the FDIC insured limit in making deposits in commercial banks and savings and loans institutions, if the funds are otherwise adequately secured. As of December 31, 2011, all of the County's bank balance of $34,224,788 was insured or was adequately collateralized with securities held by the pledging financial institution's name.

State statutes require collateral pledged in the amount of 110% of deposits. Depositories may secure deposits of public funds using the dedicated method or the pooled method as described below.

- Under the dedicated method, a depository shall secure the deposits of each of its public depositors separately.

- Under the pooled method, a depository shall secure deposits of public bodies which have deposits with it through a pool of collateral established by the depository with a custodian for the benefit of public bodies having deposits with such depository as set forth in code Section 45-8-13.1.

The County utilized both methods to secure deposits of public funds.

NOTE 5 - RECEIVABLES

Receivables as of year-end for the County's individual major funds and nonmajor governmental and Internal Service Funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	SPLOST	NonMajor Governmental Funds	Solid Waste Disposal Facility	Fuel Depot Internal Service Fund
Receivables:					
Property Taxes	$ 4,186,386	$ -	$ 373,060	$ -	$ -
Fines	12,508,336	-	-	-	-
Accounts	141,825	9,681	908,496	89,928	-
Intergovernmental	1,373,599	1,051,234	66,068	-	209
Total Gross Receivables	18,210,146	1,060,915	1,347,624	89,928	209
Less: Allowance for Uncollectibles	(12,219,551)	-	-	(19,672)	-
Total Net Receivables	$ 5,990,595	$ 1,060,915	$ 1,347,624	$ 70,256	$ 209

Property taxes receivable at December 31, 2011, consist of the following:

DIGEST YEAR	GENERAL FUND	NONMAJOR GOVERNMENTAL FUNDS
2011	$ 2,716,920	$ 284,376
2010	973,049	58,538
2009	201,997	10,575
2008	104,854	6,390
2007	83,561	4,506
2006	28,802	2,032
2005	21,378	1,673
2004	13,990	1,047
2003	10,159	754
2002	8,988	871
2001 and prior	22,688	2,298
Total	$ 4,186,386	$ 373,060

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

	UNAVAILABLE	UNEARNED
Property taxes (General Fund)	$ 1,382,798	$ 18,654,638
Property taxes (Fire District Fund)	75,046	1,861,843
Probation fines (General Fund)	167,670	-
Grant drawdowns prior to meeting all eligibility requirements (General Fund)	-	49,421
Grant drawdowns prior to meeting all eligibility requirements (SPLOST Fund)	-	10,000
Other	-	52,277
Total deferred/ unearned revenue for governmental funds	$ 1,625,514	$ 20,628,179

COMPONENT UNITS

	Health Department	Water and Sewerage Authority	Airport Authority
Receivables:			
Accounts	$ -	$ 486,611	$ 8,679
Intergovernmental	95,957	49,925	73,429
Other	-	223,004	-
Total Gross Receivables	95,957	759,540	82,108
Less: Allowance for Uncollectibles	-	(82,859)	-
Total Net Receivables	$ 95,957	$ 676,681	$ 82,108

NOTE 6 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2011 was as follows:

	Beginning Balance	Additions	Retirement	Transfer	Ending Balance
Governmental Activities:					
Non-Depreciable Assets:					
Land and land improvements	$ 5,916,594	$ -	$ -	$ -	$ 5,916,594
Infrastructure land and land improvements	54,444,792	605,243	-	189,010	55,239,045
Construction in progress	2,306,103	1,333,810	(10,186)	(1,170,794)	2,458,932
Construction in progress - infrastructure	8,245,932	6,304,800	(882,861)	(1,421,571)	12,246,300
Total non-depreciable capital assets	70,913,421	8,243,853	(893,047)	(2,403,355)	75,860,871
Depreciable Assets:					
Land Improvements	1,822,132	-	-	-	1,822,132
Buildings and improvements	72,377,946	143,211	-	1,170,793	73,691,950
Machinery and equipment	13,903,531	574,145	(2,689,369)	-	11,788,307
Vehicles	14,064,764	791,835	(171,473)	-	14,685,126
Infrastructure	85,320,711	-	-	1,232,561	86,553,272
Total depreciable capital assets	187,489,084	1,509,191	(2,860,842)	2,403,354	188,540,787
Less Accumulated Depreciation for:					
Land Improvements	(278,505)	(98,027)	-	-	(376,532)
Buildings and improvements	(8,107,636)	(1,524,568)	-	-	(9,632,204)
Machinery and equipment	(6,563,505)	(1,207,014)	872,046	-	(6,898,473)
Vehicles	(9,860,558)	(1,464,096)	171,473	-	(11,153,181)
Infrastructure	(44,480,229)	(3,254,403)	-	-	(47,734,632)
Total accumulated depreciation	(69,290,433)	(7,548,108)	1,043,519	-	(75,795,021)
Total depreciable capital assets, net	118,198,651	(6,038,917)	(1,817,323)	2,403,354	112,745,766
Governmental activities capital assets, net	$ 189,112,072	$ 2,204,936	$ (2,710,370)	$ (1)	$ 188,606,637

Additions to governmental activities capital assets for fiscal year ending December 31, 2011 consist of the following:

Capital Outlay	$ 9,561,069
Donated assets	191,975
Total Additions	$ 9,753,044
Non-depreciable capital assets additions	$ 8,243,853
Depreciable capital assets additions	1,509,191
Total	$ 9,753,044

	Beginning Balance	Additions	Retirement	Transfer	Ending Balance
Business-type Activities:					
Non-Depreciable Assets:					
Land and land improvements	$ 498,386	$ -	$ -	$ -	$ 498,386
Construction in progress	-	2,750	-	-	2,750
Total non-depreciable capital assets	498,386	2,750	-	-	501,136
Depreciable Assets:					
Land improvements	212,757	-	-	-	212,757
Buildings and improvements	1,566,826	-	-	-	1,566,826
Machinery and equipment	193,279	-	-	-	193,279
Vehicles	170,917	-	-	-	170,917
Total depreciable capital assets	2,143,779	-	-	-	2,143,779
Less Accumulated Depreciation for:					
Land improvements	(23,517)	(15,625)	-	-	(39,142)
Buildings and improvements	(11,735)	(31,337)	-	-	(43,071)
Machinery and equipment	(58,021)	(15,592)	-	-	(73,613)
Vehicles	(113,370)	(31,389)	-	-	(144,760)
Total accumulated depreciation	(206,643)	(93,943)	-	-	(300,586)
Total depreciable capital assets, net	1,937,136	(93,943)	-	-	1,843,193
Business-type activities capital assets, net	$ 2,435,522	$ (91,193)	$ -	$ -	$ 2,344,329

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

Governmental Activities:	
General Government	$ 292,296
Judicial	576,209
Public Safety	2,432,261
Public Works	3,873,834
Public Health and Welfare	72,708
Recreation and Culture	232,150
Housing and Development	68,649
Rounding	1
Total depreciation expense-governmental activities	$ 7,548,108
Business-type Activities:	
Solid Waste	93,943
Total depreciation expense-business-type activities	$ 93,943

The County has authorized construction projects. The remaining costs are split between the portion of the contracts that have been entered into for which the work had not been done prior to December 31, 2011 and the remainder of the authorized project expenditure for which contracts have not been entered into as of year end. The source of financing for the remaining project cost is noted below:

	Project Authorization	Expended To Date	Contracts in Progress	Authorized Not Obligated	Source
Governmental Activities:					
Hoods Mill/Water Works Rd. Intersection Improvement	$ 125,000	$ 98,933	$ 21,600	$ 4,467	SPLOST
Gum Springs - Realignment	981,060	821,116	150,150	9,794	SPLOST
Chardonnay Trace	32,708	32,708	-	-	Local funds
Dixon Bridge	552,240	60,714	-	491,526	SPLOST
E-911 Computer Aided Dispatch	146,902	132,212	14,690	-	911 Special Revenue Fund
Galilee Church Road	250,000	188,792	1,400	59,808	SPLOST; GA DOT
Thompson Mill	110,286	45,235	64,950	101	SPLOST; Developer Contribution
Historic Courthouse Renovations	1,081,769	21,627	90,000	970,142	2007A Bonds; Federal grants
450 MHz Radio Communication Project	2,402,000	2,138,202	123,168	140,630	S2007A Revenue Bonds
Fire Training Center - Lighting	24,939	4,818	18,500	1,621	SPLOST; S2007A Revenue Bonds
South Jackson Fire Land	14,000	3,950	-	10,050	Fire District funds
Lanier Tech Project	147,000	-	-	147,000	ARC Grant
West Jackson EMS Station	800,000	132,791	541	666,668	SPLOST; Local Funds
Plainview EMS Station	800,000	4,409	-	795,591	SPLOST; Local Funds
Commerce EMS Station	800,000	9,311	-	790,689	SPLOST; Local Funds
Land EMS Station	10,798	10,798	-	-	SPLOST; Local Funds
East Jackson Park	109,365	813	-	108,552	SPLOST; Intergovernmental
Economic Development/SPLOST Road & Sewer Projects	27,592,089	10,998,803	3,493,706	13,099,580	S2008 Revenue Bonds; GADOT; Developer Contribution; Lease purchase
Total Governmental Activities	$ 35,980,156	$ 14,705,232	$ 3,978,705	$ 17,296,219	
Business-type Activities					
New Transfer Station	$ -	$ 2,750	$ -	$ (2,750)	Local Funds
Total Business-type Activities	$ -	$ 2,750	$ -	$ (2,750)	

Discretely Presented Component Units

Activity for the Health Department for the year ended December 31, 2011, was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Governmental Activities:				
Depreciable Assets:				
Machinery and equipment	$ 121,210	$ 6,273	$ -	$ 127,483
Less Accumulated Depreciation	(103,290)	(5,748)	-	(109,038)
Capital Assets, net	$ 17,920	$ 525	$ -	$ 18,445

Activity for Jackson County Water and Sewerage Authority for the year ended December 31, 2011, was as follows:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Business-type activities:					
Non-depreciable Assets:					
Land	$ 2,720,824	$ -	$ (1)	$ -	$ 2,720,823
Land - Water Plant Capacity	2,380,799	-	-	-	2,380,799
Construction in progress	751,373	351,421	(687,484)	(196,383)	218,927
Total non-depreciable capital assets	5,852,996	351,421	(687,485)	(196,383)	5,320,549
Depreciable assets:					
Buildings	579,889	-	-	-	579,889
Water tanks	3,989,889	-	-	-	3,989,889
Booster pumps	784,716	-	-	26,785	811,501
Water lines	66,113,235	-	-	-	66,113,235
Meters	1,824,974	-	-	83,084	1,908,058
Vehicles	246,465	-	(29,472)	-	216,993
Sewer system	18,938,480	-	-	-	18,938,480
Machinery and equipment	1,182,797	1	(13,875)	86,514	1,255,437
Water Plant Capacity	22,601,355	-	-	-	22,601,355
Total depreciable capital assets	116,261,800	1	(43,347)	196,383	116,414,837
Less Accumulated Depreciation for:					
Buildings	(142,721)	(17,602)	-	-	(160,323)
Water tanks	(963,438)	(81,627)	-	-	(1,045,065)
Booster pumps	(397,288)	(40,408)	-	-	(437,696)
Water lines	(10,267,939)	(1,328,146)	-	-	(11,596,085)
Meters	(809,098)	(182,941)	-	-	(992,039)
Vehicles	(173,896)	(38,048)	25,932	-	(186,012)
Sewer system	(1,745,574)	(385,228)	-	-	(2,130,802)
Machinery and equipment	(628,825)	(122,363)	12,719	-	(738,469)
Water Plant Capacity	(2,941,859)	(327,859)	-	-	(3,269,718)
Total accumulated depreciation	(18,070,638)	(2,524,222)	38,651	-	(20,556,209)
Total depreciable capital assets, net	98,191,162	(2,524,221)	(4,696)	196,383	95,858,628
Business-type activities capital assets, net	$ 104,044,158	$ (2,172,800)	$ (692,181)	$ -	$ 101,179,177

The Jackson County Water and Sewer Authority has authorized construction projects. The remaining costs are split between the portion of the contracts that have been entered into for which the work had not been done prior to December 31, 2011 and the remainder of the authorized project expenditure for which contracts have not been entered into as of year end. The source of financing for the remaining project cost is noted below:

Project	Project Authorization	Expended To Date	Contracts in Progress	Authorized Not Obligated	Source
MOWWTP 0.5 MGD Improvements	$ 490,887	$ 118,691	$ 372,196	$ -	General Fund
Harris Lord Cemetery Road line extension	1,040,000	62,463	51,650	925,887	SPLOST
Ford F150 pick-up truck	23,293	-	-	23,293	General Fund
Ford F250 truck with service body	37,773	37,773	-	-	General Fund
	$ 1,591,953	$ 218,927	$ 423,846	$ 949,180	

Activity for the Jackson County Airport Authority for the year ended December 31, 2011 was as follows:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Business-type activities:					
Non-depreciable Assets:					
Land	$ 9,393,464	$ 3,000	$ -	$ 944,699	$ 10,341,163
Construction in progress	390,712	1,574,097	-	(1,662,550)	302,259
Total non-depreciable capital assets	9,784,176	1,577,097	-	(717,851)	10,643,422
Depreciable assets:					
Land and improvements	1,981,676	-	-	29,431	2,011,107
Buildings and improvements	1,031,575	-	-	688,420	1,719,995
Machinery and equipment	346,178	-	-	-	346,178
Total depreciable capital assets	3,359,429	-	-	717,851	4,077,280
Less Accumulated Depreciation for:					
Land and improvements	(688,961)	(91,447)	-	-	(780,408)
Buildings and improvements	(341,853)	(28,959)	-	1	(370,813)
Machinery and equipment	(103,939)	(36,196)	-	-	(140,135)
Total accumulated depreciation	(1,134,753)	(156,602)	-	1	(1,291,356)
Total depreciable capital assets, net	2,224,676	(156,602)	-	717,852	2,785,924
Business-type activities capital assets, net	$12,008,852	$ 1,420,495	$ -	$ 1	$ 13,429,346

The Jackson County Airport Authority has authorized construction projects. The remaining costs are split between the portion of the contracts that have been entered into for which the work had not been done prior to December 31, 2011 and the remainder of the authorized project expenditure for which contracts have not been entered into as of year end. The source of financing for the remaining project cost is noted below:

Project	Project Authorization	Expended To Date	Contracts in Progress	Authorized Not Obligated	Source
Hangar Site Development both sides of Airfield	$ 345,839	$ 263,962	$ 81,877	$ -	Local Funds; GA DOT; FAA
Hangar Development Area EA	70,139	38,297	31,842	-	Local Funds; GA DOT; FAA
	$ 415,978	$ 302,259	$ 113,719	$ -	

NOTE 7 - LONG-TERM DEBT

Long-term liability activity for the year ended December 31, 2011 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due After One Year
Governmental Activities:						
General obligation bonds	$ -	$ 20,355,000	$ -	$ 20,355,000	$ -	$ 20,355,000
Less: Deferred amounts of refunding	-	(2,935,930)	262,483	(2,673,447)	594,301	(3,267,748)
Add: Original issue premium	-	1,214,075	(108,543)	1,105,532	245,757	859,775
Total general obligation bonds	-	18,633,145	153,940	18,787,085	840,058	17,947,027
Contracts Payable:						
IDA 2004 Economic Development Bonds	$ 14,000,000	$ -	$ (765,000)	$ 13,235,000	$ 790,000	$ 12,445,000
Add: Original issue Premiums	378,535	-	(28,568)	349,967	28,569	321,398
Subtotal IDA bonds contracts payable	14,378,535	-	(793,568)	13,584,967	818,569	12,766,398
City of Jefferson - Series A 2007 Bonds	39,845,000	-	(19,795,000)	20,050,000	-	20,050,000
Less: Original issue discounts	(47,888)	20,690	1,548	(25,650)	(2,182)	(23,468)
Subtotal Series A 2007 bonds	39,797,112	20,690	(19,793,452)	20,024,350	(2,182)	20,026,532
City of Jefferson - Series B 2007 Bonds	7,675,000	-	(320,000)	7,355,000	330,000	7,025,000
Subtotal Series B 2007 bonds	7,675,000	-	(320,000)	7,355,000	330,000	7,025,000
IDA 2009 Series A Economic Development Bonds	25,050,000	-	-	25,050,000	1,360,000	23,690,000
Subtotal 2009 IDA bonds	25,050,000	-	-	25,050,000	1,360,000	23,690,000
IDA 2009 Series B Economic Development Bonds	15,880,000	-	-	15,880,000	765,000	15,115,000
Less: Deferred amounts of refunding	(356,588)	-	39,041	(317,547)	(39,041)	(278,506)
Subtotal 2009 Series B IDA bonds	15,523,412	-	39,041	15,562,453	725,959	14,836,494
City of Jefferson - Series 2011 Bonds	-	9,190,000	-	9,190,000	530,000	8,660,000
Less: Deferred amounts of refunding	-	(1,222,882)	-	(1,222,882)	(121,599)	(1,101,283)
Subtotal 2011 Series bonds	-	7,967,118	-	7,967,118	408,401	7,558,717
Total Contracts Payable	102,424,059	7,987,808	(20,867,979)	89,543,888	3,640,747	85,903,141
Capital leases	25,145,101	823,157	(10,037,758)	15,930,500	1,175,508	14,754,992
Add: Original issue Premiums	149,083	(34,004)	(6,283)	108,796	6,854	101,942
Total Capital Leases	25,294,184	789,153	(10,044,041)	16,039,296	1,182,362	14,856,934
Notes Payable	163,468	-	(24,995)	138,473	26,346	112,127
Compensated absences	748,591	584,685	(548,376)	784,900	548,376	236,524
Net OPEB obligation	2,038,847	681,328	8,975	2,729,150	-	2,729,150
Governmental activities long-term liabilities	$ 130,669,149	$ 28,676,119	$ (31,322,476)	$ 128,022,792	$ 6,237,889	$ 121,784,903
Business-type Activities:						
Notes payable	$ 160,430	$ -	$ (68,905)	$ 91,525	$ 72,723	$ 18,802
Landfill closure/postclosure	875,680	(162,698)	(90,462)	622,520	52,970	569,550
Compensated absences	18,130	7,497	(8,413)	17,214	8,410	8,804
Business-type activities long-term liabilities	$ 1,054,240	$ (155,201)	$ (167,780)	$ 731,259	$ 134,103	$ 597,156

Contracts payable, notes payable, capital leases, compensated absences and net other postemployment benefits obligation are generally liquidated by the general fund except for the 2011 bonds for the jail which is paid by SPLOST and the contract for economic development bonds which has about $120,000 paid by the capital projects fund. Landfill closure/postclosures costs and the note payable for business type activity are liquidated by the Solid Waste enterprise fund.

SUMMARY OF ALL DEBT - GOVERNMENTAL ACTIVITIES

December 31	Principal	Interest	Total
2012	$ 4,976,854	$ 4,915,380	$ 9,892,234
2013	4,778,217	4,791,505	9,569,722
2014	10,244,371	4,616,896	14,861,267
2015	10,305,570	4,258,847	14,564,417
2016	10,583,961	3,864,311	14,448,272
2017-2021	38,110,000	14,245,663	52,355,663
2022-2026	33,365,000	6,710,170	40,075,170
2027-2031	12,885,000	1,856,894	14,741,894
2032-2036	1,935,000	47,550	1,982,550
	$ 127,183,973	$ 45,307,216	$ 172,491,189

CAPITAL LEASES

Heavy equipment for road construction and various other equipment items and the new courthouse are acquired under capital lease agreements which bear interest at various rates from 1.765% to 5.870%. The County, in conjunction with the Association County Commissioners of Georgia Lease Purchase Program, issued $25,000,000 in aggregate principal of Certificates of Participation (COPS) during October 2003 to finance the construction of a new courthouse facility. Those COPS were partially refinanced in 2011. See City of Jefferson Series 2011 contract payable below for more information on the refunding. Minimum future lease obligations for these leases, as of December 31, 2011, are as follows:

December 31	Principal	Interest	Total
2012	$ 1,175,508	$ 700,395	$ 1,875,903
2013	1,250,447	666,570	1,917,017
2014	1,080,099	626,811	1,706,910
2015	804,716	591,639	1,396,355
2016	744,730	559,431	1,304,161
2017-2021	-	2,718,750	2,718,750
2022-2026	2,360,000	2,602,250	4,962,250
2027-2031	7,020,000	1,285,500	8,305,500
2032-2033	1,495,000	37,375	1,532,375
	$ 15,930,500	$ 9,788,721	$ 25,719,221

As of December 31, 2011, the capital assets purchased under these capital lease agreements are as follows:

	Governmental Activities
Buildings and improvements	$25,836,625
Machinery and equipment	435,357
Vehicles	3,216,264
Less accumulated depreciation	(1,267,960)
Net	$28,220,286

GENERAL OBLIGATION BONDS

On March 22, 2011, the County issued $20,355,000 of Series 2011 general obligation refunding bonds to provide funds to partially advance refund the County's contract payable for the City of Jefferson Series 2007A bonds related to the county jail project. Up to $23,747,657 of the proceeds from the Special Purpose Local Option Sales tax (SPLOST 5) effective July 1, 2011 have been pledged towards repayment of these bonds which bear interest rates from 2% to 5% and mature September 1, 2017. The County placed $21,683,536 in an escrow account to be used for satisfying scheduled payments of interest, principal, and redemption premiums on the S2007A bonds maturing 2012 through 2037. The refunding reduced the aggregate debt services payments by $13,587,126 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about $5,656,000. The accounting loss on the refunding was approximately $2,935,930. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest rate method. The outstanding balance on the refunded 2007A bonds as of December 31, 2011 was $19,015,000.

The annual requirements to amortize this debt as of December 31, 2011 are as follows:

December 31	Principal	Interest	Total
2012	$ -	$ 686,600	$ 686,600
2013	-	686,600	686,600
2014	5,510,000	686,600	6,196,600
2015	4,775,000	522,850	5,297,850
2016	4,940,000	347,100	5,287,100
2017	5,130,000	158,900	5,288,900
Total	$ 20,355,000	$ 3,088,650	$ 23,443,650

CONTRACTS PAYABLE

IDA 2004 ECONOMIC DEVELOPMENT BONDS PAYABLE

On November 1, 2004, Jackson County entered into a contract with the Jackson County Industrial Development Authority to fund repayment of an issue of $16,815,000 of Series 2004 bonds with a

premium and issuance cost of $552,327 which mature March 30, 2024, and bear interest at rates from 3.00% to 5.00%. These bonds were for economic development projects including road projects. The county is pursuing a partial refunding of $8,840,000 of Series 2004 bonds by issuing approximately $10,080,000 of Series 2012 bonds. The gross savings and present value savings are $480,267 and $476,186 respectively. This transaction is expected to close during June 2012.

The annual requirements to amortize this debt as of December 31, 2011 are as follows:

December 31	Principal	Interest	Total
2012	$ 790,000	$ 567,625	$ 1,357,625
2013	815,000	537,500	1,352,500
2014	850,000	504,200	1,354,200
2015	885,000	469,500	1,354,500
2016	920,000	435,125	1,355,125
2017-2021	5,215,000	1,522,475	6,737,475
2022-2025	3,760,000	263,750	4,023,750
Total	$ 13,235,000	$ 4,300,175	$ 17,535,175

CITY OF JEFFERSON SERIES 2007A BOND

On August 1, 2007, Jackson County entered into a contract with the City of Jefferson Public Building Authority to fund repayment of an issue of $40,595,000 of Series 2007A bonds with a discount and issuance cost of $645,564 which mature March 1, 2037, and bear interest at rates from 2.900% to 5%. These bonds were issued to fund the County's capital projects including the jail project, public safety training facility, and historic courthouse renovation. In 2011, these bonds were partially refunded by the Series 2011 General Obligation bonds discussed above.

The annual requirements to amortize the Series 2007A bond payable as of December 31, 2011 are as follows:

December 31	Principal	Interest	Total
2012	$ -	$ 911,456	$ 911,456
2013	-	911,456	911,456
2014	-	911,456	911,456
2015	930,000	891,875	1,821,875
2016	970,000	848,044	1,818,044
2017-2021	5,575,000	3,516,562	9,091,562
2022-2026	6,895,000	2,156,122	9,051,122
2027-2031	5,240,000	557,331	5,797,331
2032-2036	440,000	10,175	450,175
Total	$ 20,050,000	$ 10,714,477	$ 30,764,477

CITY OF JEFFERSON SERIES 2007B BOND

On August 1, 2007, Jackson County entered into a contract with the City of Jefferson Public Building Authority to fund repayment of an issue of $7,985,000 of Series 2007 bonds which mature March 1, 2027, and bear interest at rates from 3.700% to 4.75%. These bonds were issued to fund the City of Jefferson's projects including road projects. Per the intergovernmental agreement with the City of Jefferson, the City of Jefferson has agreed to pay all principal and interest payments as well as all issuance costs. In the event of default by the City of Jefferson, Jackson County will be obligated to repay the debt. Therefore, due to legal requirements, there is still a legal liability to Jackson County.

The annual requirements to amortize the Series 2007B bond payable as of December 31, 2011 are as follows:

December 31	Principal	Interest	Total
2012	$ 330,000	$ 312,926	$ 642,926
2013	345,000	299,014	644,014
2014	360,000	284,464	644,464
2015	375,000	269,548	644,548
2016	390,000	254,483	644,483
2017-2021	2,200,000	1,011,890	3,211,890
2022-2026	2,730,000	468,583	3,198,583
2027-2028	625,000	14,063	639,063
Total	$ 7,355,000	$ 2,914,971	$ 10,269,971

IDA 2009 Series A ECONOMIC DEVELOPMENT BONDS

On November 1, 2009, Jackson County entered into a contract with the Jackson County Industrial Development Authority to fund repayment of an issue of $25,050,000 of economic development bonds with a issuance cost of $484,672 which mature from July 1, 2012 to July 1, 2024, and bear interest at 3.700%. These bonds, along with $5,000,000 of unspent proceeds from the 2008 A bonds, were used to redeem $29,405,000 of the Industrial Development Authority 2008A economic development bonds.

The annual requirements to amortize this debt as of December 31, 2011 are as follows:

December 31	Principal	Interest	Total
2012	$ 1,360,000	$ 926,850	$ 2,286,850
2013	1,405,000	876,530	2,281,530
2014	1,440,000	824,546	2,264,546
2015	1,490,000	771,266	2,261,266
2016	1,530,000	716,136	2,246,136
2017-2021	9,240,000	2,698,230	11,938,230
2022-2025	8,585,000	642,867	9,227,867
Total	$ 25,050,000	$ 7,456,425	$ 32,506,425

IDA 2009 Series B ECONOMIC DEVELOPMENT BONDS

On January 11, 2010, Jackson County entered into a contract with the Jackson County Industrial Development Authority to fund repayment of the balance of $15,880,000 of Series 2009B economic development bonds. These were used to redeem $15,595,000 of the Series 2008 economic development bonds as well as pay costs of issuance. These bonds mature from July 1, 2012 to July 1, 2024, and bear interest at 3.700%.

The annual requirements to amortize this debt as of December 31, 2011 are as follows:

December 31	Principal	Interest	Total
2012	$ 765,000	$ 587,560	$ 1,352,560
2013	800,000	559,256	1,359,256
2014	840,000	529,656	1,369,656
2015	875,000	498,576	1,373,576
2016	920,000	466,200	1,386,200
2017-2020	5,905,000	1,786,918	7,691,918
2021-2025	5,775,000	432,902	6,207,902
Total	$ 15,880,000	$ 4,861,068	$ 20,741,068

CITY OF JEFFERSON SERIES 2011 BOND

On November 30, 2011, Jackson County entered into a contract with the City of Jefferson Public Building Authority to fund repayment of an issue of $9,190,000 of Series 2011 bonds with issuance cost of $86,500 which mature April 1, 2024, and bear interest at 2.900%. These bonds were issued to partially refund Series 2003 Certificates of Participation (COPS) issued to finance the construction of a new courthouse facility. The County placed $9,080,111 in an escrow account to be used for satisfying scheduled payments of interest, principal, and redemption premiums on the 2003 COPS maturing in 2012 and 2017 through 2024. The refunding reduced the aggregate debt services payments by $2,434,396 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about $270,787. The accounting loss on the refunding was approximately $1,222,882. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest rate method. The outstanding balance on the refunded 2003 COPS as of December 31, 2011 was $8,000,000.

The annual requirements to amortize the Series 2011 bond payable as of December 31, 2011 are as follows:

December 31	Principal	Interest	Total
2012	$ 530,000	$ 215,147	$ 745,147
2013	135,000	249,182	384,182
2014	135,000	245,267	380,267
2015	140,000	241,280	381,280
2016	145,000	237,147	382,147
2017-2020	4,845,000	831,938	5,676,938
2021-2024	3,260,000	143,696	3,403,696
Total	$ 9,190,000	$ 2,163,657	$ 11,353,657

GEFA NOTES PAYABLE

Governmental activities:

On March 6, 1996, the County entered into a $911,436 loan agreement with the Georgia Environmental Facilities Authority (GEFA). These funds were to be drawn down as needed to finance Jackson County's share of the City of Commerce sewerage expansion for the Tanger Outlet Mall. Only $394,350 was drawn on the loan before completion of the project, which was completed on October 31, 1998. Repayment of the proceeds began on November 1, 1998. This loan, which bears interest at 5.3%, matures October 1, 2016.

December 31	Principal	Interest	Total
2012	$ 26,346	$ 6,821	$ 33,167
2013	27,770	5,397	33,167
2014	29,272	3,896	33,168
2015	30,854	2,313	33,167
2016	24,231	645	24,876
Total	$ 138,473	$ 19,072	$ 157,545

Business-type activities:

On June 20, 1997, the County entered into a $757,100 loan agreement with the Georgia Environmental Facilities Authority (GEFA) for the construction of the Mayfield Wastewater Treatment Plant. This agreement was later revised to $776,799. This loan, which bears interest at 5.43%, matures April 1, 2013.

The annual requirements to amortize this debt as of December 31, 2011 are as follows:

December 31	Principal	Interest	Total
2012	$ 72,723	$ 3,506	$ 76,229
2013	18,802	255	19,057
Total	$ 91,525	$ 3,761	$ 95,286

COMPONENT UNITS

Long-term liability activity for the Airport Authority for the year ended December 31, 2011 was as follows:

Business-type activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due After One Year
Series 2004 Revenue Notes	$ 1,810,000	$ -	$ (180,000)	$ 1,630,000	$ 185,000	$ 1,445,000
Capital Leases	35,011	-	(35,011)	-	-	-
Total	$ 1,845,011	$ -	$ (215,011)	$ 1,630,000	$ 185,000	$ 1,445,000

On November 12, 2004, Jackson County entered into a contract with the Airport Authority to fund repayment of an issue of $2,600,000 Series 2004 revenue notes which mature on April 19, 2019 and bear interest at a variable rate of LIBOR + .75 basis points (1.045% as of 12/31/2011). These bonds were issued to fund construction of the Emory hangar, additional T hangars, and runway expansion. Repayment of the proceeds began on April 1, 2007.

The annual requirements to amortize this debt using the variable interest rate of effective at December 31, 2011 are as follows:

December 31	Principal	Interest	Total
2012	$ 185,000	$ 15,588	$ 200,588
2013	195,000	13,576	208,576
2014	205,000	11,459	216,459
2015	215,000	9,238	224,238
2016	225,000	6,912	231,912
2017-2019	605,000	6,598	611,598
Total	$ 1,630,000	$ 63,371	$ 1,693,371

Long-term liability activity for the Health Department for the year ended December 31, 2011 was as follows:

Governmental activities	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due After One Year
Compensated absences	$ 75,484	$ 50,727	$ 47,219	$ 78,992	$ 24,819	$ 54,173

Long-term liability activity for the Jackson County Water and Sewerage Authority for the year ended December 31, 2011 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due After One Year
Business-type Activities:						
Revenue bonds	$ 16,070,000	$ 5,043,000	$ (4,395,000)	$ 16,718,000	$ 1,148,000	$ 15,570,000
Less: Deferred amounts of refunding	(791,168)	(69,408)	108,105	(752,471)	(116,669)	(635,802)
For issuance premiums and discounts	647,700	20,651	(93,597)	574,754	88,416	486,338
Total Revenue Bonds	15,926,532	4,994,243	(4,380,492)	16,540,283	1,119,747	15,420,536
Contracts Payable	17,857,144	-	(743,226)	17,113,918	771,253	16,342,665
Less: Deferred amounts of refunding	750,707	-	(74,098)	676,609	71,709	604,900
Total Contracts Payable	18,607,851	-	(817,324)	17,790,527	842,962	16,947,565
Notes Payable	2,786,441	-	(2,597,766)	188,675	22,870	165,805
Compensated absences	73,150	44,392	(43,948)	73,594	27,512	46,082
Business-type activities long-term liabilities	$ 37,393,974	$ 5,038,635	$ (7,839,530)	$ 34,593,079	$ 2,013,091	$ 32,579,988

All principal and interest payments on long-term debt are presented below. See additional details on debt following this table.

December 31	Principal	Interest	Total
2012	$ 1,942,123	$ 1,371,735	$ 3,313,858
2013	2,144,149	1,312,251	3,456,400
2014	2,219,214	1,246,386	3,465,600
2015	2,300,545	1,177,122	3,477,667
2016	2,400,142	1,095,053	3,495,195
2017-2021	13,261,825	3,907,451	17,169,276
2022-2026	8,822,938	1,281,070	10,104,008
2027-2030	929,657	37,421	967,078
Total	$ 34,020,593	$ 11,428,489	$ 45,449,082

REVENUE BONDS

The Authority issues bonds where the Authority pledges income derived from the acquired or constructed assets to pay debt service.

During 1999, the Authority issued $3,525,000 of Series 1999A Bonds and $4,055,000 Series 1999B Bonds for construction of water lines. The bonds carry a rate of interest ranging from 4.45%-5.75% per annum and are payable on March 1 and September 1 of each year. The County has entered into a contract with the Authority to provide funds from County tax revenues to repay these bonds if the net revenues of the Authority are insufficient. Monthly, the Authority is required to deposit the principal and interest payments of the bonds in a sinking fund bank account. Final maturity date of these bonds is September 1, 2021. The 1999B Series bonds were partially refunded in December 2006. See note about the 2006A series bonds. The 1999A Series bonds were repaid in 2011. See note about the 2011A series bonds.

The Authority constructed, using the proceeds from Series 1999A Bonds, new infrastructure to provide a significant number of gallons of potable water needed at the Georgia Power electric-generator plant each day. The maximum water required to be provided is 500,000 gallons per day. Georgia Power has the option to increase their maximum volume to 1,300,000 gallons per day. It is expected that the revenues from the sale of this water would be sufficient to cover the costs of providing it.

The Authority has constructed water lines from the Bear Creek Water Treatment Plant to Jackson County Water and Sewerage Authority line for a new source of water purchases. The Authority financed these lines by Series 1999B Bond Issue.

During 2000, the Authority issued $12,780,000 of Series 2000A Bonds. The 2000A bonds are to acquire and upgrade a wastewater treatment plant. The bonds carry a rate of interest ranging from 4.30%-5.75% per annum and are payable on March 1 and September 1 of each year. The County has entered into a contract with the Authority to provide funds from County tax revenues to repay these bonds if the net revenues of the Authority are insufficient. The Authority is providing for the principal and interest payments of the bonds in a sinking fund bank account. Final maturity date of the 2000A series of bonds is September 1, 2022. The 2000A Series bonds were partially refunded in December 2006. See note about the 2006A series bonds. The remaining bonds were repaid in the current year.

During 2006, the Authority issued $12,090,000 of Series 2006A revenue bonds to provide funds to partially advance refund the Authority's 1999B and 2000A series bonds. These bonds which bear interest rates from 3.50% to 5.25% mature September 1, 2022. The County has entered into a contract with the Authority to provide funds from County tax revenues to repay these bonds if the net revenues of the Authority are insufficient. The Authority placed $14,277,228 in an escrow account to be used for satisfying scheduled payments of interest, principal, and redemption premiums on the 1999B and 2000A maturing 2007 through 2012. The refunding reduced the aggregate debt services payments by almost $690,107 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about $563,007. The accounting loss on the refunding was approximately $1,233,357. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest rate method. The outstanding balance on the refunded 1999B and 2000A as of December 31, 2011 was $2,775,000 and $8,760,000.

During 2006, the Authority issued $5,530,000 of Series 2006B revenue bonds to provide funds for improvements to the system. The bonds, which bear interest rates ranging from 3.5% to 5%, mature September 1, 2011. The County has entered into a contract with the Authority to provide funds to repay those bonds. The County has allocated 16.25% of the Special Purpose Local Option Sales tax which commenced July 1, 2005 toward this obligation. See further discussion under pledged revenues.

During 2011, the Authority issued $2,517,000 of Series 2011A revenue bonds to provide funds to repay the Authority's remaining 1999A series bonds. These bonds which bear interest rates at 2.92% mature September 1, 2020. The County has entered into a contract with the Authority to provide funds from County tax revenues to repay these bonds if the net revenues of the Authority are insufficient. The refunding reduced the aggregate debt services payments by almost $352,270 and resulted in an

economic gain (the difference between the present value of old and new debt service payments) of about $269,635. The accounting loss on the refunding was approximately $69,408. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest method.

During 2011, the Authority issued $2,526,000 of Series 2011B revenue bonds to provide funds to fully repay the Authority's 2002 GEFA loan. These bonds which bear interest rates from 2.77% mature September 1, 2026. The County has entered into a contract with the Authority to provide funds from County tax revenues to repay these bonds if the net revenues of the Authority are insufficient. The refunding reduced the aggregate debt services payments by almost $139,426 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about $148,954. There was no accounting loss on the refunding.

December 31	Principal	Interest	Total
2012	$ 1,148,000	$ 555,982	$ 1,703,982
2013	1,322,000	524,582	1,846,582
2014	1,368,000	487,782	1,855,782
2015	1,413,000	454,358	1,867,358
2016	1,469,000	416,050	1,885,050
2017-2021	7,998,000	1,238,938	9,236,938
2022-2026	2,000,000	53,812	2,053,812
Total	$ 16,718,000	$ 3,731,504	$ 20,449,504

UPPER OCONEE BASIN WATER AUTHORITY CONTRACT

On November 1, 1997, the Upper Oconee Basin Water Authority (the Issuer) issued $60,770,000 of Revenue Bonds, Series 1997 (UOBWA) in order to finance the acquisition, construction and installation of a water supply reservoir and a water treatment plant (collectively the Project). These Bonds, which mature July 1, 2027, bear interest at rates from 4.25% to 5.25%. The Issuer is governed by a board composed of ten members, four of whom are the chief elected officials of the member counties: Athens-Clarke, Barrow, Jackson, and Oconee Counties, whose regular terms shall be concurrent with their terms of office; four of whom are appointed by the governing authority of each Member County, whose terms shall be for one year; one who is appointed by the by the Upper Oconee Resource Management Commission, whose term shall be for a period of two years; and one who is appointed by the previously identified nine members of the board, whose term shall be for a period of two years.

Jackson County has entered into an Intergovernmental Agreement dated July 22, 1996, with UOBWA, Barrow County, and Oconee County that requires each county to pay its proportional share of the principal and interest payments on this debt. Those shares are Barrow County 37.520%, Jackson County 41.521%, and Oconee County 20.959%. While Jackson County has the legal obligation to make these payments, it is anticipated that the payments will be financed by the sale of water by the Jackson County Water and Sewerage Authority.

In the event that the funds from such sales are not sufficient to pay the principal and interest, Jackson County has the obligation to levy property taxes sufficient to make them.

In order to present the impact of this project fairly, the debt and related intangible asset, "Water Plant Capacity", are recorded as part of the Jackson County Water & Sewerage enterprise fund even though the legal obligation belongs to Jackson County. The Water Plant Capacity intangible asset is being amortized on a straight line basis over the life of the underlying assets of the UOBWA, 100 years for the dam/reservoir and 50 years for the water treatment facility.

During 2005, the Upper Oconee Basin Water Authority issued $48,155,000 of revenue bonds (Series 2005) for a partial refunding of $51,105,000 of the Authority's Series 1997 revenue bonds. The refunding was undertaken to reduce total future debt service payments. The accounting gain for the County on the refunding was approximately $1,224,870. This gain was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest method.

The scheduled payments of principal and interest are as follows:

December 31	UOBWA Principal	UOBWA Interest	UOBWA Total
2012	$ 771,253	$ 815,753	$ 1,587,006
2013	799,279	787,669	1,586,948
2014	828,344	758,604	1,586,948
2015	864,675	722,764	1,587,439
2016	908,272	679,003	1,587,275
2017-2021	5,263,825	2,668,513	7,932,338
2022-2026	6,822,938	1,227,258	8,050,196
2027	855,332	37,421	892,753
Total	$ 17,113,918	$ 7,696,985	$ 24,810,903

GEFA LOANS

The Authority entered into a loan with the Georgia Environmental Facilities Authority (GEFA) during 1999 to provide water service to the Hidden Oaks Subdivision. The loan had a draw capacity of $449,422. Only $173,100 of this loan is required to be repaid at zero interest, with the balance being a subsidy. The loan is payable quarterly beginning June 1, 2000 and matures June 1, 2020.

During 2003, the Authority obtained an additional loan from GEFA for $2,882,291 at 3.98%. This loan along with a $1,500,000 grant from the U.S Department of Commerce Economic Development Administration and a $300,000 grant from the Appalachian Regional Commission was used to pay for sewer additions to serve new and existing industrial customers in the Allen Creek and Possum Creek area of the county including Toyota Industries North American, Inc.

As of December 31, 2011, the Authority had drawn down $3,035,543 including $153,252 of accrued

interest added to the loan balance. The loan is to be repaid in 80 equal installments. These repayments began October 1, 2006 and are due the first of each quarter. This loan was fully repaid in 2011 by the 2011B bonds described above.

December 31	GEFA Principal	GEFA Subsidy	GEFA Total
2012	$ 8,877	$ 13,993	$ 22,870
2013	8,877	13,993	22,870
2014	8,877	13,993	22,870
2015	8,877	13,993	22,870
2016	8,877	13,993	22,870
2017-2020	28,851	45,474	74,325
Total	$ 73,236	$ 115,439	$ 188,675

PLEDGED REVENUE

Jackson County Water & Sewer Authority has pledged future water and sewer revenues, net of specified operating expenses, to repay an original debt of $58.9 million. This debt is payable solely from water and sewer net revenues and is payable through 2026. The total principal and interest remaining to be paid is $45.4 million. Principal and interest paid for the current year was $8.5 million which was approximately 173.6% of net revenues. The County provided a subsidy of $2.1 million to assist in making these payments.

The County has pledged, as security for bonds issued by Jackson County Water & Sewer Authority, a portion of the County's Special Purpose Local Option Sales Tax (SPLOST) revenue. This SPLOST ended in 2011. The bonds secured by this revenue were paid off during the year as well. The bonds issued by the Authority in 2006 in the amount $5,530,000 to provide funds for improvements to the system. For the current year, principal and interest payments paid by the Authority and the portion of sales tax revenues allocated to the Water Authority recognized by the County were $1.0 million and $0.6 million, respectively. Current year principal and interest payments are approximately 167% of net revenues.

OPERATING LEASES

The County is obligated under various operating leases for equipment purchases that have an initial term in excess of 1 year. Total cost for such leases were $155,789 for the year ended December 31, 2011. Future minimum rental payments are as follows:

December 31	Minimum Payment
2012	$ 136,027
2013	85,693
2014	32,262
2015	2,594
Total	$ 256,576

NOTE 8 - INTERFUND BALANCES AND ACTIVITY

Interfund receivables/payables at December 31, 2011, consist of the following:

Interfund payables from the General Fund		
Nonmajor funds for annual appropriation amount not reimbursed:		
Fire District Fund	$	374,536
Protective Inspection/Planning & Zoning Fund		31,276
Parks and Recreation Fund		20,965
CDBG Fund		1,000
Emergency Management/Rescue Fund		1,333
Mayfield Treatment Plant Enterprise Fund for debt service payments		23,622
Debt Service Fund for debt payments		8,295
Capital projects Fund for project costs		1,110,891
Subtotal - interfund payables from the General Fund		1,571,918
Interfund payables from the Capital Projects Fund		
General Fund for project costs		513,484
Subtotal - interfund payables from the Capital Projects Fund		513,484
Interfund payables from Other Nonmajor Governmental Funds		
General Fund for accounts payable paid		
Fire District Fund - and for capital lease payment on fire truck paid by the General fund		311,954
Emergency 911		399,609
Emergency Services/Ambulance Fund		728,513
Jail Fund		79,671
Law Library Fund		15,517
Senior Center Fund		1,441
Fuel Depot Fund for services provided		
Senior Center Fund		870
Subtotal - interfund payables from Other Nonmajor Governmental Funds		1,537,575
Interfund payables from Enterprise Funds		
to General Fund from Solid Waste Disposal Facility Fund for accounts payable paid		1,686,265
to Keep Jackson Beautiful from Solid Waste Disposal Facility Fund for fees collected		1,121
Subtotal - interfund payables from Solid Waste Disposal Facility Fund		1,687,386
Interfund payables from Internal Service Funds		
To General Fund from Fuel Depot Fund for accounts payable paid		7,692
Total Interfund payables	$	5,318,055

Summary of interfund receivables reported in fund financial statements:		
Interfund receivables, Balance Sheet - Governmental Funds	$	5,293,563
Interfund receivables, Statement of Net Assets - Proprietary Funds, Business-Type Activities - Enterprise Funds		23,622
Interfund receivables, Statement of Net Assets - Proprietary Funds, Business-Type Activities - Internal Service Funds		870
Total	$	5,318,055

Transfers to/from other funds for the year ending December 31, 2011 consist of the following:

Transfers from the General Fund to:		
Debt Service Fund representing debt service payments	$	5,881,939
Capital Projects Fund for costs related to bond refunding		278,330
Capital Projects Fund for costs related to propane filling station		70,125
Solid Waste Enterprise Fund representing property taxes and other revenues to fund annual operations		247,138
Nonmajor funds representing property taxes and other revenues to fund annual operations:		
Special Revenue Funds		
Emergency Management/Rescue Fund		80,199
Emergency Services/Ambulance Fund		1,718,718
Keep Jackson Beautiful Fund		20,472
Protective Inspection/Planning & Zoning Fund		187,390
Parks and Recreation Fund		800,987
Senior Center Fund		263,140
Subtotal transfers to nonmajor Special Revenue Funds		3,070,906
Capital Projects funds:		
CDBG Fund for construction of new senior center		43,196
Total transferred from the General Fund to Nonmajor Funds		3,114,102
Total transferred from the General Fund		9,591,634
Transfers from the Capital Projects Fund to:		
Debt Service Fund for debt payments on economic development projects		119,525
Total transferred from the Capital Projects Fund		119,525
Transfers from Other Nonmajor Governmental Funds:		
From the Jail Special Revenue Fund to the General Fund representing surcharges on fines for the operation of the victims' assistance and drug abuse treatment and education programs		89,008
From the Law Library Special Revenue Fund to the General Fund for equipment		24,318
Total transferred from Other Nonmajor Governmental Funds		113,326
Total	$	9,824,485

Summary of transfers out to other funds reported in the fund financial statements:		
Transfers Out, Statement of Revenues, Expenditures and Changes in Fund Balances-Governmental Funds	$	9,824,485
Total	$	9,824,485

NOTE 9 - RETIREMENT PLANS

DEFINED BENEFIT PENSION PLAN

(A) PLAN DESCRIPTION

The 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 Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish, and amend from time-to-time, the contribution rates for the County and its plan participants. The Plan issues a stand-alone report. This report may be obtained from: GEBCorp, 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339.

The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The Plan, through execution of an adoption agreement adopted by resolution of the County Board of Commissioners , is affiliated with the Association County Commissioners of Georgia Second Restated Defined Benefit Plan (The ACCG Plan), an agent multiple-employer pension plan administered by the Government Employee's Benefit Corporation (GEBCorp). The ACCG, in its role as Plan Sponsor, has the sole authority to amend the provisions of the ACCG Plan, as provided in Section 19.03 of The ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of The Plan, as provided in Section 19.02 of the ACCG Plan document.

The County's covered payroll for employees participating in the Plan as of January 1, 2011, (the most recent actuarial valuation date) was $7,714,898 (based on covered earnings of preceding year).

Before January 1, 1998, all full-time County employees were eligible to participate in the Plan after completing three years of service. No employees can become participants after January 1, 1998. Benefits are fully vested after five years of service. Participants become eligible to retire at age 65 with 3 years of participation in the Plan, but not beyond age 70. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of 1.00% of average compensation up to $6,600 plus 1.50% of average compensation in excess of $6,600 plus $36.00 for each year of credited service payable as a life annuity. Service is limited to 35 years.

Effective January 1, 2004, the plan was changed to allow certain Department of Public Safety employees to enter the plan and purchase prior service with their 401(a) account balance as of December 31, 2003. This plan change resulted in an increase in plan cost by approximately 2.3% of payroll.

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.

All benefit accruals are frozen as of November 30, 1997, except employees electing to remain in the Plan with unfrozen benefits or any employee who retires prior to November 30, 2007. Any employee who retires prior to November 30, 2007 has the option to accrue benefits until their actual date of retirement and forfeit their right to their account balance in their supplemental 401(a) plan.

The Plan's financial statements are prepared on a cash basis, modified to include unrealized gains or losses on marketable securities owned by the Plan and increments in the cash value of death benefits.

Plan assets do not include any loans, notes, bonds, or other instruments or securities of the County or related parties.

(B) FUNDING POLICY

The County is required to contribute at an actuarially determined rate. Section 47-20 of the Georgia Code set forth minimum funding standards for state and local governmental pension plans. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement. County employees are not required to contribute to the Plan. The County contributes the entire cost of the Plan, using the actuarial basis described in the annual valuation report.

Contributions totaling $688,312 ($688,312 employer and $0 employee) were made in accordance with actuarially determined contribution requirements determined by an actuarial valuation performed as of January 1, 2011. Employer contributions attributable to the 2011 Plan Year were made in 2011. The employer contribution represents 7.9% of covered payroll (using the prior year's earnings as a base).

(C) ANNUAL PENSION COST

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

The County's contributions to the Plan for the years ended December 31, 2011, 2009, and 2008 were $688,312, $568,781, and $564,459, respectively, and were equal to the required contribution for each year.

The Schedule of Pension Funding Progress included in the required supplementary information presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations. The data for the most current year are as follows:

Actuarial Date of January 1	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percent of Covered Payroll [(b-a)/c]
2011	$ 7,183,581	$11,037,209	$ 3,853,628	65.1%	$ 7,714,898	50.0 %

The annual required contribution and percentage contributed for the current year and preceding two years are as follows:

Fiscal Year December 31	Annual Pension Cost	Actual County Contribution	Percentage of APC Contributed	Net Pension Obligation
2011	$ 634,640	$ 688,312	108.5 %	$ (343,991)
2010	$ 570,365	$ 568,781	99.7 %	$ (290,319)
2009	$ 517,878	$ 564,459	109.0 %	$ (291,903)

The information was determined as part of the actuarial valuation as of January 1, 2010. Additional information as of the latest actuarial valuation follows:

Valuation date	January 1, 2011
Actuarial Cost method	Projected Unit Credit
Amortization method	Level Percent of Pay (Closed)
Remaining amortization period	10 years
(The estimated amortization period for all unfunded liabilities combined into one amount.)	
Asset valuation method	Market Value
Actuarial assumptions:	
Investment rate return*	7.75%
Projected salary increases*	7.5%
*Includes inflation at	3.0%
Cost-of-living adjustments	N/A
Post-retirement benefit increases	N/A

The County's annual pension cost and net pension obligation for the pension plan for the current year were determined as follows:

Derivation of annual pension cost:	2011	2010
Annual required contribution	$ 633,066	$ 568,781
Interest on net pension obligation	(22,500)	(22,622)
Amortization of net pension obligation	24,074	24,206
Annual pension cost	634,640	570,365
Contributions made with interest	(688,312)	(568,781)
Increase (decrease) in net pension obligation	(53,672)	1,584
Net pension obligation, beginning of year	(290,319)	(291,903)
Net pension obligation, end of year	$ (343,991)	$ (290,319)

DEFINED CONTRIBUTION PLAN

Effective January 1, 1998, the County, by resolution, adopted the ACCG Defined Contribution Money Purchase Plan, which operates in conjunction with the Deferred Compensation Plan. In August 2008, the County switched companies from ACCG to ICMA Retirement Corporation. There is no waiting period for employees to participate. In August 2008, the County adopted a graduated vesting system, as follows: after 2 years of service, employees are 25% vested; after 3 years of service, employees are 50% vested; after 4 years of service, employees are 75% vested; and after 5 years of service, employees are 100% vested. The department heads are 50% vested after 1 year of service and 100% vested after 2 years of service. The County contributes 4% of salary as a base contribution for employees with 0-9 years of service, 5% for employees with 10-14 years of service, 6% for employees with 15-19 years of service, and 7% for employees with 20 or more years of service. In addition, the County will match 50% of employee voluntary contributions up to 6% of salary. The County may change the contribution requirements by resolution.

The employee contributions for 2011 were $586,109 and the County base contribution was $345,526. Due to the economic slowdown, the County has not made any matching contributions for the year.

DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Because the assets are held in trust for the employees, they are not assets of the County and are not reported in these financial statements.

OTHER POST-RETIREMENT BENEFITS

(A) PLAN DESCRIPTION

The County administers a single-employer defined benefit healthcare plan, the Jackson County Retirement Medical Plan, established by resolution. The plan coverages and contribution requirements may be amended by resolution as well. The plan provides healthcare coverage including medical, dental, and vision, for eligible retirees, their spouses, and dependent children through the county's health insurance plan, which covers both active and retired members. The plan does not issue a stand-alone report.

Any employee with 20 or more years of service who retires between 60 and 65 years of age may continue on the County's health insurance plan at the same cost as an active employee. This includes coverage for their spouse. At age 65 or normal Medicare retirement age, if earlier, the County provides a Medicare supplemental insurance policy for the retiree only and regular medical coverage terminates. The spouse may continue on the County's health plan at the employee's cost until the spouse reaches age 65. Employees may choose the greater of this benefit or the benefit described below.

Public Safety Employees

Eligible employees are those age 55 with a minimum of 20 years of full-time, certified public safety service. Employees earn 3% per year towards their coverage for the first 20 years of service and 4% per year for years 21-30. They also earn 2.5% per year towards coverage for their spouse and dependent children. Coverage for the spouse ends when they reach normal Medicare retirement age. Coverage for dependent children ends when they no longer qualify as a dependent. Once the employee reaches normal Medicare retirement age, the County provides a Medicare supplemental insurance policy for the retiree only and regular medical coverage terminates.

Non Public Safety Employees

Eligible employees are those age 60 with a minimum of 20 years of full-time service. Employees earn 3% per year towards their coverage for the first 20 years of service and 4% per year for years 21-30. They also earn 2.5% per year towards coverage for their spouse and dependent children. Coverage for the spouse ends when they reach normal Medicare retirement age. Coverage for dependent children ends when they no longer qualify as a dependent. Once the employee reaches normal Medicare retirement age, the County provides a Medicare supplemental insurance policy for the retiree only and regular medical coverage terminates.

(B) FUNDING POLICY

For fiscal year 2011, the County contributed $84,799 to the plan. These benefits are funded on a "pay as you go" method. In fiscal year 2011, total member contributions were $10,037, through their required contribution of which ranged from $422 to $545 per month for retiree only coverage and from $1,060 to $1,369 per month for retiree and spouse coverage (depending on the plan coverage chosen).

(C) ANNUAL OPEB COST AND NET OPEB OBLIGATION

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution by the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation:

	2011	2010
Annual required contribution	$ 771,458	$ 812,388
Interest on net OPEB obligation	81,554	51,717
Adjustment to annual required contribution	(77,910)	(49,406)
Annual OPEB cost	775,102	814,699
Employer contributions made with interest	(84,799)	(68,783)
Increase (decrease) in net OPEB obligation	690,303	745,916
Net OPEB obligation, Beginning of year	2,038,847	1,292,931
Net OPEB obligation, End of year	$ 2,729,150	$ 2,038,847

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 and the preceding year were as follows:

Fiscal Year Ended December 31,	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2011	$ 775,102	$ 84,799	10.9%	$ 2,729,150
2010	$ 814,699	$ 68,783	8.4%	$ 2,038,847
2009	$ 681,328	$ 60,738	8.9%	$ 1,292,931

(D) FUNDED STATUS AND FUNDING PROGRESS

The data for the most current year are as follows:

Actuarial Date of January 1	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percent of Covered Payroll [(b-a)/c]
2011	$ -	$5,862,271	$ 5,862,271	0.0%	$15,002,260	39.1%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress, presented as required supplementary information, following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Since actuarial valuations are done biennially with the next valuation scheduled for January 1, 2010, only one year's data is presented. Additional years will be added over time.

(E) ACTUARIAL METHODS AND ASSUMPTIONS

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The information was determined as part of the actuarial valuation as of January 1, 2010. Additional information as of the latest actuarial valuation follows:

Valuation date	January 1, 2010
Actuarial cost method	Projected Unit Credit
Amortization method	30-year open period; level percentage of pay payment
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate return	4.00%
Post-retirement benefit increases	0%
Projected salary increases	0%
Includes inflation at	3.00%
Healthcare cost trend rate(s):	
Select rates	10.50% for 2010 graded to 5.00% for 2017
Ultimate rate	5.00%

OTHER PLANS

In addition to the above pension plans, the following pension plans cover County employees but the county is not legally responsible for contributions to the pension plans. Other governmental entities are legally responsible for these contributions as well as required disclosures.

(A) PROBATE JUDGES' RETIREMENT FUND OF GEORGIA
The Probate Judge is covered under a pension plan which requires that certain sums from marriage licenses and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

(B) CLERK OF SUPERIOR COURT RETIREMENT FUND
The Clerk of Superior Court is covered under a pension plan which requires that certain sums from fees and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

(C) SHERIFF'S RETIREMENT FUND/PEACE OFFICER'S ANNUITY AND BENEFIT FUND
The Sheriff and Sheriff's Deputies are covered under separate pension plans which require that certain sums from fines or bond forfeitures be remitted by the Probate Judge or Clerk of Superior Court to the pension plans before the payment of any costs or other claims.

(D) GEORGIA STATE EMPLOYEES' RETIREMENT SYSTEM
The Health Department's eligible employees participate in the Georgia State Employees' Retirement System (ERS), a statewide multiple-employer public employee retirement system covering employees of local boards of health and various agencies and departments of the State of Georgia. ERS is funded through employer and employee contributions and the Health Department has no legal obligation for paying benefits.

NOTE 10 - RISK MANAGEMENT

The County is exposed to various risks in terms 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 not decreased any of its insurance coverage from the prior year, and there have been no claims in excess of insurance coverage over the past three years.

GROUP HEALTH INSURANCE

The government carries commercial insurance for its employees through a fully-insured plan with Association County Commissioners of Georgia/Blue Cross Blue Shield of Georgia (ACCG/BCBS).

WORKERS' COMPENSATION

The County participates in the Association County Commissioners of Georgia (ACCG) Group Self-Insurance Workers' Compensation Fund (GSIWCF) (FUND), a self-insured pool cooperative arrangement among its members to finance workers' compensation coverage. The fund is owned by its members and is managed by a seven member Board of Trustees made up of representatives from participating counties. Losses up to $450,000 per individual claim are paid by the Fund.

However, excess losses, if any, are covered by reinsurance and would be paid by the reinsurer. The members of the Fund are assessable if the losses that the Fund must pay exceed the assets of the pool. At December 31, 2011, there was no need for such an assessment. Therefore, no liability has been included in these financial statements.

As part of these risk pools, (IRMA & GSIWCF), the County is obligated to pay all contributions and assessments to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents that could require the funds to pay any type of loss. The County is also to allow all the pools' agents and attorneys to represent the county in investigations, settlement discussions, and all levels of litigation arising out of any claim made against the county.

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 costs assessed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

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

OTHER

Jackson County is a member of the Association of County Commissioners of Georgia Interlocal Risk Management Agency (IRMA). IRMA is a group self-insurance fund covering general liability, automobile damage and theft, fire damage, and employee dishonesty for Georgia County governments. IRMA pays losses up to $100,000 per individual claim or $1,000,000 for all claims. However, excess losses, if any, are covered by reinsurance and would be paid by the reinsurer.

The members of IRMA are assessable if the losses that IRMA must pay exceed the assets of the pool. At December 31, 2011, there was no need for such an assessment.

NOTE 11 - RELATED PARTY TRANSACTIONS

Jackson County is one of four member counties of the Upper Oconee Basin Water Authority, a public body corporate and politic created in 1994 by an act of the General Assembly of the State of Georgia (the "Act"). Pursuant to the Act, the Authority is authorized to acquire and develop adequate sources of water supply, including but not limited to the construction of reservoirs; the treatment of such water, and thereafter the transmission of such water within the Upper Oconee Basin area, and to the various counties, municipalities, and public authorities within the Upper Oconee Basin area; to conserve water; to fulfill its purposes and perform its projects in an environmentally sensitive manner; and to strictly limit interbasin transfers of water. The County has entered into the Intergovernmental Reservoir and Raw Water Supply Agreement with the Authority as well as the Intergovernmental Water Treatment and Transmission Agreement as well as certain supplemental contracts whereby the County agrees to provide funds for the operation and maintenance of the Project and to the extent another Member County fails to fulfill its obligation to pay costs of operating the Project, including payment of debts service, to provide additional funds for such costs, irrespective of the demand for or the Project's output of water. Complete financial statements for the Upper Oconee Basin Water Authority may be obtained from: Georgia Mountains Regional Commission, 305 Research Drive, Athens, Georgia 30605.

NOTE 12 - CONTINGENT LIABILITIES

The County is a party to several legal proceedings that normally occur in governmental operations. As of the date of this financial statement, no awards in these cases have been made against the County. The results of any litigation, however, contain elements of uncertainty, and liability, if any, which might result from these proceedings, would not, in the opinion of management, have a material adverse effect on the ability of the County to meet its financial obligations.

In May of 1999, the County accepted a Community Development Block Grant from the Department of Community Affairs in the amount of $500,000 for the construction of a new Mental Health Center. As a condition of the grant, the County must agree to use the facility for the approved purpose throughout the life of the facility. Should the facility be converted to an ineligible use, the Department of Community Affairs will require repayment of the grant. The repayment will be based on 20-year straight-line depreciation, except 100% repayment of the grant funds will be required to be repaid if the facility is converted during the first five years after the grant closeout date. The period for calculating the repayment amount began upon closeout of the grant in December 2000 and continue until approximately December 2020.

In February of 2010, the County accepted a Community Development Block Grant from the Department of Community Affairs in the amount of $500,000 for the renovation of the Senior Center. As a condition of the grant, the County must agree to use the facility for the approved purpose throughout the life of the facility. Should the facility be converted to an ineligible use, the Department of Community Affairs will require repayment of the grant. The repayment will be based on 20-year straight-line depreciation, except 100% repayment of the grant funds will be required to be repaid if the facility is converted during the first five years after the grant closeout date. The period for calculating

the repayment amount began upon closeout of the grant in March 2011 and continue until approximately March 2031.

During 2002, Michigan Automotive Compressors, Inc. (MACI), a joint venture between Toyota Industries Corporation and DENSO, contracted to establish a new manufacturing facility in Jackson County. As part of this, Jackson County committed to provide substantial infrastructure improvements, including various road improvements. Most of those improvements have been made. The cost to extend Concord Road to Dry Pond Road by December 31, 2010 has not yet been determined. That commitment has not been completed as of December 31, 2011.

NOTE 13 - LANDFILL CLOSURE AND POSTCLOSURE CARE COST

State and federal laws and regulations require the County to place a final cover on a landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for up to thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports an estimated portion of these closure and postclosure care costs as a current operating expenditure in each period based on landfill capacity used as of each balance sheet date. The estimated costs are subject to adjustment due to changes in inflation or deflation, technology, or applicable laws or regulations. The current year amortization with respect to the postclosure costs is $90,462. The amount of postclosure care costs remaining as of December 31, 2011 is $622,520. The landfill was officially closed August 20, 1997.

NOTE 14 - CERTAIN SIGNIFICANT ESTIMATES

As discussed in NOTE 1, estimates are used in the preparation of these financial statements. Several of the estimates qualified as a significant estimate, in that it is reasonably possible that the estimate will change in the near term due to one or more future confirming events and this change will have a material effect on the financial statements.

The estimate for the postclosure cost of the County's landfill, which was closed in 1994 qualifies as a significant estimate. Jackson County has estimated the remaining closure and the thirty-year post closure monitoring cost to be $622,520. The ultimate cost, however will depend on the extent of contamination found as the project progresses.

The estimate for allowance for doubtful accounts related to fines receivable and ambulance charges receivables qualifies as a significant estimate. The estimate is calculated based on prior years' collection experience.

The estimate for accumulated depreciation on capital assets qualifies as a significant estimate. This estimate is based on the original or estimated cost of the assets, depreciated over the estimated useful lives using the straight line method.

NOTE 15 - NORTHEAST GEORGIA REGIONAL COMMISSION

Jackson County, in conjunction with cities and counties in the ten (10) county Piedmont, Georgia area are members of the Northeast Georgia Regional Commission (NEGRC). Membership in a regional commission is automatic for each municipality and county in the state. The official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the regional commissions. Each county and municipality in the state is required by law to pay minimum annual dues to the regional commission. The county paid annual dues in the amount of $44,509 to the NEGRC for the year ended December 31, 2011. The NEGRC Board membership includes the chief elected official of each county and the chief elected official of each municipality. The County board members and municipal board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as the nonpublic Board member from a County.

The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) defines regional commissions as public agencies and instrumentalities of their members. Georgia laws also provide that the member governments are liable for any debts or obligations of a regional commission beyond its resources. (O.C.G.A. 50-8-39.1)

Separate financial statements for the NEGRC may be obtained from: Northeast Georgia Regional Commission, 305 Research Drive, Athens, Georgia 30605.

JACKSON COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION FUNDING PROGRESS
For the Year Ended December 31, 2011
"Unaudited"

Actuarial Valuation Date (1/1)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Annual Covered Payroll (prior year)	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2006	$ 4,355,567	$ 6,220,735	70.0 %	$ 1,865,168	$ 4,246,716	43.9 %
2007	$ 4,927,763	$ 6,981,901	70.6 %	$ 2,054,138	$ 4,981,645	41.2 %
2008	$ 5,541,565	$ 7,459,332	74.3 %	$ 1,917,767	$ 4,852,396	39.5 %
2009	$ 5,709,193	$ 8,176,573	69.8 %	$ 2,467,380	$ 6,120,996	40.3 %
2010	$ 6,381,064	$ 10,171,507	62.7 %	$ 3,790,443	$ 7,199,794	52.6 %
2011	$ 7,183,581	$ 11,037,209	65.1 %	$ 3,853,628	$ 7,183,581	53.6 %

See Note 9 to the financial statements for the actuarial methods and significant assumptions used to determine the Actuarial Required Contribution for the current year and the funded status of the plan.

Effective January 1, 2004, the plan was changed to allow certain Department of Public Safety employees to enter the plan and purchase prior service with their 401A account balance as of December 31, 2003. This plan change resulted in an increase in plan cost of approximately 2.3% of payroll.

Analysis of the dollar amounts of actuarial value of assets available for benefits, actuarial accrued liability, and unfunded actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets available for benefits as a percentage of the actuarial accrued liability provides one indication of funding status on a going concern basis. Analysis of this percentage over time indicates whether the system is becoming financial stronger or weaker. Generally, the greater this percentage, the stronger the Plan.

Trends in unfunded actuarial accrued liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the Plan's progress in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the Plan.

JACKSON COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF OTHER POST-RETIREMENT BENEFITS FUNDING PROGRESS
For the Year Ended December 31, 2011
"Unaudited"

Actuarial Valuation Date (1/1)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2008	$ -	$ 4,757,902	- %	$ 4,757,902	$ 13,331,911	35.69 %
2010	$ -	$ 5,862,271	- %	$ 5,862,271	$ 15,002,260	39.08 %

2008 was the first year that this plan was effective. The County has biennial actuarial valuations.

JACKSON COUNTY, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended December 31, 2011
(Required Supplementary Information)

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 9,943,097	$ 9,943,097	$ 9,943,097	$ -
RESOURCES (INFLOWS)				
Taxes	28,487,481	28,487,481	28,985,643	498,162
Licenses and permits	34,800	34,800	48,892	14,092
Intergovernmental	416,111	470,017	561,496	91,479
Fines and forfeitures	1,004,995	1,004,995	774,159	(230,836)
Charges for services	3,835,003	3,835,003	4,120,856	285,853
Investment income	85,000	85,000	23,501	(61,499)
Miscellaneous	42,000	45,686	106,270	60,584
Sale of county property	-	812,949	1,885,624	1,072,675
Transfers in	86,566	109,059	113,326	4,267
Total Resources (Inflows)	33,991,956	34,884,990	36,619,767	1,734,777
AMOUNTS AVAILABLE FOR APPROPRIATION	43,935,053	44,828,087	46,562,864	1,734,777
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
General Government				
Legislative	468,302	330,095	330,095	-
Chief executive	150,345	268,475	268,475	-
Elections	17,927	37,098	37,098	-
Voter registration	136,515	148,675	148,675	-
Financial administration	496,088	522,645	522,645	-
Purchasing	67,931	67,931	64,142	3,789
Data processing/MIS	713,188	717,884	717,884	-
Human resources	221,581	228,618	213,843	14,775
Tax commissioner	526,284	561,733	561,733	-
Tax assessor	550,413	555,609	544,400	11,209
Courthouse	405,673	411,173	408,091	3,082
District courthouse	-	-	(7)	7
Maintenance superintendent	578,523	578,523	575,525	2,998
Administration building	181,485	181,485	181,274	211
Board of Equalization	19,900	31,355	31,355	-
Commerce Service Center	23,900	46,809	46,809	-
Contingency	-	91	-	91
Total General Government	4,558,055	4,688,199	4,652,037	36,162
Judicial				
Superior court	257,574	306,082	273,952	32,130
Clerk of superior court	559,418	584,841	584,841	-
District attorney	406,900	428,681	428,681	-
State court	223,264	223,264	170,911	52,353
Magistrate court	253,917	253,917	248,676	5,241
Probate court	208,171	217,731	217,731	-
Juvenile court	375,522	385,058	385,058	-
Public defender	361,718	361,718	361,718	-
Solicitor-victims assistance	82,958	82,958	73,864	9,094
Solicitor-state court	271,279	272,146	272,146	-
Total Judicial	3,000,721	3,116,396	3,017,578	98,818
Public Safety				
Sheriff	5,201,498	5,236,329	5,192,496	43,833
Detention center	4,989,554	5,235,243	5,235,243	-
Correctional institute	2,102,580	2,462,630	2,462,630	-
Correctional institute fire brigade	57,850	57,850	46,526	11,324
Firemen's association	46,697	46,697	42,131	4,566
Coroner	53,419	53,419	51,123	2,296
Animal shelter	63,100	63,100	53,864	9,236
D.A.R.E.	195,531	195,531	180,368	15,163
County Marshal	86,396	86,396	76,731	9,665
Animal control	110,603	110,666	106,612	4,054
Total Public Safety	12,907,228	13,547,861	13,447,724	100,137

JACKSON COUNTY, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended December 31, 2011
(Required Supplementary Information)

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
CONTINUED.....				
Public Works				
Roadways and walkways	1,372,795	1,372,983	1,267,001	105,982
Other maintenance	442,793	442,793	420,930	21,863
Street lighting	208,441	208,441	210,010	(1,569)
Engineering	4,250	37,796	37,796	-
Water administration	2,086,159	2,126,775	2,126,775	-
Total Public Works	4,114,438	4,188,788	4,062,512	126,276
Public Health and Welfare				
Health department	276,357	276,357	275,784	573
Transportation services	56,243	95,723	95,723	-
Mental health	15,267	15,267	14,505	762
Boys and Girls Club	10,000	10,000	10,000	-
Certified Literate Program	10,280	10,280	10,280	-
Family and children services	42,134	42,134	29,804	12,330
Peace Place subsidy	10,000	10,000	10,000	-
Other public health and welfare	25,000	25,000	5,995	19,005
SolarTech	15,000	15,000	11,042	3,958
Total Public Health and Welfare	460,281	499,761	463,133	36,628
Recreation and Culture				
Library	100,000	100,000	100,000	-
Total Recreation and Culture	100,000	100,000	100,000	-
Housing and development				
Conservation	4,500	4,500	3,375	1,125
Forestry	10,652	10,652	10,652	-
Economic development	124,500	124,500	109,352	15,148
Agencies	46,771	48,888	48,888	-
County agent	110,582	114,146	107,442	6,704
Other housing and development	57,000	57,000	46,340	10,660
Airport	87,962	87,988	87,988	-
GIS mapping	159,732	159,732	139,498	20,234
Total Housing and Development	601,699	607,406	553,535	53,871
Transfers out	10,011,176	10,011,176	9,591,634	419,542
TOTAL CHARGES TO APPROPRIATIONS	35,753,598	36,759,587	35,888,153	871,434
CHANGE IN FUND BALANCE	(1,761,642)	(1,874,597)	731,614	2,606,211
FUND BALANCE, End of year	$ 8,181,455	$ 8,068,500	$ 10,674,711	$ 2,606,211

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Fire District - to account for funds collected from taxes charged on property that are used to provide fire protection and control services.

Emergency 911 Telephone Service - to account for the cost of providing service to the County as provided in title 46, Chapter 5 of the Official Code of Georgia Annotated.

Emergency Management/Rescue – to account for funds received from grants and contributions for the emergency management agency/rescue programs.

Emergency Services/Ambulance - to account for the fees charged to users of the county ambulance service. The funds are used to operate the ambulance service.

Jail Fund - to account for funds collected from fines and forfeitures and other revenues to be used for the operation of the County jail.

Law Library - to account for funds collected from fines and forfeitures to be used to maintain the Law Library as provided in title 36, Chapter 15 of the Official Code of Georgia Annotated.

Keep Jackson Beautiful - to account for various grants and donations as well as subsidies from the General Fund to support various activities and projects that reduce littering and other practices that diminish the beauty of the County.

Protective Inspection/Planning and Zoning - to account for license and permit fees that are collected on new developments that are used for the planning of new developments in the County.

Parks and Recreation - to account for funds received from fees charged for the use of services with the parks and recreation programs.

Senior Center - to account for grants and other funds received for the operation of the county Senior Center.

Drug Enforcement - to account for funds collected from fines and forfeitures to be used for drug abuse, treatment and education programs.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary and trust funds.

CDBG - to account for Community Development Block Grant received to be used for the acquisition or construction of major capital facilities.

JACKSON COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2011

	SPECIAL REVENUE FUNDS							
	FIRE DISTRICT	EMERGENCY E911 TELEPHONE SERVICES	EMERGENCY MANAGEMENT /RESCUE SERVICES	EMERGENCY SERVICES/ AMBULANCE	JAIL FUND	LAW LIBRARY	KEEP JACKSON BEAUTIFUL	PROTECTIVE INSPECTION/ PLANNING AND ZONING
ASSETS								
Cash	$ 3,615,817	$ 604,166	$ 149,831	$ -	$ 709,673	$ 76,033	$ -	$ -
Receivables (net of allowance for uncollectibles)	373,382	224,889	-	699,897	-	-	-	-
Interfund receivables	374,536	-	1,333	-	-	-	1,121	31,276
Prepaid items	211,096	21,503	-	48,589	-	-	-	-
Inventories	-	-	-	26,939	-	-	-	-
TOTAL ASSETS	$ 4,574,831	$ 850,558	$ 151,164	$ 775,425	$ 709,673	$ 76,033	$ 1,121	$ 31,276
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	$ 87,757	$ 34,106	$ 1,785	$ 23,902	$ -	$ 1,018	$ 1,121	$ 2,009
Other accrued items	18,212	-	-	-	-	-	-	-
Interfund payables	311,954	399,609	-	728,513	79,671	15,517	-	-
Deferred revenue	1,936,889	-	-	23,010	-	-	-	29,267
TOTAL LIABILITIES	2,354,812	433,715	1,785	775,425	79,671	16,535	1,121	31,276
FUND BALANCES								
Nonspendable:								
Prepaid expenditure	211,096	21,503	-	48,589	-	-	-	-
Inventories	-	-	-	26,939	-	-	-	-
Restricted:								
Judicial programs	-	-	-	-	-	59,498	-	-
Public safety programs	2,008,923	395,340	-	-	630,002	-	-	-
Committed:								
Public safety programs	-	-	149,379	-	-	-	-	-
Health and welfare programs	-	-	-	-	-	-	-	-
Unassigned	-	-	-	(75,528)	-	-	-	-
TOTAL FUND BALANCES	2,220,019	416,843	149,379	-	630,002	59,498	-	-
TOTAL LIABILITIES AND FUND BALANCES	$ 4,574,831	$ 850,558	$ 151,164	$ 775,425	$ 709,673	$ 76,033	$ 1,121	$ 31,276

JACKSON COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2011

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUNDS	
	PARKS AND RECREATION	SENIOR CENTER	DRUG ENFORCEMENT	SUBTOTAL SPECIAL REVENUE FUNDS	CDBG	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS						
Cash	$ -	$ 139,001	$ 124,441	$ 5,418,962	$ -	$ 5,418,962
Receivables (net of allowance for uncollectibles)	-	49,456	-	1,347,624	-	1,347,624
Interfund receivables	20,965	-	-	429,231	1,000	430,231
Prepaid items	-	-	-	281,188	-	281,188
Inventories	-	-	-	26,939	-	26,939
TOTAL ASSETS	$ 20,965	$ 188,457	$ 124,441	$ 7,503,944	$ 1,000	$ 7,504,944
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	$ 20,965	$ 5,436	$ 5,700	$ 183,799	$ 1,000	$ 184,799
Other accrued items	-	-	-	18,212	-	18,212
Interfund payables	-	2,311	-	1,537,575	-	1,537,575
Deferred revenue	-	-	-	1,989,166	-	1,989,166
TOTAL LIABILITIES	20,965	7,747	5,700	3,728,752	1,000	3,729,752
FUND BALANCES						
Nonspendable:						
Prepaid expenditure	-	-	-	281,188	-	281,188
Inventories	-	-	-	26,939	-	26,939
Restricted:						
Judicial programs	-	-	-	59,498	-	59,498
Public safety programs	-	-	118,741	3,153,006	-	3,153,006
Committed:						
Public safety programs	-	-	-	149,379	-	149,379
Health and welfare programs	-	180,710	-	180,710	-	180,710
Unassigned	-	-	-	(75,528)	-	(75,528)
TOTAL FUND BALANCES	-	180,710	118,741	3,775,192	-	3,775,192
TOTAL LIABILITIES AND FUND BALANCES	$ 20,965	$ 188,457	$ 124,441	$ 7,503,944	$ 1,000	$ 7,504,944

JACKSON COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2011

	SPECIAL REVENUE FUNDS							
	FIRE DISTRICT	EMERGENCY E911 TELEPHONE SERVICE	EMERGENCY MANAGEMENT/ RESCUE SERVICES	EMERGENCY SERVICES/ AMBULANCE	JAIL FUND	LAW LIBRARY	KEEP JACKSON BEAUTIFUL	PROTECTIVE INSPECTION/ PLANNING & ZONING
REVENUES								
Taxes	$ 2,061,440	$ -	$ -	$ -	-	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-	-	167,913
Intergovernmental	136,069	16,613	23,556	80,000	-	-	-	-
Fines and forfeitures	-	-	-	-	160,543	13,862	-	-
Charges for services	6,000	1,025,406	-	1,834,020	-	-	24,340	31,205
Contributions and donations	7,943	-	220	-	-	-	400	-
Investment income	4,012	538	76	-	355	-	-	-
Miscellaneous	14,497	-	-	-	-	-	-	-
TOTAL REVENUES	2,229,961	1,042,557	23,852	1,914,020	160,898	13,862	24,740	199,118
EXPENDITURES								
Current Expenditures								
Judicial	-	-	-	-	3,586	15,999	-	-
Public safety	1,643,665	1,286,033	107,255	3,349,393	41,611	-	-	-
Public works	-	-	-	-	-	-	-	1,542
Public health and welfare	-	-	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	-	-	-
Housing and development	-	-	-	-	-	-	55,445	388,610
Intergovernmental	-	-	-	-	-	-	-	-
Capital outlay	106,929	86,548	-	86,245	12,500	-	-	-
Debt service								
Principal	200,749	-	-	194,283	-	-	-	-
Interest	30,821	-	-	7,944	-	-	-	-
TOTAL EXPENDITURES	1,982,164	1,372,581	107,255	3,637,865	57,697	15,999	55,445	390,152
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER) EXPENDITURES	247,797	(330,024)	(83,403)	(1,723,845)	103,201	(2,137)	(30,705)	(191,034)
OTHER FINANCING SOURCES (USES)								
Sale of county property	1,644	567	-	5,127	-	-	-	-
Transfers in	-	-	80,199	1,718,718	-	-	20,472	187,390
Transfers out	-	-	-	-	(89,008)	(24,318)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	1,644	567	80,199	1,723,845	(89,008)	(24,318)	20,472	187,390
NET CHANGE IN FUND BALANCES	249,441	(329,457)	(3,204)	-	14,193	(26,455)	(10,233)	(3,644)
FUND BALANCES, Beginning of year	1,970,578	746,300	152,583	-	615,809	85,953	10,233	3,644
FUND BALANCES, End of year	$ 2,220,019	$ 416,843	$ 149,379	$ -	630,002	$ 59,498	$ -	$ -

JACKSON COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2011

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUNDS	
	PARKS AND RECREATION	SENIOR CENTER	DRUG ENFORCEMENT	SUBTOTAL SPECIAL REVENUE FUNDS	CDBG	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES						
Taxes	$ -	$ -	$ -	$ 2,061,440	$ -	$ 2,061,440
Licenses and permits	-	-	-	167,913	-	167,913
Intergovernmental	24,839	225,799	-	506,876	-	506,876
Fines and forfeitures	-	-	36,410	210,815	-	210,815
Charges for services	443,688	11,655	7,000	3,383,314	-	3,383,314
Contributions and donations	-	2,461	-	11,024	5,000	16,024
Investment income	-	1,762	458	7,201	-	7,201
Miscellaneous	(181)	-	-	14,316	-	14,316
TOTAL REVENUES	468,346	241,677	43,868	6,362,899	5,000	6,367,899
EXPENDITURES						
Current Expenditures						
Judicial	-	-	-	19,585	-	19,585
Public safety	-	-	13,219	6,441,176	-	6,441,176
Public works	-	-	-	1,542	-	1,542
Public health and welfare	-	536,193	-	536,193	-	536,193
Recreation and culture	1,242,058	-	-	1,242,058	-	1,242,058
Housing and development	-	-	-	444,055	7,190	451,245
Intergovernmental	27,275	-	-	27,275	-	27,275
Capital outlay	-	42,451	5,995	340,668	41,006	381,674
Debt service						
Principal	-	-	-	395,032	-	395,032
Interest	-	-	-	38,765	-	38,765
TOTAL EXPENDITURES	1,269,333	578,644	19,214	9,486,349	48,196	9,534,545
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER) EXPENDITURES	(800,987)	(336,967)	24,654	(3,123,450)	(43,196)	(3,166,646)
OTHER FINANCING SOURCES (USES)						
Sale of county property	-	-	-	7,338	-	7,338
Transfers in	800,987	263,140	-	3,070,906	43,196	3,114,102
Transfers out	-	-	-	(113,326)	-	(113,326)
TOTAL OTHER FINANCING SOURCES (USES)	800,987	263,140	-	2,964,918	43,196	3,008,114
NET CHANGE IN FUND BALANCES	-	(73,827)	24,654	(158,532)	-	(158,532)
FUND BALANCES, Beginning of year	-	254,537	94,087	3,933,724	-	3,933,724
FUND BALANCES, End of year	$ -	$ 180,710	$ 118,741	$ 3,775,192	$ -	$ 3,775,192

JACKSON COUNTY, GEORGIA
FIRE DISTRICT SPECIAL REVENUE FUND
SUPPLEMENTAL SCHEDULES
BALANCE SHEET-FIRE DISTRICT
December 31, 2011

	EAST JACKSON	ARCADE	HARRISBURG	JACKSON TRAIL	MAYSVILLE	NICHOLSON	NORTH JACKSON	PLAINVIEW	SOUTH JACKSON	WEST JACKSON	TOTAL
ASSETS											
Cash	$ -	$ 79,534	$ 385,549	$ 842,576	$ 380,539	$ 284,032	$ 291,082	$ 276,631	$ 379,750	$ 696,124	$ 3,615,817
Receivables(net of allowance for uncollectibles)	40,869	27,723	37,870	34,891	32,204	28,927	27,555	20,731	33,557	89,055	373,382
Interfund receivables	72,673	-	-	-	2,657	1,000	-	222,472	75,734	-	374,536
Prepaid items	137,245	5,399	5,844	6,047	7,615	7,380	8,062	5,771	7,435	20,298	211,096
TOTAL ASSETS	$ 250,787	$ 112,656	$ 429,263	$ 883,514	$ 423,015	$ 321,339	$ 326,699	$ 525,605	$ 496,476	$ 805,477	$ 4,574,831
LIABILITIES AND FUND BALANCES											
Liabilities											
Accounts payable	$ 73,189	$ 794	$ 6,684	$ 2,886	$ 405	$ -	$ -	$ -	$ 3,799	$ -	$ 87,757
Other accrued items	-	-	-	-	-	3,548	-	-	966	13,698	18,212
Interfund payables	-	2,362	1,677	6,666	-	-	-	222,472	78,627	150	311,954
Deferred revenue	177,598	102,694	117,424	241,532	98,778	152,551	150,881	180,951	148,494	565,986	1,936,889
TOTAL LIABILITIES	250,787	105,850	125,785	251,084	99,183	156,099	150,881	403,423	231,886	579,834	2,354,812
FUND BALANCES											
Nonspendable:											
Prepaids	137,245	5,399	5,844	6,047	7,615	7,380	8,062	5,771	7,435	20,298	211,096
Restricted:											
Public safety programs	(137,245)	1,407	297,634	626,383	316,217	157,860	167,756	116,411	257,155	205,345	2,008,923
TOTAL FUND BALANCES	-	6,806	303,478	632,430	323,832	165,240	175,818	122,182	264,590	225,643	2,220,019
TOTAL LIABILITIES AND FUND BALANCES	$ 250,787	$ 112,656	$ 429,263	$ 883,514	$ 423,015	$ 321,339	$ 326,699	$ 525,605	$ 496,476	$ 805,477	$ 4,574,831

JACKSON COUNTY, GEORGIA
FIRE DISTRICT SPECIAL REVENUE FUND
SUPPLEMENTAL SCHEDULES
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-FIRE DISTRICT
For the Year Ended December 31, 2011

	EAST JACKSON	ARCADE	HARRISBURG	JACKSON TRAIL	MAYSVILLE	NICHOLSON	NORTH JACKSON	PLAINVIEW	SOUTH JACKSON	WEST JACKSON	TOTAL
REVENUES											
Taxes	$ 186,190	$ 110,022	$ 124,349	$ 271,391	$ 76,580	$ 165,800	$ 163,778	$ 171,854	$ 155,638	$ 635,838	$ 2,061,440
Intergovernmental	-	1,000	-	-	11,500	-	-	-	120,963	2,606	136,069
Charges for services	-	-	-	-	-	-	-	-	6,000	-	6,000
Contributions and donations	-	-	-	-	-	-	-	-	7,943	-	7,943
Interest income	-	4	744	447	185	99	208	149	128	2,048	4,012
Miscellaneous	-	-	2,667	300	1,666	7,051	1,777	36	1,000	-	14,497
TOTAL REVENUES	186,190	111,026	127,760	272,138	89,931	172,950	165,763	172,039	291,672	640,492	2,229,961
EXPENDITURES											
Current Expenditures											
Public safety	186,190	56,500	89,592	153,449	48,205	120,552	95,463	100,137	156,568	637,009	1,643,665
Capital outlay	-	-	5,700	-	-	8,500	-	-	82,412	10,317	106,929
Debt service											
Principal	-	23,629	19,640	-	-	-	32,398	44,931	39,529	40,622	200,749
Interest	-	841	958	-	-	-	7,910	7,561	7,874	5,677	30,821
TOTAL EXPENDITURES	186,190	80,970	115,890	153,449	48,205	129,052	135,771	152,629	286,383	693,625	1,982,164
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER) EXPENDITURES	-	30,056	11,870	118,689	41,726	43,898	29,992	19,410	5,289	(53,133)	247,797
OTHER FINANCING SOURCES (USES)											
Sale of county property	-	-	-	-	-	-	-	-	1,644	-	1,644
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-	-	-	1,644	-	1,644
NET CHANGE IN FUND BALANCES	-	30,056	11,870	118,689	41,726	43,898	29,992	19,410	6,933	(53,133)	249,441
FUND BALANCES, Beginning of year	-	(23,250)	291,608	513,741	282,106	121,342	145,826	102,772	257,657	278,776	1,970,578
FUND BALANCES, End of year	$ -	$ 6,806	$ 303,478	$ 632,430	$ 323,832	$ 165,240	$ 175,818	$ 122,182	$ 264,590	$ 225,643	$ 2,220,019

JACKSON COUNTY, GEORGIA
DEBT SERVICE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2011

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ -	$ -	$ -	$ -
RESOURCES (INFLOWS)				
Transfer in	8,286,386	8,286,386	6,001,464	(2,284,922)
Total Resources (Inflows)	8,286,386	8,286,386	6,001,464	(2,284,922)
AMOUNTS AVAILABLE FOR APPROPRIATION	8,286,386	8,286,386	6,001,464	(2,284,922)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Debt service				
Principal	3,216,827	3,216,827	2,556,898	659,929
Interest	5,069,559	5,069,559	3,444,563	1,624,996
TOTAL CHARGES TO APPROPRIATIONS	8,286,386	8,286,386	6,001,461	2,284,925
CHANGE IN FUND BALANCE	-	-	3	3
FUND BALANCE, End of year	$ -	$ -	$ 3	$ 3

NOTES TO THE BUDGETARY COMPARISON SCHEDULE
1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
FIRE DISTRICT SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2011

EAST JACKSON	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ -	$ -	$ -	$ -
RESOURCES (INFLOWS)				
Taxes	206,111	206,111	186,190	(19,921)
Total Resources (Inflows)	206,111	206,111	186,190	(19,921)
AMOUNTS AVAILABLE FOR APPROPRIATION	206,111	206,111	186,190	(19,921)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	206,111	206,111	186,190	19,921
TOTAL CHARGES TO APPROPRIATIONS	206,111	206,111	186,190	19,921
FUND BALANCE, End of year	$ -	$ -	$ -	$ -
ARCADE				
FUND BALANCE, Beginning of year	$ (23,250)	$ (23,250)	$ (23,250)	$ -
RESOURCES (INFLOWS)				
Taxes	111,015	111,015	110,022	(993)
Intergovernmental	-	-	1,000	1,000
Investment income	-	-	4	4
Total Resources (Inflows)	111,015	111,015	111,026	11
AMOUNTS AVAILABLE FOR APPROPRIATION	87,765	87,765	87,776	11
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	111,015	111,015	80,970	30,045
TOTAL CHARGES TO APPROPRIATIONS	111,015	111,015	80,970	30,045
CHANGE IN FUND BALANCE	-	-	30,056	30,056
FUND BALANCE, End of year	$ (23,250)	$ (23,250)	$ 6,806	$ 30,056
HARRISBURG				
FUND BALANCE, Beginning of year	$ 291,608	$ 291,608	$ 291,608	$ -
RESOURCES (INFLOWS)				
Taxes	124,000	124,000	124,349	349
Investment income	-	-	744	744
Miscellaneous	-	-	2,667	2,667
Total Resources (Inflows)	124,000	124,000	127,760	3,760
AMOUNTS AVAILABLE FOR APPROPRIATION	415,608	415,608	419,368	3,760
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	124,000	124,000	115,890	8,110
TOTAL CHARGES TO APPROPRIATIONS	124,000	124,000	115,890	8,110
CHANGE IN FUND BALANCE	-	-	11,870	11,870
FUND BALANCE, End of year	$ 291,608	$ 291,608	$ 303,478	$ 11,870
JACKSON TRAIL				
FUND BALANCE, Beginning of year	$ 513,741	$ 513,741	$ 513,741	$ -
RESOURCES (INFLOWS)				
Taxes	284,000	284,000	271,391	(12,609)
Investment income	-	-	447	447
Miscellaneous	-	-	300	300
Total Resources (Inflows)	284,000	284,000	272,138	(11,862)
AMOUNTS AVAILABLE FOR APPROPRIATION	797,741	797,741	785,879	(11,862)

JACKSON COUNTY, GEORGIA
FIRE DISTRICT SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2011

CONTINUED.....

CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	284,000	284,000	153,449	130,551
TOTAL CHARGES TO APPROPRIATIONS	284,000	284,000	153,449	130,551
CHANGE IN FUND BALANCE	-	-	118,689	118,689
FUND BALANCE, End of year	$ 513,741	$ 513,741	$ 632,430	$ 118,689
MAYSVILLE				
FUND BALANCE, Beginning of year	$ 282,106	$ 282,106	$ 282,106	$ -
RESOURCES (INFLOWS)				
Taxes	73,762	73,762	76,580	2,818
Intergovernmental	-	-	11,500	11,500
Investment income	435	435	185	(250)
Miscellaneous	24,000	24,000	1,666	(22,334)
Total Resources (Inflows)	98,197	98,197	89,931	(8,266)
AMOUNTS AVAILABLE FOR APPROPRIATION	380,303	380,303	372,037	(8,266)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	105,000	105,000	48,205	56,795
TOTAL CHARGES TO APPROPRIATIONS	105,000	105,000	48,205	56,795
CHANGE IN FUND BALANCE	(6,803)	(6,803)	41,726	48,529
FUND BALANCE, End of year	$ 275,303	$ 275,303	$ 323,832	$ 48,529
NICHOLSON				
FUND BALANCE, Beginning of year	$ 121,342	$ 121,342	$ 121,342	$ -
RESOURCES (INFLOWS)				
Taxes	180,050	180,050	165,800	(14,250)
Investment income	-	-	99	99
Miscellaneous	-	-	7,051	7,051
Total Resources (Inflows)	180,050	180,050	172,950	(7,100)
AMOUNTS AVAILABLE FOR APPROPRIATION	301,392	301,392	294,292	(7,100)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	180,050	180,050	129,052	50,998
TOTAL CHARGES TO APPROPRIATIONS	180,050	180,050	129,052	50,998
CHANGE IN FUND BALANCE	-	-	43,898	43,898
FUND BALANCE, End of year	$ 121,342	$ 121,342	$ 165,240	$ 43,898
NORTH JACKSON				
FUND BALANCE, Beginning of year	$ 145,826	$ 145,826	$ 145,826	$ -
RESOURCES (INFLOWS)				
Taxes	163,000	163,000	163,778	778
Investment income	-	-	208	208
Miscellaneous	-	-	1,777	1,777
Total Resources (Inflows)	163,000	163,000	165,763	2,763
AMOUNTS AVAILABLE FOR APPROPRIATION	308,826	308,826	311,589	2,763

JACKSON COUNTY, GEORGIA
FIRE DISTRICT SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2011

CONTINUED.....

CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	163,000	163,000	135,771	27,229
TOTAL CHARGES TO APPROPRIATIONS	163,000	163,000	135,771	27,229
CHANGE IN FUND BALANCE	-	-	29,992	29,992
FUND BALANCE, End of year	$ 145,826	$ 145,826	$ 175,818	$ 29,992
PLAINVIEW				
FUND BALANCE, Beginning of year	$ 102,772	$ 102,772	$ 102,772	$ -
RESOURCES (INFLOWS)				
Taxes	166,175	166,175	171,854	5,679
Investment income	-	-	149	149
Miscellaneous	-	-	36	36
Total Resources (Inflows)	166,175	166,175	172,039	5,864
AMOUNTS AVAILABLE FOR APPROPRIATION	268,947	268,947	274,811	5,864
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	166,175	166,175	152,629	13,546
TOTAL CHARGES TO APPROPRIATIONS	166,175	166,175	152,629	13,546
CHANGE IN FUND BALANCE	-	-	19,410	19,410
FUND BALANCE, End of year	$ 102,772	$ 102,772	$ 122,182	$ 19,410
SOUTH JACKSON				
FUND BALANCE, Beginning of year	$ 257,657	$ 257,657	$ 257,657	$ -
RESOURCES (INFLOWS)				
Taxes	160,798	160,798	155,638	(5,160)
Intergovernmental	-	113,371	120,963	7,592
Charges for services	6,000	6,000	6,000	-
Contributions and donations	-	-	7,943	7,943
Investment income	-	-	128	128
Miscellaneous	-	-	1,000	1,000
Sale of county property	-	1,544	1,644	100
Total Resources (Inflows)	166,798	281,713	293,316	11,603
AMOUNTS AVAILABLE FOR APPROPRIATION	424,455	539,370	550,973	11,603
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	166,798	286,383	286,383	-
TOTAL CHARGES TO APPROPRIATIONS	166,798	286,383	286,383	-
CHANGE IN FUND BALANCE	-	(4,670)	6,933	11,603
FUND BALANCE, End of year	$ 257,657	$ 252,987	$ 264,590	$ 11,603
WEST JACKSON				
FUND BALANCE, Beginning of year	$ 278,776	$ 278,776	$ 278,776	$ -
RESOURCES (INFLOWS)				
Taxes	756,481	756,481	635,838	(120,643)
Intergovernmental	-	2,606	2,606	-
Investment income	-	2,048	2,048	-
Total Resources (Inflows)	756,481	761,135	640,492	(120,643)
AMOUNTS AVAILABLE FOR APPROPRIATION	1,035,257	1,039,911	919,268	(120,643)

JACKSON COUNTY, GEORGIA
FIRE DISTRICT SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2011

CONTINUED.....

CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	756,481	761,135	693,625	67,510
TOTAL CHARGES TO APPROPRIATIONS	756,481	761,135	693,625	67,510
CHANGE IN FUND BALANCE	-	-	(53,133)	(53,133)
FUND BALANCE, End of year	$ 278,776	$ 278,776	$ 225,643	$ (53,133)
ALL DISTRICTS COMBINED				
FUND BALANCE, Beginning of year	$ 1,970,578	$ 1,970,578	$ 1,970,578	$ -
RESOURCES (INFLOWS)				
Taxes	2,225,392	2,225,392	2,061,440	(163,952)
Intergovernmental	-	115,977	136,069	20,092
Charges for services	6,000	6,000	6,000	-
Contributions and donations	-	-	7,943	7,943
Investment income	435	2,483	4,012	1,529
Miscellaneous	24,000	24,000	14,497	(9,503)
Sale of county property	-	1,544	1,644	100
Total Resources (Inflows)	2,255,827	2,375,396	2,231,605	(143,791)
AMOUNTS AVAILABLE FOR APPROPRIATION	4,226,405	4,345,974	4,202,183	(143,791)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	2,262,630	2,386,869	1,982,164	404,705
TOTAL CHARGES TO APPROPRIATIONS	2,262,630	2,386,869	1,982,164	404,705
CHANGE IN FUND BALANCE	(6,803)	(11,473)	249,441	260,914
FUND BALANCE, End of year	$ 1,963,775	$ 1,959,105	$ 2,220,019	$ 260,914

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
EMERGENCY E911 TELEPHONE SYSTEM SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2011

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 746,300	$ 746,300	$ 746,300	$ -
RESOURCES (INFLOWS)				
Intergovernmental	-	16,613	16,613	-
Charges for services	1,053,000	1,066,200	1,025,406	(40,794)
Investment income	3,100	3,100	538	(2,562)
Sale of county property	-	-	567	567
Total Resources (Inflows)	1,056,100	1,085,913	1,043,124	(42,789)
AMOUNTS AVAILABLE FOR APPROPRIATION	1,802,400	1,832,213	1,789,424	(42,789)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	1,407,953	1,437,766	1,372,581	65,185
TOTAL CHARGES TO APPROPRIATIONS	1,407,953	1,437,766	1,372,581	65,185
CHANGE IN FUND BALANCE	(351,853)	(351,853)	(329,457)	22,396
FUND BALANCE, End of year	$ 394,447	$ 394,447	$ 416,843	$ 22,396

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
EMERGENCY MANAGEMENT/RESCUE SERVICES SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2011

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 152,583	$ 152,583	$ 152,583	$ -
RESOURCES (INFLOWS)				
Intergovernmental	22,056	22,056	23,556	1,500
Contributions and donations	33,000	33,000	220	(32,780)
Investment income	100	100	76	(24)
Transfer in	80,199	80,199	80,199	-
Total Resources (Inflows)	135,355	135,355	104,051	(31,304)
AMOUNTS AVAILABLE FOR APPROPRIATION	287,938	287,938	256,634	(31,304)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	135,355	135,355	107,255	28,100
TOTAL CHARGES TO APPROPRIATIONS	135,355	135,355	107,255	28,100
CHANGE IN FUND BALANCE	-	-	(3,204)	(3,204)
FUND BALANCE, End of year	$ 152,583	$ 152,583	$ 149,379	$ (3,204)

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
EMERGENCY SERVICES/AMBULANCE SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2011

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ -	$ -	$ -	$ -
RESOURCES (INFLOWS)				
Intergovernmental	-	80,000	80,000	-
Charges for services	1,200,000	1,331,431	1,834,020	502,589
Sale of county property	-	3,265	5,127	1,862
Transfer in	2,211,324	2,211,324	1,718,718	(492,606)
Total Resources (Inflows)	3,411,324	3,626,020	3,637,865	11,845
AMOUNTS AVAILABLE FOR APPROPRIATION	3,411,324	3,626,020	3,637,865	11,845
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	3,411,324	3,637,865	3,637,865	-
TOTAL CHARGES TO APPROPRIATIONS	3,411,324	3,637,865	3,637,865	-
CHANGE IN FUND BALANCE	-	(11,845)	-	11,845
FUND BALANCE, End of year	$ -	$ (11,845)	$ -	$ 11,845

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
JAIL SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2011

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 615,809	$ 615,809	$ 615,809	$ -
RESOURCES (INFLOWS)				
Fines and forfeitures	86,566	105,617	160,543	54,926
Investment income	-	-	355	355
Total Resources (Inflows)	86,566	105,617	160,898	55,281
AMOUNTS AVAILABLE FOR APPROPRIATION	702,375	721,426	776,707	55,281
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Judicial	-	3,586	3,586	-
Public safety	-	54,111	54,111	-
Transfers out	86,566	89,008	89,008	-
TOTAL CHARGES TO APPROPRIATIONS	86,566	146,705	146,705	-
CHANGE IN FUND BALANCE	-	(41,088)	14,193	55,281
FUND BALANCE, End of year	$ 615,809	$ 574,721	$ 630,002	$ 55,281

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2011

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 85,953	$ 85,953	$ 85,953	$ -
RESOURCES (INFLOWS)				
Intergovernmental	-	2,332	-	(2,332)
Fines and forfeitures	10,000	36,485	13,862	(22,623)
Investment income	1,500	1,500	-	(1,500)
Total Resources (Inflows)	11,500	40,317	13,862	(26,455)
AMOUNTS AVAILABLE FOR APPROPRIATION	97,453	126,270	99,815	(26,455)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Judicial	11,500	20,089	15,999	4,090
Transfers out	-	20,228	24,318	(4,090)
TOTAL CHARGES TO APPROPRIATIONS	11,500	40,317	40,317	-
CHANGE IN FUND BALANCE	-	-	(26,455)	(26,455)
FUND BALANCE, End of year	$ 85,953	$ 85,953	$ 59,498	$ (26,455)

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
KEEP JACKSON BEAUTIFUL SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2011

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 10,233	$ 10,233	$ 10,233	$ -
RESOURCES (INFLOWS)				
Charges for services	19,000	18,042	24,340	6,298
Contributions and donations	-	-	400	400
Transfer in	40,992	40,992	20,472	(20,520)
Total Resources (Inflows)	59,992	59,034	45,212	(13,822)
AMOUNTS AVAILABLE FOR APPROPRIATION	70,225	69,267	55,445	(13,822)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Housing and development	59,992	59,034	55,445	3,589
TOTAL CHARGES TO APPROPRIATIONS	59,992	59,034	55,445	3,589
CHANGE IN FUND BALANCE	-	-	(10,233)	(10,233)
FUND BALANCE, End of year	$ 10,233	$ 10,233	$ -	$ (10,233)

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
PROTECTIVE INSPECTION/PLANNING AND ZONING SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2011

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 3,644	$ 3,644	$ 3,644	$ -
RESOURCES (INFLOWS)				
Licenses and permits	135,000	135,000	167,913	32,913
Charges for services	45,000	45,000	31,205	(13,795)
Transfer in	254,567	254,567	187,390	(67,177)
Total Resources (Inflows)	434,567	434,567	386,508	(48,059)
AMOUNTS AVAILABLE FOR APPROPRIATION	438,211	438,211	390,152	(48,059)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public works	-	-	1,542	(1,542)
Housing and development	434,567	434,567	388,610	45,957
TOTAL CHARGES TO APPROPRIATIONS	434,567	434,567	390,152	44,415
CHANGE IN FUND BALANCE	-	-	(3,644)	(3,644)
FUND BALANCE, End of year	$ 3,644	$ 3,644	$ -	$ (3,644)

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. *The budgetary basis of accounting used in this schedule is the same as GAAP.*

JACKSON COUNTY, GEORGIA
PARKS AND RECREATION SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2011

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ -	$ -	$ -	$ -
RESOURCES (INFLOWS)				
Intergovernmental	-	-	24,839	24,839
Charges for services	304,582	578,970	443,688	(135,282)
Miscellaneous	-	-	(181)	(181)
Transfer in	690,363	690,363	800,987	110,624
Total Resources (Inflows)	994,945	1,269,333	1,269,333	-
AMOUNTS AVAILABLE FOR APPROPRIATION	994,945	1,269,333	1,269,333	-
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Recreation and culture	982,945	1,257,333	1,242,058	15,275
Intergovernmental	12,000	12,000	27,275	(15,275)
TOTAL CHARGES TO APPROPRIATIONS	994,945	1,269,333	1,269,333	-
CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE, End of year	$ -	$ -	$ -	$ -

NOTES TO THE BUDGETARY COMPARISON SCHEDULE
1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
SENIOR CENTER SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2011

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 254,537	$ 254,537	$ 254,537	$ -
RESOURCES (INFLOWS)				
Intergovernmental	208,873	208,873	225,799	16,926
Charges for services	13,000	13,000	11,655	(1,345)
Contributions and donations	-	-	2,461	2,461
Investment income	-	-	1,762	1,762
Transfer in	281,977	333,048	263,140	(69,908)
Total Resources (Inflows)	503,850	554,921	504,817	(50,104)
AMOUNTS AVAILABLE FOR APPROPRIATION	758,387	809,458	759,354	(50,104)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public health and welfare	527,573	578,644	578,644	-
TOTAL CHARGES TO APPROPRIATIONS	527,573	578,644	578,644	-
CHANGE IN FUND BALANCE	(23,723)	(23,723)	(73,827)	(50,104)
FUND BALANCE, End of year	$ 230,814	$ 230,814	$ 180,710	$ (50,104)

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
DRUG ENFORCEMENT SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2011

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 94,087	$ 94,087	$ 94,087	$ -
RESOURCES (INFLOWS)				
Fines and forfeitures	11,500	18,714	36,410	17,696
Charges for services	-	-	7,000	7,000
Investment income	500	500	458	(42)
Total Resources (Inflows)	12,000	19,214	43,868	24,654
AMOUNTS AVAILABLE FOR APPROPRIATION	106,087	113,301	137,955	24,654
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	12,000	19,214	19,214	-
TOTAL CHARGES TO APPROPRIATIONS	12,000	19,214	19,214	-
CHANGE IN FUND BALANCE	-	-	24,654	24,654
FUND BALANCE, End of year	$ 94,087	$ 94,087	$ 118,741	$ 24,654

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

FIDUCIARY FUNDS

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

Tax Commissioner - to account for the collection of property taxes, motor vehicle tag and title fees and mobile home fees, etc. which are disbursed to various taxing units.

Clerk of Courts - to account for the collection of various fines, forfeitures, jury fund receipts, real estate transfer taxes, recording of intangibles, fees, civil awards, etc. which are disbursed to various taxing units and other parties.

Probate Court - to account for the collection of fees for firearms, licenses, certificates, marriage licenses, etc. which are disbursed to various taxing units and other parties.

Magistrate Court - to account for the collection of fees for garnishments and small claims, etc. which are disbursed to various taxing units and other parties.

Federal Equity Sharing – to account for the collection and distribution of federally seized funds.

Sheriff - to account for the collection of cash bonds, fines, forfeitures, fifas, etc. which are disbursed to various taxing units and other parties.

JACKSON COUNTY, GEORGIA
COMBINING STATEMENT OF ASSETS AND LIABILITIES
ALL AGENCY FUNDS
December 31, 2011

	TAX COMMISSIONER	CLERK OF SUPERIOR COURT	PROBATE COURT	MAGISTRATE COURT	FEDERAL EQUITY SHARING	SHERIFF	TOTAL
ASSETS							
Cash	$ 2,246,596	$ 164,949	$ 6,092	$ 14,321	$ 9,281	$ 94,715	$ 2,535,954
TOTAL ASSETS	$ 2,246,596	$ 164,949	$ 6,092	$ 14,321	$ 9,281	$ 94,715	$ 2,535,954
LIABILITIES							
Amounts held in trust	$ 2,246,596	$ 164,949	$ 6,092	$ 14,321	$ 9,281	$ 94,715	$ 2,535,954
TOTAL LIABILITIES	$ 2,246,596	$ 164,949	$ 6,092	$ 14,321	$ 9,281	$ 94,715	$ 2,535,954

JACKSON COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended December 31, 2011

	TAX COMMISSIONER	CLERK OF SUPERIOR COURT	PROBATE COURT	MAGISTRATE COURT	FEDERAL EQUITY SHARING	SHERIFF	TOTAL
ASSETS							
Cash							
Balance, January 1, 2011	$ 4,060,550	$ 244,071	$ 6,265	$ 14,475	$ 8,791	$ 263,286	$ 4,597,438
Additions	77,834,427	2,984,832	197,023	526,810	490	836,666	82,380,248
Deductions	(79,648,381)	(3,063,954)	(197,196)	(526,964)	-	(1,005,237)	(84,441,732)
Balance, December 31, 2011	2,246,596	164,949	6,092	14,321	9,281	94,715	2,535,954
TOTAL ASSETS	$ 2,246,596	$ 164,949	$ 6,092	$ 14,321	$ 9,281	$ 94,715	$ 2,535,954
LIABILITIES							
Due to County							
Balance, January 1, 2011	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Addition s	25,335,797	1,348,392	137,794	243,303	-	439,893	27,505,179
Deductions	(25,335,797)	(1,348,392)	(137,794)	(243,303)	-	(439,893)	(27,505,179)
Balance, December 31, 2011	-	-	-	-	-	-	-
Amounts held in trust							
Balance, January 1, 2011	4,060,550	244,071	6,265	14,475	8,791	263,286	4,597,438
Additions	52,498,630	1,636,440	59,229	283,507	490	396,773	54,875,069
Deductions	(54,312,584)	(1,715,562)	(59,402)	(283,661)	-	(565,344)	(56,936,553)
Balance, December 31, 2011	2,246,596	164,949	6,092	14,321	9,281	94,715	2,535,954
Total Liabilities							
Balance, January 1, 2011	4,060,550	244,071	6,265	14,475	8,791	263,286	4,597,438
Additions	77,834,427	2,984,832	197,023	526,810	490	836,666	82,380,248
Deductions	(79,648,381)	(3,063,954)	(197,196)	(526,964)	-	(1,005,237)	(84,441,732)
TOTAL LIABILITIES	$ 2,246,596	$ 164,949	$ 6,092	$ 14,321	$ 9,281	$ 94,715	$ 2,535,954

COMPONENT UNIT

Component Units are legally separate organizations for which the elected officials of the primary government are financially accountable.

Airport Authority – to account for the operation the county's noncommercial airport facility. All activities necessary to provide airport services are accounted for in the component unit, including, but not limited to operations, maintenance, financing and related debt service.

JACKSON COUNTY AIRPORT AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
STATEMENT OF NET ASSETS
December 31, 2011

	OPERATIONS	CAPITAL	TOTAL
ASSETS			
Current Assets			
Cash	$ 98,277	$ -	$ 98,277
Receivables (net of allowance for uncollectibles)	8,679	73,429	82,108
Inventories	20,939	-	20,939
TOTAL CURRENT ASSETS	127,895	73,429	201,324
Noncurrent Assets			
Deferred charges	26,226	-	26,226
Capital assets			
Capital assets not being depreciated	10,341,163	302,259	10,643,422
Capital assets being depreciated	4,077,280	-	4,077,280
Less: accumulated depreciation	(1,291,356)	-	(1,291,356)
TOTAL CAPITAL ASSETS (NET OF ACCUMULATED DEPRECIATION)	13,127,087	302,259	13,429,346
TOTAL NONCURRENT ASSETS	13,153,313	302,259	13,455,572
TOTAL ASSETS	13,281,208	375,688	13,656,896
LIABILITIES			
Current Liabilities			
Accounts payable	1,947	12,468	14,415
Accrued interest payable	4,205	-	4,205
Due to primary government	1,327,542	305,186	1,632,728
Unearned revenue	525	-	525
Notes payable	185,000	-	185,000
TOTAL CURRENT LIABILITIES	1,519,219	317,654	1,836,873
Noncurrent Liabilities			
Notes payable	1,445,000	-	1,445,000
TOTAL NONCURRENT LIABILITIES	1,445,000	-	1,445,000
TOTAL LIABILITIES	2,964,219	317,654	3,281,873
NET ASSETS			
Invested in capital assets, net of related debt	11,497,087	-	11,497,087
Unrestricted	(1,180,098)	58,034	(1,122,064)
TOTAL NET ASSETS	$ 10,316,989	$ 58,034	$ 10,375,023

JACKSON COUNTY AIRPORT AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2011

	OPERATIONS	CAPITAL	TOTAL
OPERATING REVENUES			
Charges for services	$ 316,765	$ -	$ 316,765
Total Operating Revenues	316,765	-	316,765
OPERATING EXPENSES			
Cost of goods sold	229,819	-	229,819
Salaries	55,812	-	55,812
Benefits	7,563	-	7,563
Credit card fees	6,406	-	6,406
Depreciation	156,603	-	156,603
Other costs	46,323	65,806	112,129
Professional fees	45,912	-	45,912
Repairs and maintenance	16,963	-	16,963
Supplies	3,978	-	3,978
Utilities	15,792	-	15,792
Total Operating Expenses	585,171	65,806	650,977
OPERATING INCOME (LOSS)	(268,406)	(65,806)	(334,212)
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	75	-	75
Interest expense	(20,643)	-	(20,643)
Total Nonoperating Revenues (Expenses)	(20,568)	-	(20,568)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(288,974)	(65,806)	(354,780)
Subsidy from Jackson County	87,962	-	87,962
Capital contributions from Jackson County	-	16,781	16,781
Capital grants	30,946	1,796,007	1,826,953
Transfer in	1,447,996	-	1,447,996
Transfer out	-	(1,447,996)	(1,447,996)
CHANGE IN NET ASSETS	1,277,930	298,986	1,576,916
TOTAL NET ASSETS, Beginning of year	9,039,059	(240,952)	8,798,107
TOTAL NET ASSETS, End of year	$ 10,316,989	$ 58,034	$ 10,375,023

JACKSON COUNTY AIRPORT AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
STATEMENT OF CASH FLOWS
Year Ended December 31, 2011

	OPERATIONS	CAPITAL	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	$ 311,401	$ -	$ 311,401
Payments to suppliers	152,227	(60,088)	92,139
Payments to employees	(63,375)	-	(63,375)
Net cash provided by (used in) operating activities	400,253	(60,088)	340,165
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Operating subsidy - JACKSON COUNTY	87,962	-	87,962
Transfers in (out)	(214,554)	214,554	-
Net Cash provided (used) by non-capital financing activities	(126,592)	214,554	87,962
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(3,000)	(1,893,825)	(1,896,825)
Capital grants	30,946	1,739,359	1,770,305
Principal payments on debt	(215,011)	-	(215,011)
Interest paid	(17,480)	-	(17,480)
Net cash provided (used) by capital and related financing activities	(204,545)	(154,466)	(359,011)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	75	-	75
Net cash provided (used) by investing activities	75	-	75
Net increase (decrease) in cash and cash equivalents	69,191	-	69,191
CASH, Beginning of year	29,086	-	29,086
CASH, End of year	$ 98,277	$ -	$ 98,277
DISPLAYED AS:			
Cash	$ 98,277	$ -	$ 98,277
TOTAL CASH	$ 98,277	$ -	$ 98,277

	OPERATIONS	CAPITAL	TOTAL
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	$ (268,406)	$ (65,806)	$ (334,212)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Depreciation	156,603	-	156,603
(Increase) decrease in:			
Accounts receivable, net	(5,689)	-	(5,689)
Inventory	24,854	-	24,854
Prepaid expenses	4,563	-	4,563
Deferred revenue	325	-	325
Increase (decrease) in:			
Accounts payable	(3,569)	5,718	2,149
Interfund balances	491,572	-	491,572
Net cash provided by (used in) operating activities	$ 400,253	$ (60,088)	$ 340,165
SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES			
Transfers of capital assets	$ 1,662,550	$ (1,662,550)	$ -

JACKSON COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
Year Ended December 31, 2011

SPLOST #3 - Commenced April 1, 2000 Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year
Water and Sewerage improvements - County	$ 21,879,900	$ 15,399,433	$ 15,399,433	$ -
Water and Sewerage improvements - Cities				
Commerce			2,916,809	-
Jefferson			2,046,269	-
Nicholson			634,325	-
Hoschton			570,086	-
Braselton			304,509	-
Maysville			293,758	-
Water and Sewerage improvements - Cities	9,620,100	6,765,756	6,765,756	-
Roads, streets, bridges and sidewalks - County	6,555,690	4,448,560	4,353,462	-
Roads, streets, bridges and sidewalks - Cities				
Commerce			1,253,900	-
Jefferson			673,333	-
Arcade			272,468	-
Nicholson			228,421	-
Talmo			106,742	-
Hoschton			245,328	1,367
Pendergrass			111,892	-
Braselton			179,468	-
Maysville			120,744	-
Roads, streets, bridges and sidewalks, Cities	3,794,310	3,174,632	3,192,296	1,367
Parks and recreation - Jackson County	1,567,665	1,063,786	985,624	-
Parks and recreation - Municipalities				
Commerce			353,066	-
Jefferson			183,757	1,373
Arcade			67,027	-
Nicholson			51,050	-
Talmo			18,983	224
Hoschton			56,711	-
Pendergrass			19,014	-
Braselton			30,341	-
Maysville			24,590	-
Parks and recreation - Municipalities	907,335	804,539	804,539	1,596
Public safety facilities for Fire Departments	675,000	458,041	548,339	-
Totals	$ 45,000,000	$ 32,114,747	$ 32,049,449	$ 2,963

The amount for for public safety for fire departments for 2010 was increased by $263,438. This was reclassified from expenditures of SPLOST 4.

JACKSON COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
Year Ended December 31, 2011

SPLOST #4 - Commenced July 1, 2005 Project	Original Estimated Cost	Current Estimated Cost	Amount Expended Year 1 2005	Year 2 2006	Year 3 2007	Year 4 2008	Year 5 2009	Year 6 2010	Year 7 2011	Total
LEVEL 1 COUNTY PROJECTS										
County Jail	$10,200,000	$10,200,000	$ -	$ 202,201	$ (202,201)	$ 823,534	$2,566,658	$2,216,774	$ 2,133,421	$ 7,740,387
County Health Clinic Facilities	510,000	510,000	394,066	-	-	-	-	-	-	394,066
LEVEL 2 COUNTY PROJECTS										
Water and Sewer Facilities	8,289,970	8,289,970	-	1,038,615	2,526,967	342,905	1,468,386	1,226,400	1,024,650	7,627,923
Roads, Streets, and Bridges	8,289,970	8,289,970	-	2,075,655	1,263,630	1,688,228	949,535	681,276	1,375,122	8,033,446
Recreational Facilities	5,101,520	5,101,520	-	402,511	993,870	1,163,631	1,253,792	1,127,126	481,269	5,422,199
Public Safety Facilities	3,571,064	3,571,064	6,200	177,150	1,022,102	107,840	-	1,448,378	247,920	3,009,590
Library Facilities	*255,075*	*255,075*	-	-	-	*159,360*	*33,456*	*39,161*	*39,993*	*271,970*
Subtotal All County Projects	36,217,599	36,217,599	400,266	3,896,132	5,604,368	4,285,498	6,271,827	6,739,115	5,302,375	32,499,581
MUNICIPAL PROJECTS										
City of Arcade										
Public Safety Facilities and Equipment	413,937	413,937	21,770	78,522	81,492	76,825	59,933	74,242	40,395	433,179
Administrative Facilities and Equipment	1,034,842	1,034,842	54,424	196,306	203,731	192,064	149,832	185,604	100,987	1,082,948
Roads, Streets, and Bridges	143,286	143,286	7,536	27,181	28,209	29,817	20,746	25,699	13,998	153,186
Subtotal	1,592,065	1,592,065	83,730	302,009	313,432	298,706	230,511	285,545	155,380	1,669,313
City of Braselton										
Roads, Streets, and Bridges	678,512	678,512	35,684	128,711	133,580	132,377	98,240	121,695	66,214	716,501
City of Commerce										
Water and Sewer Facilities	3,588,576	3,588,576	188,729	702,937	707,394	666,029	519,579	643,630	350,200	3,778,498
Roads, Streets, and Bridges	1,127,838	1,127,838	59,315	213,947	222,039	209,323	163,296	247,530	110,063	1,225,513
Recreational Facilities	205,061	205,061	10,784	38,899	47,069	38,059	29,690	36,779	18,639	219,919
Library Facilities	205,061	205,061	10,784	38,899	40,371	38,059	29,690	36,779	20,011	214,593
Subtotal	5,126,536	5,126,536	269,612	994,682	1,016,873	951,470	742,255	964,718	498,913	5,438,523
City of Hoschton										
Water and Sewer Facilities	777,185	777,185	40,873	153,028	153,355	144,243	112,526	139,392	75,843	819,260
Roads, Streets, and Bridges	207,249	207,249	10,900	39,314	40,801	38,465	30,007	37,171	26,359	223,017
Recreational Facilities	51,812	51,812	2,725	9,829	12,385	9,616	7,502	9,293	5,056	56,406
Subtotal	1,036,246	1,036,246	54,498	202,171	206,541	192,324	150,035	185,856	107,258	1,098,683
City of Jefferson										
Roads, Streets, Bridges, and Storm Water Management Facilities	1,426,221	1,426,221	75,009	276,806	279,482	264,702	206,498	255,800	139,181	1,497,478
Cultural, Historical, and Recreation Facilities	740,894	740,894	38,965	142,320	145,861	137,508	107,272	132,883	72,302	777,111
Public Safety Facilities	55,567	55,567	2,922	10,541	10,940	10,313	8,045	9,966	5,423	58,150
Water and Sewer Facilities	1,481,788	1,481,788	77,929	293,904	289,153	275,015	214,543	265,766	144,604	1,560,914
Subtotal	3,704,470	3,704,470	194,825	723,571	725,436	687,538	536,358	664,415	361,510	3,893,653
City of Maysville										
Water and Sewer Facilities	445,838	445,838	23,447	84,574	87,773	85,011	64,551	79,969	43,508	468,833
Roads, Streets, and Bridges	83,595	83,595	4,396	15,858	20,729	15,515	12,103	14,993	8,158	91,752
Recreational Facilities	27,864	27,864	1,465	5,286	5,486	5,172	4,806	4,998	2,719	29,932
Subtotal	557,297	557,297	29,308	105,718	113,988	105,698	81,460	99,960	54,385	590,517
City of Nicholson										
Roads, Streets, and Bridges	543,475	543,475	28,582	103,095	106,995	100,867	78,688	97,475	53,036	568,738
Recreational Facilities	483,089	483,089	25,406	91,640	95,106	89,660	69,945	86,644	46,890	505,291
Water Facilities	181,158	181,158	9,527	34,365	35,665	46,309	26,229	32,492	17,679	202,266
Subtotal	1,207,722	1,207,722	63,515	229,100	237,766	236,836	174,862	216,611	117,605	1,276,295
City of Pendergrass										
Recreational Facilities	333,490	333,490	17,539	63,321	65,655	61,895	48,285	59,813	32,544	349,052
Roads, Streets, and Bridges	83,374	83,374	4,385	15,832	16,414	15,474	12,071	14,953	8,136	87,265
Subtotal	416,864	416,864	21,924	79,153	82,069	77,369	60,356	74,766	40,680	436,317
City of Talmo										
Administrative and Library Facilities	208,210	208,210	10,950	39,497	40,991	38,643	30,146	37,344	20,319	217,890
Roads, Streets, and Bridges	138,807	138,807	7,300	31,602	27,923	25,762	20,097	24,896	13,546	151,126
Recreational Facilities	69,403	69,403	3,650	13,470	13,664	12,881	10,049	12,448	6,773	72,935
Public Safety Facilities	46,269	46,269	2,433	8,777	9,109	8,587	6,699	8,299	4,515	48,419
Subtotal	462,689	462,689	24,333	93,346	91,687	85,873	66,991	82,987	45,153	490,370
Total All City Projects (1)	14,782,401	14,782,401	777,429	2,858,461	2,921,372	2,768,191	2,141,068	2,696,553	1,447,098	15,610,172
Total All Projects	$51,000,000	$51,000,000	$1,177,695	$6,754,593	$8,525,740	$7,053,689	$8,412,895	$9,435,668	$ 6,749,473	$ 48,109,753

The amount for Level 2 County project for public safety for 2010 was reduced by $263,438. This was reclassified as an expenditure of SPLOST 3.

1. The County remits the tax collected to the Municipalities who are responsible for reporting on the expenditures in accordance with OCGA 48-8-121.

JACKSON COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX
Year Ended December 31, 2011

SPLOST #5 - Commenced July 1, 2011 Project	Original Estimated Cost	Current Estimated Cost	Amount Expended Year 1 2011	Total
LEVEL 1 COUNTY PROJECTS				
County Debt Service	$ 23,747,657	$ 23,747,657	$ -	$ -
LEVEL 2 COUNTY PROJECTS				
Satellite EMS Facilities	1,200,000	1,200,000	-	-
Roads, Streets, and Bridges	6,800,000	6,800,000	-	-
Parks and Recreation	2,000,000	2,000,000	263,176	263,176
Subtotal All County Projects	33,747,657	33,747,657	263,176	263,176
MUNICIPAL PROJECTS				
City of Arcade				
Acquisition of Public Safety Complex	875,410	875,410	52,089	52,089
Roads, Streets, and Bridges	250,163	250,163	14,857	14,857
Parks and Recreation	125,081	125,081	7,436	7,436
Subtotal	1,250,654	1,250,654	74,382	74,382
City of Braselton				
Parks and Recreation	563,345	563,345	33,507	33,507
Roads, Streets, and Bridges	563,345	563,345	33,507	33,507
Subtotal	1,126,690	1,126,690	67,014	67,014
City of Commerce				
Water and Sewer Projects	1,830,320	1,830,320	108,969	108,969
Parks and Recreation	1,118,530	1,118,530	66,571	66,571
Roads, Streets, and Bridges	1,118,530	1,118,530	66,571	66,571
Subtotal	4,067,380	4,067,380	242,111	242,111
City of Hoschton				
Improvements to Water and Sewer	699,464	699,464	41,628	41,628
Roads, Streets, and Bridges	186,414	186,414	11,576	11,576
Parks and Recreation	46,603	46,603	2,771	2,771
Subtotal	932,481	932,481	55,975	55,975
City of Jefferson				
Roads, Streets, Bridges, and Storm Water Management Facilities	1,179,588	1,179,588	70,187	70,187
Cultural, Historical, and Recreation Facilities Debt Reduction	1,626,853	1,626,853	96,832	96,832
Public Safety Facilities	81,351	81,351	4,834	4,834
Water and Sewer Facilities	1,179,588	1,179,588	70,187	70,187
Subtotal	4,067,380	4,067,380	242,040	242,040
City of Maysville				
Water and Sewer Improvements	301,782	301,782	17,957	17,957
Roads, Streets, and Bridges	64,667	64,667	3,845	3,845
Buildings	43,112	43,112	2,575	2,575
Recreational Facilities	21,556	21,556	1,270	1,270
Subtotal	431,117	431,117	25,647	25,647
City of Nicholson				
Roads, Streets, and Bridges	516,003	516,003	30,712	30,712
Land and Equipment for Parks	459,163	459,163	27,346	27,346
Renovation of Library	57,395	57,395	3,423	3,423
Historic Preservation - Crossroads Travelling School	57,395	57,395	3,423	3,423
Water and Sewer Improvements	57,395	57,395	3,424	3,424
Subtotal	1,147,351	1,147,351	68,328	68,328
City of Pendergrass				
Construction of Library	260,134	260,134	15,466	15,466
Parks and Recreation	55,878	55,878	3,340	3,340
Roads, Streets, and Bridges	55,878	55,878	3,340	3,340
Subtotal	371,890	371,890	22,146	22,146
City of Talmo				
Administrative Space and Library	132,527	132,527	7,891	7,891
Roads, Streets, and Bridges	94,182	94,182	5,598	5,598
Parks and Recreation	113,018	113,018	6,732	6,732
Public Safety Facilities	37,673	37,673	2,232	2,232
Subtotal	377,400	377,400	22,453	22,453
Total All City Projects **(1)**	13,772,343	13,772,343	820,096	820,096
Total All Projects	$ 47,520,000	$ 47,520,000	$ 1,083,272	$ 1,083,272

1. The County remits the tax collected to the Municipalities who are responsible for reporting on the expenditures in accordance with OCGA 48-8-121.

JACKSON COUNTY, GEORGIA
Reconciliation of Expenditures for SPLOST
12/31/2011

Statement of Revenues, Expenditures and Changes in Fund Balance (page 5)

Expenditures	$	7,794,757
Subtotal		7,794,757

Less items not included as expenditures on SPLOST schedule below:

Less amount paid to Water Authority for county water and sewer projects		(648,813) **1**
Amounts expended by Water Authority for county water and sewer projects		1,024,650 **1**
Less amounts paid to cities for city water and sewer projects		(2,490,155) **2**
Amounts expended by Cities for city water and sewer projects		2,270,156 **2**
Revenue from DOT used for expenditures first before SPLOST funds		-
Revenue from Grants used for expenditures first before SPLOST funds		(100,000)
Revenue from Contributions used for expenditures first before SPLOST funds		(11,136)
Miscellaneous income used for expenditures first before SPLOST funds		(3,750)
Subtotal of adjustments		40,952
Expenditures reported on Splost schedule below	**$**	**7,835,709**

Schedule of Projects Constructed With Special Purpose Local Option Sales Tax (pages 90-92)

Splost #3	$	2,963
Splost #4		6,749,473
Splost #5		1,083,272
Total	**$**	**7,835,708**
Difference		(0)

1. SPLOST proceeds are paid to the Jackson County Water & Sewerage Authority, a discretely presented component unit, who are acting as the County's agent for expending the funds for county water and sewer projects. Due to timing, some proceeds remain unspent at the end of the year.

2. Expenditures from SPLOST 3 related to the cities are reported by the County. This SPLOST was adopted prior to the new laws shifting responsibility for reporting expenditures to the cities. For SPLOST 4 & 5, expenditures reported by the county are equal to the amounts paid to the cities. For SPLOST 3, due to timing, some proceeds remain unspent at the end of the year.

STATISTICAL SECTION

This part of the county's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Note: Tables may not add due to rounding

JACKSON COUNTY, GEORGIA
NET ASSETS BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting) (amounts expressed in thousands)

	Fiscal Year								
	2003	2004	2005 [1]	2006	2007	2008	2009	2010	2011
GOVERNMENTAL ACTIVITIES									
Invested in capital assets, net of related debt	$ 24,390	$ 30,819	$ 113,915	$ 122,574	$ 130,571	$ 125,119	$ 90,886	$ 91,826	$ 87,873
Restricted:									
Capital outlay	-	-	1,276	4,859	7,687	8,761	7,998	7,021	7,109
Debt service	279	1,323	491	-	79	2,706	766	551	1,025
Drug enforcement	-	105	122	128	-	-	-	-	-
Emergency services	-	184	381	272	-	-	-	-	-
Fire districts	-	1,282	677	1,243	-	-	-	-	-
Jail	-	384	466	179	-	-	-	-	-
General government	-	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-	-	59
Public safety	-	-	-	-	2,478	3,325	3,116	3,427	3,386
Public works	-	-	-	-	-	-	-	-	-
Health and Welfare	-	281	256	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	-	-	-	-
Housing and Development	-	181	277	-	-	-	-	-	-
Unrestricted:	3,231	(598)	4,300	5,311	3,039	8,686	10,012	9,240	9,286
Total governmental activities net assets	27,900	33,961	122,161	134,566	143,854	148,597	112,778	112,065	108,738
BUSINESS-TYPE ACTIVITIES									
Invested in capital assets, net of related debt	395	680	638	652	603	786	1,197	2,436	2,344
Unrestricted	(39)	(851)	(999)	(647)	(598)	(781)	(1,072)	(2,431)	(2,339)
Total business-type activities net assets	356	(171)	(361)	5	5	5	125	5	5
PRIMARY GOVERNMENT									
Invested in capital assets, net of related debt	24,785	31,499	114,553	123,226	131,174	125,905	92,083	94,262	90,217
Restricted	279	3,740	3,946	6,681	10,244	14,792	11,880	10,999	11,579
Unrestricted	3,192	(1,449)	3,301	4,664	2,441	7,905	8,940	6,809	6,947
Total primary government net assets	$ 28,256	$ 33,790	$ 121,800	$ 134,571	$ 143,859	$ 148,602	$ 112,903	$ 112,070	$ 108,743

Note: The County adopted GASB 34 in 2003. Data for years prior to this are not available.
(1) Retroactive infrastructure was added in 2005.
(2) In 2007, all public safety restrictions were combined.
(3) In 2009, the County changed its method of depreciation expense for road infrastructure assets.
As a result, invested in capital assets decreased $33,096,948.
(4) In 2010, the County implemented GASB 54.

JACKSON COUNTY, GEORGIA
CHANGES IN NET ASSETS
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2003	2004	2005	2006	2007	2008	2009	2010	2011
EXPENSES									
Governmental activities:									
General government	$ 3,427	$ 4,773	$ 3,699	$ 4,215	$ 5,446	$ 5,517	$ 5,210	$ 4,952	$ 4,774
Judicial	1,949	2,340	2,998	3,244	3,468	3,895	3,811	3,516	3,679
Public safety	12,103	14,131	14,825	15,659	17,328	18,609	21,411	23,332	22,960
Public works	2,749	2,622	4,246	4,499	9,263	12,354	12,810	15,052	12,980
Health and welfare	817	866	875	993	926	962	1,035	1,172	1,088
Recreation and culture	709	1,060	1,195	1,150	1,339	1,530	1,840	1,634	2,038
Housing and development	1,011	1,337	1,705	1,484	1,511	1,475	1,560	1,329	1,039
Intergovernmental	6,418	6,034	3,826	4,513	-	-	-	-	-
Interest on long-term debt	547	1,371	2,072	1,911	2,921	5,060	6,695	4,554	5,034
Total governmental activities expenses	29,730	34,534	35,441	37,668	42,202	49,402	54,372	55,541	53,592
Business-type activities:									
Solid waste disposal facility	956	1,322	1,507	1,353	1,485	1,200	1,177	1,417	1,273
Mayfield treatment plant	31	29	26	24	21	18	14	11	7
Total business-type activities expenses	988	1,351	1,533	1,377	1,506	1,218	1,191	1,428	1,280
Total primary government expenses	30,717	35,885	36,974	39,045	43,708	50,620	55,563	56,969	54,872
PROGRAM REVENUES									
Governmental activities:									
Charges for services:									
General government	1,046	787	759	1,091	1,271	1,454	1,533	1,668	1,607
Judicial	1,523	1,767	2,008	356	1,999	1,801	1,628	1,786	1,505
Public safety	1,946	2,037	2,373	2,147	2,423	2,890	4,443	4,369	5,029
Public works	359	4	32	57	-	-	21	5	16
Health and welfare	62	32	25	38	37	30	28	16	25
Recreation and culture	214	266	260	294	328	314	377	381	443
Housing and development	651	955	1,139	1,088	856	431	263	178	210

JACKSON COUNTY, GEORGIA
CHANGES IN NET ASSETS
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total charges for services	5,801	5,848	6,596	5,071	6,914	6,920	8,293	8,403	8,835
Operating grants and contributions	2,737	1,825	2,708	1,953	1,915	2,337	1,266	2,388	1,064
Capital grants and contributions	4,226	4,337	3,713	6,907	3,364	2,661	2,539	4,076	840
Total governmental activities program revenues	12,764	12,010	13,017	13,931	12,193	11,918	12,098	14,867	10,739
Business-type activities:									
Charges for services:									
Solid waste disposal facility	586	706	945	1,056	926	833	871	912	1,012
Mayfield treatment plant	31	29	26	24	21	18	14	11	7
Total charges for services	617	735	971	1,080	947	851	885	923	1,019
Operating grants and contributions	-	-	-	37	280	-	-	-	-
Capital grants and contributions	-	-	-	-	-	-	10	-	13
Total business-type activities program revenues	617	735	971	1,117	1,227	851	895	923	1,032
Total primary government program revenues	$ 13,382	$ 12,745	$ 13,988	$ 15,048	$ 13,420	$ 12,769	$ 12,993	$ 15,790	$ 11,771
Net (expense)/revenue									
Governmental activities	$ (16,966)	$ (22,524)	$ (22,424)	$ (23,737)	$ (30,009)	$ (37,484)	$ (42,274)	$ (40,674)	$ (42,853)
Business-type activities	(370)	(616)	(562)	(260)	(279)	(367)	(296)	(505)	(248)
Total primary government net expense	(17,336)	(23,140)	(22,986)	(23,997)	(30,288)	(37,851)	(42,570)	(41,179)	(43,101)

JACKSON COUNTY, GEORGIA
CHANGES IN NET ASSETS
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2003	2004	2005	2006	2007	2008	2009	2010	2011
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS									
Governmental activities:									
Taxes									
Property Taxes	12,343	13,196	14,103	16,386	18,071	22,287	23,725	24,497	23,727
Sales Taxes	9,654	11,603	11,589	15,987	16,513	14,941	12,426	13,772	13,947
Insurance premium tax	1,004	1,086	1,160	1,215	1,278	1,309	1,290	1,255	1,523
Real estate and recording taxes	-	-	688	731	601	385	371	249	214
Other taxes	863	854	220	297	212	243	201	239	243
Total taxes	23,865	26,739	27,760	34,616	36,675	39,165	38,013	40,012	39,654
Unrestricted grants and contributions	738	775	823	915	934	1,001	1,050	-	-
Investment earnings	429	334	668	1,125	1,850	2,299	827	151	33
Gain on sale of capital assets	160	79	378	92	116	130	75	185	87
Transfers	(427)	(88)	(373)	(606)	(279)	(367)	(416)	(384)	(247)
Total governmental activities	24,764	27,839	29,256	36,142	39,296	42,228	39,549	39,964	39,527
Business-type activities:									
Gain on sale of capital assets	(3)	-	-	19	-	-	-	-	-
Transfers	427	88	373	606	279	367	416	384	247
Total business-type activities	425	88	373	625	279	367	416	384	247
Total primary government	25,188	27,927	29,629	36,767	39,575	42,595	39,965	40,348	39,774
CHANGE IN NET ASSETS									
Governmental activities	7,798	5,315	6,832	12,405	9,287	4,744	(2,725)	(710)	(3,326)
Business-type activities	54	(528)	(189)	365	-	-	120	(121)	(1)
Total primary government	$ 7,852	$ 4,787	$ 6,643	$ 12,770	$ 9,287	$ 4,744	$ (2,605)	$ (831)	$ (3,327)

Note: The County adopted GASB 34 in 2003. Data for years prior to this are not available.
Note: After 2006, intergovernmental expense has been allocated to other functions.

JACKSON COUNTY, GEORGIA
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General fund										
Reserved	416	661	807	1,243	1,683	2,134	2,681	2,188	-	-
Unreserved, designated for:										
Road projects	-	-	-	-	566	-	-	-	-	-
Capital asset purchases	1,410	-	-	-	-	-	-	-	-	-
Debt service	640	-	1,169	-	-	-	-	-	-	-
Unreserved, undesignated	5,584	2,253	2,664	4,507	6,133	6,254	6,197	7,638	-	-
Total unreserved	7,634	2,253	3,833	4,507	6,699	6,254	6,197	7,638	-	-
Nonspendable	-	-	-	-	-	-	-	-	1,659	2,675
Restricted	-	-	-	-	-	-	-	-	1,183	966
Assigned	-	-	-	-	-	-	-	-	1,762	2,217
Unassigned	-	-	-	-	-	-	-	-	5,339	4,816
Total general fund	$ 8,050	$ 2,914	$ 4,640	$ 5,750	$ 8,382	$ 8,388	$ 8,878	$ 9,826	$ 9,943	$ 10,674
All other governmental funds										
Reserved	275	304	1,572	8,396	5,026	7,910	64,678	38,883	-	-
Unreserved, designated for:										
Capital asset purchases	-	15,306	-	-	-	-	-	-	-	-
Debt retirement	-	25	-	-	-	-	-	-	-	-
Braselton/West Jackson Library	-	92	92	-	-	-	-	-	-	-
Unreserved, undesignated	3,073	21,021	14,690	3,434	5,592	2,618	3,481	3,345	-	-
Nonspendable	-	-	-	-	-	-	-	-	393	316
Restricted	-	-	-	-	-	-	-	-	32,970	27,408
Committed	-	-	-	-	-	-	-	-	507	330
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	(56)	(76)
Total all other governmental funds	$ 3,348	$ 21,325	$ 16,262	$ 11,830	$ 10,618	$ 10,528	$ 68,159	$ 42,228	$ 33,814	$ 27,978

Note: In 2010, the County implemented GASB 54.

JACKSON COUNTY, GEORGIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2002	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
REVENUES										
Taxes (see table 5)	$ 22,661	$ 23,938	$ 26,447	$ 27,858	$ 34,659	$ 36,603	$ 38,546	$ 37,847	$ 40,019	$ 39,638
Licenses and permits	772	682	962	1,124	977	803	405	250	174	217
Fines and forfeitures	795	735	982	666	734	1,532	1,288	1,355	1,249	985
Charges for services	2,739	3,770	3,612	3,961	4,309	4,544	5,077	6,734	6,780	7,504
Investment earnings	773	429	334	667	1,125	1,850	2,299	827	164	36
Intergovernmental	2,734	3,717	3,459	4,558	4,089	3,646	4,143	2,406	4,175	1,661
Miscellaneous	1,254	56	31	119	693	169	202	168	258	203
Total revenues	31,728	33,327	35,827	38,953	46,586	49,147	51,960	49,587	52,819	50,244
EXPENDITURES										
General government	2,747	3,069	4,659	3,474	3,992	5,112	5,095	4,898	4,648	4,620
Judicial	1,600	1,806	2,134	2,436	2,651	2,932	3,253	3,172	2,880	3,037
Public safety	9,464	11,220	13,189	13,993	14,772	16,187	16,923	19,203	19,612	19,820
Public works	3,920	2,359	1,770	2,282	2,325	2,042	2,355	2,414	2,628	2,363
Health and welfare	639	736	787	798	801	877	902	980	1,110	999
Recreation and culture	799	834	990	1,003	1,080	1,212	1,254	1,506	1,328	1,344
Housing and development	1,598	1,267	1,124	1,705	1,466	1,496	1,431	1,548	1,295	1,005
Intergovernmental	4,762	6,471	6,039	3,924	4,545	12,675	6,167	6,423	8,126	6,256
Capital Outlay	4,562	13,799	25,041	12,687	9,890	11,793	36,122	21,831	11,194	9,561
Principal on long-term debt	1,575	5,145	1,249	1,728	2,370	3,306	2,993	3,019	4,791	3,612
Interest on long-term debt	285	242	840	1,930	2,076	2,042	4,641	5,997	4,790	4,957
Issuance costs on long-term debt	-	-	421	-	-	656	412	485	89	251
Total expenditures	31,951	46,948	58,243	45,960	45,968	60,330	81,548	71,476	62,491	57,825
Excess of revenues over (under) expenditures	(223)	(13,621)	(22,416)	(7,007)	618	(11,183)	(29,588)	(21,889)	(9,672)	(7,581)
OTHER FINANCING SOURCES (USES)										
Proceeds from borrowing	5,464	27,683	19,739	2,167	1,234	49,005	47,503	1,533	1,306	823
Debt premiums and discounts	-	(1,033)	(421)	-	-	(54)	-	-	-	1,214
Refunding bond proceeds	-	-	-	-	-	-	-	25,050	15,880	29,545
Payments to escrow agents	-	-	-	-	-	-	-	(29,405)	(15,595)	(30,764)
Sale of capital assets	15	243	86	1,891	174	179	2,821	124	188	1,904
Transfers in	629	6,949	6,275	2,757	3,533	5,262	6,864	43,520	29,523	9,577
Transfers out	(1,415)	(7,380)	(6,600)	(3,130)	(4,139)	(5,541)	(7,232)	(43,936)	(29,907)	(9,824)
Total other financing sources (uses)	4,693	26,462	19,079	3,685	802	48,851	49,956	(3,114)	1,395	2,475
Net change in fund balances	$ 4,470	$ 12,841	$ (3,337)	$ (3,322)	$ 1,420	$ 37,668	$ 20,368	$ (25,003)	$ (8,277)	$ (5,106)
Debt service as a percentage of noncapital expenditures	6.79%	16.25%	6.29%	10.99%	12.32%	11.02%	16.81%	18.16%	18.68%	17.75%

Amounts for 2009 & 2010 for proceeds from borrowing were reclassified to show amounts of refunding debt issued.
Likewise, principal paid on long-term debt was reclassified to show payments to escrow agent for amounts refunded in those years.

JACKSON COUNTY, GEORGIA
General Fund History
Statement of Revenues, Expenditures and Changes in Fund Balances
Last Five Fiscal Years

	2007	2008	2009	2010	2011
REVENUES					
Taxes	$ 24,925,356	$ 27,611,602	$ 28,271,004	$ 29,449,772	$ 28,985,643
Licenses and permits	26,579	31,714	39,490	45,840	48,892
Fines and forfeitures	1,252,838	1,054,044	1,113,677	1,006,114	774,159
Charges for services	2,421,572	2,449,468	3,760,108	3,821,048	4,120,856
Interest income	660,574	460,270	193,412	122,377	23,501
Intergovernmental	2,534,414	2,891,932	1,489,694	614,627	561,496
Other	62,439	85,259	80,537	124,474	106,270
TOTAL REVENUES	31,883,772	34,584,289	34,947,922	35,184,252	34,620,817
EXPENDITURES					
Current					
General government	5,105,664	5,092,003	4,728,375	4,490,347	4,602,897
Judicial	2,899,977	3,230,681	3,157,800	2,869,171	3,017,578
Public safety	11,211,710	11,376,969	12,313,601	13,315,640	13,254,552
Public works	1,879,416	2,147,621	1,781,366	1,961,834	1,920,024
Health and welfare	357,424	406,030	461,166	611,197	463,133
Recreation and culture	77,500	78,139	100,000	100,000	100,000
Housing and development	511,282	579,876	729,515	790,367	553,535
Intergovernmental	-	1,747,334	1,807,644	1,607,260	2,126,775
Capital Outlay	952,839	5,518,452	178,636	191,060	258,025
Debt Service					
Principal	2,855,093	2,504,478	-	-	-
Interest	1,931,681	3,809,579	-	-	-
TOTAL EXPENDITURES	27,782,586	36,491,162	25,258,104	25,936,876	26,296,519
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	4,101,186	(1,906,873)	9,689,818	9,247,376	8,324,298
OTHER FINANCING SOURCES (USES)					
Proceeds from borrowings	1,000,000	2,418,021	-	-	-
Proceeds from sale of fixed assets	22,752	2,758,620	48,521	21,450	1,885,624
Transfers in	22,000	2,226,452	396,431	91,705	113,326
Transfers out	(5,141,120)	(5,005,162)	(9,186,861)	(9,243,347)	(9,591,634)
TOTAL OTHER FINANCING SOURCES (USES)	(4,096,368)	2,397,931	(8,741,909)	(9,130,192)	(7,592,684)
EXCESS OF REVENUES AND OTHER FINANCING OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	4,818	491,058	947,908	117,184	731,614
FUND BALANCES, JANUARY 1	8,382,129	8,386,947	8,878,005	9,825,913	9,943,097
FUND BALANCES, DECEMBER 31	$ 8,386,947	$ 8,878,005	$ 9,825,913	$ 9,943,097	$ 10,674,711

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
General Fund Budget (unaudited)
Fiscal Year Ending December 31, 2012

REVENUES	
Taxes	$27,525,400
Licenses and permits	126,500
Fines and forfeitures	984,000
Charges for services	2,548,200
Interest & other Income	112,600
Intergovernmental	1,999,480
TOTAL REVENUES	33,296,180
EXPENDITURES	
Current	
General government	5,158,196
Public Safety	12,925,992
Court System	3,087,480
Public Works	1,993,273
Health and Welfare	213,308
Recreation and Culture	100,000
Housing and Development	209,866
Intergovernmental	-
Capital Outlay	-
TOTAL EXPENDITURES	23,688,115
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	9,608,065
OTHER FINANCING SOURCES (USES)	
Transfers in	106,794
Transfers out	(11,932,255)
TOTAL OTHER FINANCING SOURCES (USES)	(11,825,461)
APPROPRIATION OF PRIOR YEARS' SURPLUS	(2,217,396)
FUND BALANCE, December 31, 2011	10,674,711
FUND BALANCES, December 31, 2012	$ 8,457,316

JACKSON COUNTY, GEORGIA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Property Taxes	Sales Taxes	Insurance Premium Tax	Real Estate & Recording Taxes	Other Taxes	Total
2002	$ 11,727	$ 9,436	$ 936	$ 408	$ 154	$ 22,661
2003	12,375	9,654	1,004	711	194	23,938
2004	12,904	11,603	1,086	602	252	26,447
2005	14,202	11,589	1,160	688	220	27,858
2006	16,429	15,986	1,216	731	297	34,659
2007	17,999	16,513	1,278	601	212	36,603
2008	21,667	14,941	1,309	386	243	38,546
2009	23,559	12,426	1,290	371	201	37,847
2010	24,504	13,772	1,255	249	239	40,019
2011	$ 23,711	$ 13,947	$ 1,523	$ 214	$ 243	$ 39,638

JACKSON COUNTY, GEORGIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

Tax Year	Real Property				Personal Property				Less Exemptions:		Total Taxable Assessed Value	Total Direct Tax Rate (5)	Estimated Actual Value (3)	Assessed Value as a Percentage of Actual Value
	Residential Property	Agricultural Property (1)	Commercial & Industrial	Public Utilities	Inventory & Equipment (4)	Motor Vehicles	Mobile Homes	Other (2)	Real Property	Personal Property				
2002	$ 549,520	$ 276,386	$ 160,828	$ 46,728	$ 293,711	$ 111,673	$ 18,079	$ 8,147	$ 130,742	$ 59,455	$ 1,274,875	9.102	3,187,188	40.00%
2003	612,880	276,952	158,680	94,467	295,037	116,425	19,724	9,729	131,614	60,594	1,391,686	9.067	3,479,215	40.00%
2004	688,097	282,412	171,035	50,783	298,430	138,647	18,520	5,903	136,107	61,986	1,455,734	9.089	3,639,335	40.00%
2005	809,255	284,376	185,796	50,167	319,579	129,596	22,025	4,943	139,008	78,847	1,587,882	9.599	3,969,704	40.00%
2006	957,166	281,690	252,738	53,826	352,705	129,346	19,259	6,620	143,309	88,239	1,821,802	9.129	4,554,505	40.00%
2007	1,217,908	376,972	301,949	71,365	447,231	148,390	14,776	6,460	186,797	162,008	2,236,246	9.042	5,590,615	40.00%
2008	1,320,570	379,620	358,937	69,948	462,739	161,442	13,819	7,865	195,969	171,466	2,407,505	8.959	6,018,763	40.00%
2009	1,329,441	385,816	378,063	71,850	464,415	169,846	13,031	6,142	211,453	173,324	2,433,827	8.965	6,084,568	40.00%
2010	1,253,548	385,344	377,257	77,120	434,650	144,595	11,490	3,879	221,741	162,702	2,303,440	8.992	5,758,600	40.00%
2011	$ 1,161,335	$ 368,693	$ 378,125	$ 72,904	$ 473,534	$ 143,328	$ 10,906	$ 6,639	$ 222,384	$ 194,628	$ 2,198,452	9.011	$ 5,496,130	40.00%

Source: Georgia Department of Revenue

(1) Includes conservation use and preferential property.

(2) Includes aircraft, boats, miscellaneous personal property, timber and heavy equipment.

(3) Property that is exempt from taxation has not been included. That is typically property owned by governments and not-for-profit organizations like churches.

(4) Includes furniture and fixtures.

(5) This is a weighted average of individual direct rates applied to the taxable assessed value of the different portions of the county (incorporated and unincorporated).

JACKSON COUNTY, GEORGIA
ASSESSED VALUATION BY PROPERTY TYPE

PROPERTY TYPE	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Residential	$ 1,163,105,935	$ 1,255,246,003	$ 1,331,583,736	$ 1,323,104,559	$ 1,220,448,259	959,266,666	$ 811,485,341	$ 689,735,427	$ 614,588,222	$ 551,699,589
Historic	179,536	203,660	203,660	203,660	203,660	204,187	-	-	-	-
Agricultural	173,004,844	189,832,089	200,543,467	209,438,215	213,634,888	158,937,162	162,898,237	161,735,657	159,183,494	158,003,723
Preferential	149,055	249,420	360,419	580,304	580,303	502,740	669,118	964,606	1,974,892	2,943,265
Conservation Use	195,556,260	195,280,567	184,934,791	169,625,853	162,781,951	122,366,218	121,039,383	119,933,418	116,014,476	115,519,432
Commercial	313,204,179	296,176,940	303,498,419	289,325,675	278,110,066	239,080,144	168,082,448	140,181,354	130,839,415	128,706,348
Industrial	541,944,896	516,892,573	541,659,068	536,560,495	473,166,473	369,511,616	339,124,367	330,848,580	326,253,894	329,155,631
Utility	72,903,850	77,119,665	71,850,152	69,947,929	71,364,766	53,826,355	50,166,549	50,782,535	94,466,777	46,727,901
Motor Vehicle	143,328,330	144,595,210	169,846,410	161,441,830	148,390,370	129,346,320	129,595,689	138,646,580	116,424,700	111,673,260
Mobile Home	10,905,523	11,489,841	13,031,351	13,818,918	14,775,983	19,258,511	22,025,410	18,519,782	19,724,155	18,078,682
Timber 100%	954,686	569,612	776,025	349,346	365,584	606,050	265,928	805,483	1,636,294	271,279
Heavy Equipment	226,969	226,969	317,319	542,517	1,228,580	443,529	385,609	1,672,712	2,788,087	2,295,506
Gross Digest	$ 2,615,464,063	$ 2,687,882,549	$ 2,818,604,817	$ 2,774,939,301	$ 2,585,050,883	$ 2,053,349,498	$ 1,805,738,079	$ 1,653,826,134	$ 1,583,894,406	$ 1,465,074,616
Bond Exemptions	-	-	-	-	-	-	-	-	-	-
Net Bond Digest	$ 2,615,464,063	$ 2,687,882,549	$ 2,818,604,817	$ 2,774,939,301	$ 2,585,050,883	$ 2,053,349,498	$ 1,805,738,079	$ 1,653,826,134	$ 1,583,894,406	$ 1,465,074,616
M & O Exemptions	417,012,536	384,442,628	384,776,437	367,434,554	348,804,934	231,547,714	217,854,756	198,093,713	192,208,071	190,197,376
Net M & O Digest	$ 2,198,451,527	$ 2,303,439,921	$ 2,433,828,380	$ 2,407,504,747	$ 2,236,245,949	$ 1,821,801,784	$ 1,587,883,323	$ 1,455,732,421	$ 1,391,686,335	$ 1,274,877,240
Total real & personal	$ 2,460,048,555	$ 2,453,881,252	$ 2,562,783,560	$ 2,528,838,761	$ 2,348,925,600	$ 1,849,868,733	$ 1,603,298,894	$ 1,443,399,042	$ 1,348,854,393	$ 1,286,027,988

JACKSON COUNTY, GEORGIA
Direct and Overlapping Property Tax Rates - Mills
Last Ten Fiscal Years
(Mills - rate per $1,000 of taxable assessed value)

Tax Year / *Fiscal Year*	*2002* / *2003*	*2003* / *2004*	*2004* / *2005*	*2005* / *2006*	*2006* / *2007*	*2007* / *2008*	*2008* / *2009*	*2009* / *2010*	*2010* / *2011*	*2011* / *2012*
County - Incorporated	9.760	9.740	9.770	10.280	9.770	9.590	9.490	9.500	9.550	9.580
County - Unincorporated **(1)**	8.750	8.730	8.690	9.190	8.730	8.730	8.610	8.610	8.610	8.610
School Operations	17.500	18.500	18.500	18.400	18.900	18.900	18.900	18.900	18.900	18.900
School Debt Service	1.000	1.000	1.000	3.700	3.350	3.100	3.100	3.100	3.100	3.100
State of Georgia	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250
Total Incorporated	10.010	9.990	10.020	10.530	10.020	9.840	9.740	9.750	9.800	9.830
Total Unincorporated	27.500	28.480	28.440	31.540	31.230	30.980	30.860	30.860	30.860	30.860
Fire Districts										
Arcade	1.380	1.380	1.380	1.380	1.370	1.160	1.160	1.640	1.640	1.640
East Jackson	1.550	1.510	1.510	1.510	1.510	1.600	1.600	1.600	1.600	1.600
Harrisburg	1.490	1.760	1.760	1.760	1.760	1.400	1.470	1.470	1.470	1.470
Jackson Trail	1.210	1.140	1.140	1.090	1.070	0.950	0.950	0.950	1.080	1.080
Maysville	1.100	1.100	1.100	1.100	1.100	0.980	1.100	1.100	1.110	1.570
Nicholson	0.770	0.780	0.780	0.770	0.770	0.710	0.710	0.960	0.960	0.960
North Jackson	1.000	0.850	0.850	0.850	0.840	0.730	0.730	0.730	0.730	0.730
Plainview	1.700	1.700	1.700	1.700	1.660	1.660	1.500	1.500	1.510	1.510
South Jackson	1.430	1.420	1.750	1.730	1.730	1.500	1.500	1.500	1.520	1.650
West Jackson	1.570	1.570	1.570	1.720	1.690	1.690	1.670	1.670	1.692	1.770
Municipalities(including school)*										
Commerce *	17.410	18.040	17.740	19.414	19.410	18.810	19.250	19.250	20.040	20.110
Jefferson *	20.520	20.740	22.540	23.790	23.790	23.030	22.940	23.030	23.026	23.026
Maysville	4.510	-	4.850	4.216	3.190	2.728	1.764	2.730	2.730	1.764
Pendergrass	-	-	-	-	-	-	3.000	3.000	3.000	3.000

Source: Georgia Department of Revenue

Overlapping rates are those of local and county governments that apply to property owners within the County. Not all overlapping rates apply to all County property owners (e.g., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district. The districts that are within the city limits of municipalities that do not levy a city tax are considered with the unincorporated areas in computing the maximum rates.

(1) For purposes of this schedule, the County unincorporated rate is considered the total direct rate.

Maximum rates:										
Total Incorporated	30.530	30.730	32.560	34.320	33.810	32.870	32.680	32.780	32.826	32.856
Total Unincorporated	29.200	30.240	30.200	33.300	32.990	32.670	32.530	32.530	32.552	32.630

JACKSON COUNTY, GEORGIA
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago
(amounts expressed in thousands)

	2011				2002		
	1		2		1		
Taxpayer	Taxable Assessed Value	County Tax Levied	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Southern Power Company	$ 48,998	$ 421,877	1	2.23%	$ 99,003	1	7.77%
TD Automotive Compressor (Toyota Industries)	48,869	303,905	2	2.22%	-		0.00%
Huber Engineered Woods LLC	20,092	159,946	3	0.91%	11,000	2	0.86%
Kubota Industrial Equipment	46,392	130,154	4	2.11%	-		0.00%
Duke Secured Financing LLC	12,523	119,967	5	0.57%	-		0.00%
Duke Realty Limited Partnership	9,381	89,870	6	0.43%	-		0.00%
1090 Broadway Avenue Investors	8,388	80,358	7	0.38%	-		0.00%
Stone Mountain Industrial Park Inc	8,056	77,172	8	0.37%	9,377	3	0.74%
Jackson 85 Land Holding LLC	8,670	74,649	9	0.39%	-		0.00%
I & G Jackson 85 F, LLC	8,306	71,516	10	0.38%	-		0.00%
Wayne Farms	-	-		0.00%	7,022	4	0.55%
Louisiana Pacific	-	-		0.00%	6,502	5	0.51%
Georgia Freezer	-	-		0.00%	4,751	6	0.37%
Tanger Properties	-	-		0.00%	4,508	7	0.35%
Mitsubishi Electronics	-	-		0.00%	4,349	8	0.34%
Mayfield Dairy	-	-		0.00%	4,050	9	0.32%
Inland Container Corporation	-	-		0.00%	3,380	10	0.27%
Totals	$ 219,675	$ 1,529,414		9.99%	$ 153,942		12.08%

Source: Jackson County Tax Commissioner

1. Amounts expressed in thousands.
2. Rank is based on the amount of County maintenance & operations taxes billed since exemptions that reduce the assessed value can vary by entity.

JACKSON COUNTY, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Tax Years
(amounts expressed in thousands)

Tax Year	Tax Due Date	Taxes Levied for the Tax Year (Original Levy)	Adjustments	Interest, Costs, & Penalties	Total Adjusted Levy	Collected within Fiscal year of the Levy		Collections in Subsequent Years	Total Collections to Date		Uncollected Balance
						Amount	Percentage of Original Levy		Amount	Percentage of Adjusted Levy	
2002	1/20/2003	$ 12,059	$ 658	$ 344	$ 13,061	$ 3,946	32.72%	$ 9,107	$ 13,053	99.94%	$ 8
2003	12/30/2003	13,383	278	329	13,990	11,716	87.54%	2,267	13,983	99.95%	7
2004	12/20/2004	13,893	849	360	15,102	13,157	94.70%	1,935	15,092	99.93%	10
2005	12/31/2005	16,022	1,076	389	17,487	12,641	78.90%	4,831	17,472	99.91%	15
2006	12/20/2006	18,002	985	467	19,454	16,132	89.61%	3,299	19,431	99.88%	23
2007	12/20/2007	21,845	990	820	23,655	18,616	85.22%	4,981	23,597	99.75%	58
2008	12/20/2008	23,359	966	1,087	25,412	19,728	84.46%	5,613	25,341	99.72%	71
2009	12/20/2009	23,798	248	912	24,958	19,644	82.54%	5,143	24,787	99.31%	171
2010	12/20/2010	23,179	(117)	514	23,576	19,354	83.50%	3,295	22,649	96.07%	927
2011	12/20/2011	$ 22,446	(165)	88	$ 22,369	$ 19,398	86.42%	$ -	$ 19,398	86.72%	$ 2,971

Note:
Taxes levied during the calendar year 2011 are recorded as revenues in the financial statements in 2012 since they are levied to finance that year's expenditures.
Taxes levied include real and personal property, motor vehicle, mobile home, timber, and heavy equipment taxes.
Schedule includes amounts for County maintenance and operations and Fire Districts Special Revenue Funds.

JACKSON COUNTY, GEORGIA
Local Option Sales Tax Revenues
Last Ten Fiscal Years

Month	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
January	$ 342,992	$ 306,835	$ 367,617	$ 354,287	$ 511,504	$ 471,384	$ 428,140	$ 386,118	$ 707,519	$ 678,047
February	283,735	276,885	292,192	375,207	497,456	432,693	474,993	305,419	466,281	431,771
March	264,816	298,292	358,479	423,899	510,665	492,622	504,223	541,414	426,565	400,212
April	266,853	274,592	348,321	425,224	522,497	572,104	465,876	387,353	461,020	423,954
May	294,851	333,735	402,036	416,842	473,097	606,113	575,834	384,810	442,728	459,468
June	336,325	288,191	359,817	426,991	558,450	470,511	488,923	425,345	447,686	491,845
July	311,830	316,143	382,045	433,237	552,436	585,458	473,075	488,153	465,776	485,016
August	288,571	318,934	389,516	512,539	552,970	592,816	469,737	398,758	432,155	476,149
September	328,845	359,290	444,568	482,838	681,687	566,647	530,739	404,146	409,324	403,112
October	323,051	336,383	351,255	430,946	370,377	539,572	477,119	423,750	412,249	450,581
November	300,396	324,011	388,904	422,601	443,552	495,908	356,471	473,329	486,774	574,023
December	287,876	292,802	410,040	473,008	512,432	522,912	512,092	147,603	129,965	81,244
	$ 3,630,141	$ 3,726,093	$ 4,494,790	$ 5,177,619	$ 6,187,123	$ 6,348,741	$ 5,757,224	$ 4,766,198	$ 5,288,042	$ 5,355,422

In December 2009, the method of estimating the amount of sales tax revenue related to the current year was changed.

Prior to that date, the flow of sales taxes was estimated based on the premise that the business collected the tax in the current month, then remitted the funds to the State Department of Revenue in the next month. The State in turn remitted the funds to the County the month following that. Therefore it was estimated that funds received two months later were for the current period.

The Department of Revenue informed the County that with the shift to electronic reporting and paying of sales taxes by the businesses, they were able to distribute funds to the County more quickly than before. The current estimate is that only 1/3 of the amount received in the second month were for the current period.

The County adjusts the accrual only at the end of the fiscal year. In the table above, the revenue for January 2010 includes the 2/3 that previously would have been recorded in December 2009 or $295,207.

JACKSON COUNTY, GEORGIA
Special Purpose Local Option Sales Tax Revenues
Last Ten Fiscal Years

Month	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
January	$ 492,109	$ 492,151	$ 581,786	$ 567,584	$ 814,780	$ 754,505	$ 680,813	$ 616,852	$ 1,135,094	$ 1,087,757
February	417,901	439,989	459,516	590,399	705,608	684,497	760,725	488,378	748,084	692,516
March	445,584	471,433	579,792	658,343	804,568	802,818	804,773	867,594	680,436	642,084
April	477,526	436,976	552,236	220,938	829,779	910,071	745,565	621,423	739,640	680,073
May	540,259	526,461	638,642	157,154	756,055	959,339	921,427	617,301	714,202	737,153
June	503,256	457,159	564,520	127,236	891,761	753,945	740,155	681,403	718,247	789,095
July	496,943	498,277	604,846	579,279	882,354	945,125	801,601	782,793	747,708	778,141
August	466,050	521,968	614,155	703,770	886,534	946,491	752,612	638,835	693,331	763,881
September	504,458	562,933	698,201	723,480	1,083,767	906,503	848,580	648,397	655,356	646,735
October	530,923	535,391	565,823	675,637	611,529	863,130	752,948	679,842	662,283	722,869
November	477,840	514,661	616,176	662,114	709,257	801,192	567,773	780,595	782,990	920,933
December	453,230	470,610	632,338	745,666	823,286	836,541	806,873	236,806	206,448	130,302
	$ 5,806,079	$ 5,928,009	$ 7,108,031	$ 6,411,600	$ 9,799,278	$ 10,164,158	$ 9,183,845	$ 7,660,219	$ 8,483,819	$ 8,591,539

In December 2009, the method of estimating the amount of sales tax revenue related to the current year was changed.

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The Department of Revenue informed the County that with the shift to electronic reporting and paying of sales taxes by the businesses, they were able to distribute funds to the County more quickly than before. The current estimate is that only 1/3 of the amount received in the second month were for the current period.
The County adjusts the accrual only at the end of the fiscal year. In the table above, the revenue for January 2010 includes the 2/3 that previously would have been recorded in December 2009 or $473,613.

JACKSON COUNTY, GEORGIA
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

	Governmental Activities					Business-Type Activities				
Fiscal Year	Capital Leases	General Obligation Bonds Payable	GEFA Notes Payable	Contracts Payable (2)	IDA Economic Development Bonds	GEFA Notes Payable	Capital Leases	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
2002	$ 6,377	$ -	$ 322	$ 705	$ -	$ 596	$ 55	$ 8,055	0.73%	$ 173
2003	27,747	-	306	1,688	-	551	-	30,292	2.64%	645
2004	28,914	-	289	1,601	16,815	504	-	48,123	3.80%	981
2005	29,400	-	271	1,511	16,815	454	-	48,451	3.38%	927
2006	28,313	-	251	1,418	16,815	402	-	47,199	2.90%	846
2007	26,245	-	231	49,900	16,145	346	-	92,867	5.59%	1,567
2008	26,588	-	215	49,799	60,455	288	-	137,345	7.83%	2,229
2009	25,972	-	187	49,698	55,385	226	-	131,468	7.03%	2,104
2010	25,145	-	163	47,520	54,930	160	-	127,918	7.29%	2,115
2011	$ 15,931	$ 20,355	$ 138	$ 36,595	$ 54,165	$ 92	$ -	$ 127,276	7.12%	$ 2,076

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.
(1) See the Schedule of Demographic and Economic Statistics on Table 15 for personal income and population data.
(2) The contract payable of $24,982 for the Upper Oconee Basin Water Authority was moved to the Jackson County Water & Sewerage Authority component unit in 2002 since the source for repayment is water sales made by that entity.
(3) Debt excludes premiums, discounts, and amounts deferred on refunding.

JACKSON COUNTY, GEORGIA
OTHER LONG-TERM LIABILITIES
Last Ten Fiscal Years
(amounts expressed in thousands)

	Governmental Activities				Business-Type Activities					
Fiscal Year	Landfill Closure/ Post-closure (2)	Compensated Absences	Net OPEB Obligation	Total	Landfill Closure/ Post-closure	Compensated Absences	Total	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
2002	$ 262	$ 377	$ -	$ 639	$ -	$ 13	$ 13	$ 652	0.06%	$ 14
2003	245	426	-	671	-	11	11	682	0.06%	15
2004	-	469	-	469	611	13	624	1,093	0.09%	22
2005	-	466	-	466	831	13	844	1,310	0.09%	25
2006	-	525	-	525	807	13	820	1,345	0.08%	24
2007	-	535	-	535	956	15	971	1,506	0.09%	25
2008	-	630	-	630	946	17	963	1,593	0.09%	26
2009	-	709	1,293	2,002	896	16	912	2,914	0.16%	47
2010	-	749	2,039	2,788	876	18	894	3,682	0.21%	61
2011	$ -	$ 785	$ 2,729	$ 3,514	$ 623	$ 17	$ 640	$ 4,154	0.23%	$ 68

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics on Table 15 for personal income and population data.

(2) Landfill closure/postclosure costs were moved from the General fund to the Solid Waste Enterprise fund in 2004.

JACKSON COUNTY, GEORGIA
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	General Obligation Bonds	Less: Amounts Restricted to Repaying Principal	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2002	$ -	$ -	$ -	0.0%	$ -
2003	-	-	-	0.0%	-
2004	-	-	-	0.0%	-
2005	-	-	-	0.0%	-
2006	-	-	-	0.0%	-
2007	-	-	-	0.0%	-
2008	-	-	-	0.0%	-
2009	-	-	-	0.0%	-
2010	-	-	-	0.0%	-
2011	$ 20,355	$ 572	$ 19,783	0.4%	$ 323

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.
(1) See Table 6 for property value data.
(2) See Table 15 for population data.

This table is not applicable for these years prior to 2011 for Jackson County.

JACKSON COUNTY, GEORGIA
Direct and Overlapping Governmental Activities Debt
General Obligation Debt
December 31, 2011

Jurisdiction	*Debt Outstanding*	*Percentage Applicable to Government*	*Amount Applicable to Government*
Direct Obligations			
Direct Debt			
General Obligation Bonds	$ 20,355,000	100.00%	$ 20,355,000
GEFA Loans	138,473	100.00%	138,473
Total Direct	20,493,473		20,493,473
Intergovernmental Contracts Obligation			
Jackson County Industrial Development Authority	13,235,000	100.00%	13,235,000
Jackson County Industrial Development Authority	15,880,000	100.00%	15,880,000
Jackson County Airport Authority	1,810,000	100.00%	1,810,000
City of Jefferson Public Building Authority	20,050,000	100.00%	20,050,000
City of Jefferson Public Building Authority	7,355,000	100.00%	7,355,000
City of Jefferson Public Building Authority	9,190,000	100.00%	9,190,000
City of Jefferson Public Building Authority	25,050,000	100.00%	25,050,000
Total Intergovernmental Contracts Obligation	92,570,000		92,570,000
Capital Leases			
Capital Lease - Courthouse	13,645,000	100.00%	13,645,000
Capital Leases - Other	2,285,500	100.00%	2,285,500
Total Capital Leases	15,930,500		15,930,500
Total Direct obligations	128,993,973		128,993,973
Guaranteed Revenue Debt			
Upper Oconee Basin Water Authority	41,218,492	41.52%	17,113,918
Jackson County Water and Sewer Authority	16,904,675	100.00%	16,904,675
Total Guaranteed Revenue Debt	58,123,167		34,018,593
Overlapping General Obligation Debt:			
Jackson County School System	75,499,810	100.00%	75,499,810
City of Commerce Board of Education	17,577,571	100.00%	17,577,571
City of Jefferson Board of Education	45,515,827	100.00%	45,515,827
City of Arcade	872,597	100.00%	872,597
City of Braselton	15,496,095	29.49%	4,569,798
City of Commerce	3,563,959	100.00%	3,563,959
City of Hoschton	5,844,998	100.00%	5,844,998
City of Jefferson	23,165,258	100.00%	23,165,258
City of Maysville	2,017,752	53.78%	1,085,147
City of Nicholson	132,695	100.00%	132,695
City of Pendergrass	129,053	100.00%	129,053
Total Overlapping General Obligation Debt	189,815,615		177,956,713
Total	$ 376,932,755		$ 340,969,279

Sources: Assessed value data used to estimate applicable percentages provided by the State Department of Revenue. Debt outstanding provided by the County. See Table 10.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the county. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the county. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the overlapping government's boundaries and dividing it by the overlapping government's total taxable assessed value.

JACKSON COUNTY, GEORGIA
Direct and Overlapping Governmental Activities Debt
General Obligation Debt
December 31, 2011

Debt and Assessed Value per Capita[1]

		Per Capita	Debt Amount
Direct General Obligation (G.O.) debt per capita		$ 334	20,493,473
Direct and Contractual G.O. debt per capita	2	$ 1,844	113,063,473
Direct debt, Contractual Debt, Notes, and Leases per capita	3	$ 2,104	128,993,973
Direct and Contractual Debt, Notes, Leases, and Overlapping Debt per capita	4	$ 5,561	340,969,279
Fair Market Value of Taxable Property per capita	5	$ 106,644	
Grossed Assessed value of property before exemptions		$ 2,615,464,063	
Net Tax digest for Maintenance and operations		$ 2,198,451,527	
Estimated Fair Market Value of Taxable Property		$ 6,538,660,158	
Population, estimated 2011		61,313	

1 Based on estimated population for the County as shown above.

2 Contractual debt represents long term Intergovernmental Contract obligations of Jackson County.

3 Includes all G.O. Debt, contract obligations, leases and short-term notes secured by ad valorem taxes and general revenues of Jackson County.

4 *Includes all G.O. Debt, contract obligations, leases and short-term notes secured by ad valorem taxes and general revenues of Jackson County and overlapping direct general obligation debt.*

5 Based on 2011 gross assessed valuation before exemptions and estimated fair market value of taxable property in the County shown above.

JACKSON COUNTY, GEORGIA
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year									
	2002	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**
Assessed value of property	$ 1,465,072	$ 1,583,894	$ 1,653,827	$ 1,805,737	$ 2,053,350	$ 2,585,051	$ 2,774,940	$ 2,818,604	$ 2,687,883	$ 2,615,464
Debt limit (10% of total assessed value)	146,507	158,389	165,383	180,574	205,335	258,505	277,494	281,860	268,788	261,546
Amount of Debt applicable to limit:										
General obligation bonds	-	-	-	-	-	-	-	-	-	20,355
Less: Resources restricted to paying principal	-	-	-	-	-	-	-	-	-	(572)
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	19,783
Legal debt margin	$ 146,507	$ 158,389	$ 165,383	$ 180,574	$ 205,335	$ 258,505	$ 277,494	$ 281,860	$ 268,788	$ 241,764
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	7.56%

JACKSON COUNTY, GEORGIA
PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years
(amounts expressed in thousands)

	Sales Tax Increment Bonds [1]			
Fiscal Year	Sales Tax Increment	Debt Service Principal	Debt Service Interest	Coverage
2001	$ -	$ -	$ -	-
2002	-	-	-	-
2003	-	-	-	-
2004	-	-	-	-
2005	6,412	-	-	-
2006	9,799	-	-	-
2007	10,164	1,285	181	6.93
2008	9,184	1,040	190	7.47
2009	7,660	1,080	145	6.25
2010	8,484	1,135	91	6.92
2011	$ 8,592	$ 990	$ 338	6.47

[1] Sales tax increment bonds are backed by the sales tax revenue produced by the sales tax rate in effect when the bonds were issued.

Note: Details regarding the government's outstanding debt can be found in the notes to the financial statements.

JACKSON COUNTY, GEORGIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (3)	School Enrollment (4)	Unemployment Rate (6)
2002	46,651	$ 1,110,574	$ 23,806	-	4.8%
2003	46,998	1,148,866	24,445	-	3.8%
2004	49,035	1,267,702	25,853	5,907	3.1%
2005	52,292	1,433,899	27,421	6,203	4.1%
2006	55,778	1,626,654	29,163	6,600	3.9%
2007	59,254	1,661,186	28,035	7,125	3.9%
2008	61,620	1,754,013	28,465	7,200	9.5%
2009	62,472	1,869,037	29,918	6,963	10.9%
2010	60,485	1,754,428	29,006	7,984	10.8%
2011	61,313	1,787,826	$ 29,159	7,209	9.1%

Data sources:
(1) US Bureau of the Census
(2) Amount expressed in thousands
(3) Federal Bureau of Economic Analysis; Then projected for 2011
(4) County School District only; Information for years prior to 2003 is not available.
(5) State Department of Labor
(6) Jackson County Area Chamber of Commerce

JACKSON COUNTY, GEORGIA
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

		2011			2002		
Employer	Type of Business	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Wayne Farms, LLC	Processed Chicken	1,112	1	6.24%	1,250	1	8.39%
Jackson County Board of Education	School System	825	2	4.63%	900	2	6.04%
Gruma Corporation (Mission Foods)	Food Service	455	3	2.55%	400	6	2.68%
Kubota Industrial Equipment Corp.	Farm Machinery Manufacturer	425	4	2.38%	-		0.00%
Systemax Inc.	Electronics Distributor	400	5	2.24%	-		0.00%
Baker & Taylor Books	Book Distributor	400	6	2.24%	450	4	3.02%
Jackson County Government	Government	384	7	2.15%	365	8	2.45%
Northridge Medical Center	Hospital	315	8	1.77%	403	5	2.70%
TD Automotive Compressors	Compressor Manufacturer	300	9	1.68%	-		0.00%
TenCate Nicolon	Geotextiles	300	10	1.68%	-		0.00%
Roper Pump Co.	Manufacturing/pumps	-			300	10	2.01%
Mayfield Dairy Farms	Milk/Ice Cream Processing	-			750	3	5.03%
Commerce City Board of Education	School System	-			302	9	2.03%
Jackson EMC	Electric Utility				400	7	2.68%
All other employers		12,914		72.43%	9,381		62.96%
Total		17,830		100.00%	14,901		100.00%

Source: Jackson County Area Chamber of Commerce and Georgia Department of Labor
The 2012 Georgia County Guide, published by the Carl Vinson Institute of Government (for 2011 figures)
The 2003 Georgia County Guide, published by the Carl Vinson Institute of Government (for 2001 figures)

JACKSON COUNTY, GEORGIA
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
Last Ten Fiscal Years

Function	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General government	-	44	45	48	51	53	60	60	60	50.5
Public safety										
Sheriff										
Officers	-	48	48	67	66	69	70	80	80	85
Civilians	-	64	64	73	74	74	90	103	104	104
Emergency	-	45	45	49	45	44	50	54	54	53
Court system	-	29	29	29	35	35	44	44	44	39
Public works	-	40	40	42	43	26	27	30	30	22
Health and welfare	-	5	5	7	6	-	1	1	1	1
Senior Center	-	10	10	11	11	11	11	11	11	11
Transport	-	2	2	-	-	2	2	3	3	1
Recreation and culture	-	7	7	8	8	8	8	11	11	7
Housing and development	-	-	-	-	-	20	20	8	8	5.5
Solid Waste	-	-	-	-	4	4	4	5	5	5
Total	-	294	295	334	343	346	387	410	411	384

Source: Government Budget Office, FY2011 Budget Document

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.
Information for years prior to 2003 is not available.

JACKSON COUNTY, GEORGIA
OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

Function	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Sheriff										
Citations Issued	n/a	2,052	2,071	2,184	3,049	5,154	4,324	6,432	5,205	5,350
Fire										
Number of calls answered	1,700	1,947	2,206	2,718	2,670	2,152	1,979	1,959	2,200	2,100
Highways and streets										
Street resurfacing (miles)	n/a	n/a	34	18	25	25	23	7	8	7
Sanitation										
Refuse collected (tons/day)	n/a	53	53	74	81	91	54	73	69	68 *
Culture and recreation										
Athletic field permits issued	9	25	24	23	35	30	15	18	20	22

Sources: Various County departments
Note: Information is not available for many years.

* estimate

JACKSON COUNTY, GEORGIA
CAPITAL ASSET STATISTICS BY FUNCTION
Last Ten Fiscal Years

Function	Fiscal Year 2006	2007	2008	2009	2010	2011
General government						
Undeveloped Land	13 parcels, 442.174 acres	11 parcels, 255.98 acres	11 parcels, 255.98 acres	11 parcels, 255.98 acres	11 parcels, 255.98 acres	12 parcels, 269.98 acres
Buildings (1)	2	4	4	4	4	4
Vehicles	31	36	28	31	39	38
Small Equipment	31	57	57	64	83	90
Public safety						
Undeveloped Land	2	1	1	1	1	1
Buildings (2)	29	33	33	35	32	33
Vehicles						
Fire/Pumper Trucks	39	40	45	47	55	54
Other Fire Dept. Vehicles	9	9	15	17	16	16
Ambulance/Rescue	16	10	15	15	20	23
Sheriffs Vehicles	74	88	104	111	133	144
JCCI Vehicles	9	22	20	20	20	16
Other Public Safety Vehicles	18	29	35	36	35	35
Equipment	125	140	114	116	175	206
Other Public Safety Assets (3)	36	37	38	53	-	-
Court system						
Buildings (4)	2	2	2	2	2	2
Vehicles	5	1	4	4	1	1
Small Equipment	15	18	21	21	19	19
Public works						
Buildings	10	9	9	9	9	9
Vehicles						
Road Department	45	43	50	51	57	58
Building Inspector (5)	11	10	10	10	-	-
Other	13	8	6	6	11	12
Small Equipment	3	2	4	8	3	3
Heavy Equipment	60	77	97	103	104	108
Roads						
Miles Paved during year	22	5	5	5	-	-
Miles Resurfaced during year	9.6	25.0	22.9	7.2	8.0	6.6
Total Miles Paved Roads	530	540	532	500	500	500
Total Miles Unpaved Roads	134	140	140	111	111	111
Health and welfare						
Undeveloped Land	1 parcel, 1.06 acres	1 parcel, 1.08 acres	1 parcel, 1.08 acres	1 parcel, 1.08 acres	1 parcel, 1.08 acres	1 parcel, 1.08 acres
Buildings	6	6	6	6	6	6
Vehicles	6	6	6	7	8	9
Equipment	2	2	2	2	2	3
Recreation and culture						
Undeveloped Land	6 parcels, 101.12 acres	2 parcels, 33.52 acres	2 parcels, 33.52 acres	2 parcels, 33.52 acres	2 parcels, 33.52 acres	2 parcels, 33.52 acres
Buildings (4)	7	5	5	8	10	10
Vehicles	12	11	14	14	14	14
Equipment	22	26	29	35	35	35
Housing and development						
Buildings	1	1	1	1	1	1
Vehicles	4	4	4	5	5	5
Equipment	2	2	2	2	2	3

Sources: Various county departments
No data is available prior to 2006

(1) Major buildings include Administration Building .
(2) Major buildings include Jail and Correctional Institute. The Jail currently has a 424 bed capacity. The Correctional Institute currently has a 174 bed capacity.
(3) Major Buildings include historic courthouse and new courthouse.
(4) Major buildings include structures at County Recreation Complex.
Note: Some land figures in 2007 have changed from 2006 due to better asset controls.

JACKSON COUNTY, GEORGIA
INSURANCE COVERAGE
December 31, 2011

	LIMITS	DEDUCTIBLES
Property Coverages (including Equipment Breakdown)		
Real and personal property	Per schedule on file	$25,000
Automobile physical damage and mobile equipment	Per schedule on file	$25,000
Earthquake - per occurance and aggregate	$5,000,000	
Flood - per occurance and aggregate	$5,000,000	
Except as respects locations situated wholly or partially within Flood Zones A or V	$1,000,000	
Casualty Coverages		
General Liability	$2,000,000	$25,000
Law enforcement liability	$2,000,000	$25,000
Automobile liability per occurance, no aggregate	$2,000,000	$25,000
Uninsured motorist	Excluded	
Errors and omissions liability	$2,000,000	$25,000
Crime Coverages		
Money and securities:		
within premise	$150,000	$25,000
outside premise	$150,000	$25,000
Blanket employee dishonesty	$50,000	$25,000
Statutory bonds	As required	$0
Forgery and alteration	$150,000	$25,000
Computer theft and funds transfer fraud	$150,000	$25,000
Money orders and conterfeit currency	$150,000	$25,000

JACKSON COUNTY , GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For Year Ended December 31, 2011

FEDERAL GRANTOR/ PASS-THRU GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT/ CONTRACT NUMBER	PROGRAM OR AWARD AMOUNT	EXPENDITURES
U.S. DEPARTMENT OF JUSTICE				
- LLEBG Bulletproof Vest Partnership Program	16.607	2010BUBX	5,209	5,209
Total U.S. Department of Justice			**5,209**	**5,209**
U.S. DEPARTMENT OFHEALTH AND HUMAN SERVICES				
Passed-through the Northeast Georgia Regional Development Center				
- Special Programs for the Aging, Title III, B	93.044	FY 2011 Aging Services Contract	9,408	4,704
- Special Programs for the Aging, Title III, B	93.044	FY 2012 Aging Services Contract	9,408	4,704
- Special Programs for the Aging, Title III, C1	93.045	FY 2011 Aging Services Contract	57,863	28,943
- Special Programs for the Aging, Title III, C1	93.045	FY 2012 Aging Services Contract	57,863	28,927
- Special Programs for the Aging, Title III, C2	93.045	FY 2011 Aging Services Contract	39,296	19,650
- Special Programs for the Aging, Title III, C2	93.045	FY 2012 Aging Services Contract	39,296	19,650
- Special Programs for the Aging, NSIP	93.053	FY 2011 Aging Services Contract	12,388	6,134
- Special Programs for the Aging, NSIP	93.053	FY 2012 Aging Services Contract	19,223	9,616
		Aging Cluster	244,745	122,328
Passed through Advantage Behavioral Systems of Northeast Georgia Regional Commission				
- Special Programs for the Aging, SSBG	93.667	HCBS	1,488	658
			1,488	658
Total U.S. Department of Health and Human Services			**246,233**	**122,986**
U.S. DEPARTMENT OF TRANSPORTATION				
Passed-through the Georgia Department of Transportation				
-Operating Assistance Grant July 2010 -June 2011	20.507	GA-18-4030	64,188	19,770
-Operating Assistance Grant July 2011 - June 2012	20.507	GA-18-4031	63,416	21,561
			127,604	41,331
Passed-through the Georgia Department of Transportation				
-Airport Improvement	20.106	AP090-9010-19(157)	180,683	26,191
-Airport Improvement	20.106	AP012-9019-22(157)	1,678,408	1,678,408
-Airport Improvement	20.106	AP011-9014-21(157)	78,025	63,752
			1,937,116	1,768,351
Passed through Advantage Behavioral Systems of Northeast Georgia Regional Commission				
-Coordinated Transportation Grant	20.513	FY 2011 Contract	23,453	23,453
-Coordinated Transportation Grant	20.513	FY 2012 Contract	24,339	24,339
			47,792	47,792
Total U.S. Department of Transportation			**2,112,512**	**1,857,474**
DEPARTMENT OF HOMELAND SECURITY				
Passed-through the Georgia Emergency Management Agency				
-Emergency Management Performance Grant	97.042	2011-EP-00-0015	22,056	22,056
-Emergency Management Performance Grant	97.042	OEM10-080e02	16,613	16,613
			38,669	38,669
Federal Emergency Management Agency				
-FEMA Assistance to Firefighters Grant	97.044	EMW-2009-FO-02952	47,500	47,500
-FEMA Assistance to Firefighters Grant	97.044	EMW-2010-FO-08432	93,409	69,275
-FEMA Assistance to Firefighters Grant	97.044	EMW-2010-FO-00307	80,000	80,000
			220,909	196,775
Total Federal Emergency Management Agency			**259,578**	**235,444**
GRAND TOTAL			**$ 2,623,532**	**$ 2,221,113**

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
1 This schedule is prepared on the modified accrual basis of accounting.

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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*

June 6, 2012

Board of Commissioners
Jackson County, Georgia
Jefferson, 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 JACKSON COUNTY, GEORGIA, as of and for the year ended December 31, 2011, which collectively comprise JACKSON COUNTY, GEORGIA's basic financial statements and have issued our report thereon dated June 6, 2012. Our report includes a reference to 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. Other auditors audited the financial statements of the JACKSON COUNTY HEALTH DEPARTMENT, as described in our report on JACKSON COUNTY, GEORGIA's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

Management of JACKSON COUNTY, GEORGIA is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered JACKSON 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 JACKSON COUNTY, GEORGIA's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control

over financial reporting.

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

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

Compliance and Other Matters

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

We noted certain matters that we reported to management of JACKSON COUNTY, GEORGIA, in a separate letter dated June 6, 2012.

JACKSON COUNTY, GEORGIA's response to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit JACKSON COUNTY, GEORGIA's response and, accordingly, we express no opinion on it.

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

Bates, Carter + Co, LLP

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

June 6, 2012

Board of Commissioners
Jackson County, Georgia
Jefferson, Georgia

Compliance

We have audited JACKSON COUNTY, GEORGIA's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of JACKSON COUNTY, GEORGIA's major federal programs for the year ended December 31, 2011. JACKSON COUNTY, GEORGIA's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of JACKSON COUNTY, GEORGIA's management. Our responsibility is to express an opinion on JACKSON COUNTY, GEORGIA's compliance based on our audit.

JACKSON COUNTY, GEORGIA's basic financial statements include the operations of a legally separate component unit, JACKSON COUNTY HEALTH DEPARTMENT. Any amounts of federal awards received by that component unit are not included in the accompanying schedule of expenditures of federal awards. Our audit, described below, did not include the operations of JACKSON COUNTY HEALTH DEPARTMENT because the component unit engaged other auditors to perform any audit required in accordance with OMB Circular A-133.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about JACKSON COUNTY, GEORGIA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of JACKSON COUNTY, GEORGIA's compliance with those requirements.

In our opinion, JACKSON COUNTY, GEORGIA, complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2011.

Internal Control Over Compliance

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

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

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

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

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JACKSON COUNTY, GEORGIA
AUDITORS' SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2011

I SUMMARY OF AUDITORS' RESULTS:

1. Report issued on Financial Statements - Unqualified opinion.
2. Internal Control (financial statements) – No significant deficiencies.
3. Compliance (financial statements) – No material instance of noncompliance.
4. Compliance (major programs) - Unqualified opinion, no instances of noncompliance.
5. Internal control (major programs) – No material weaknesses noted.
6. Audit findings required to be reported under A133 Section 510(a)
    - i) Significant deficiencies in internal controls over major programs – None reported
    - ii) Material noncompliance related to major programs – None reported
    - iii) Known questioned costs greater than $10,000 for major programs – None reported
    - iv) Known questioned costs greater than $10,000 for a program not audited as major – None reported
    - v) Circumstances if report on compliance is other than unqualified - N/A
    - vi) Known fraud - N/A
    - vii) Misrepresentation in schedule of prior audit findings - None reported
7. Major programs for the year: 20.106 DOT Airport Improvement Grant.
8. Dollar threshold used to distinguish between Type A and Type B programs - $300,000.
9. Does the auditee qualify as a low risk auditee under A133 Section 530 - No.

II AUDIT FINDINGS - GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS

There were no findings reported for the year ended December 31, 2011.

III FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

There were no findings or questioned cost relating to Federal awards reported for the year ended December 31, 2011.