ROCKDALE COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2011

Prepared by:
Department of Finance

ROCKDALE COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

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ROCKDALE COUNTY, GEORGIA

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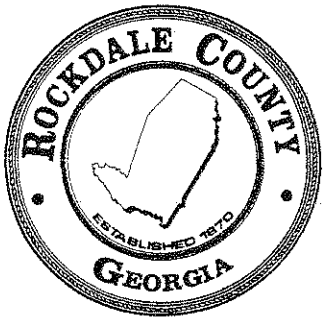
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INTRODUCTORY SECTION

BOARD OF COMMISSIONERS
RICHARD A. ODEN, CHAIRMAN AND CEO
Oz Nesbitt, Sr., Commissioner Post I
JaNice Van Ness, Commissioner Post II



DEPARTMENT OF FINANCE
ROSELYN MILLER, DIRECTOR
TELEPHONE: 770-278-7555
FACSIMILE: 770- 929-4039

June 8, 2012

Board of Commissioners and
Citizens of Rockdale County
Rockdale County, Georgia

The Comprehensive Annual Financial Report of Rockdale County, Georgia for the fiscal year ended December 31, 2011, is hereby submitted as mandated by both local ordinance and state statutes. These ordinances and statutes require that Rockdale County, Georgia issue an annual report on its financial position and activity and that this report be audited by an independent firm of certified public accountants. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of various funds, account groups, and component units of Rockdale County, Georgia. All disclosures necessary to enable the reader to gain an understanding of the County financial activities have been included.

The management of Rockdale County, Georgia is responsible for establishing and maintaining an effective internal control structure. In developing and evaluating Rockdale County, Georgia accounting system, consideration is given to the adequacy of its system of internal control. We believe Rockdale County, Georgia internal accounting controls adequately safeguard assets and provide reasonable assurance for proper recording of financial transactions.

This report has been prepared in accordance with State statutes set forth in an Act providing uniform standards for audits of municipalities and counties within the State of Georgia. The firm of Mauldin & Jenkins was selected to perform an annual audit, and a copy of the auditor's report is included in the financial section of this report.

As a recipient of federal and state financial assistance, Rockdale County, Georgia is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. The internal control structure is subject to periodic evaluation by the management of County. Information related to a Single Audit, including a schedule of expenditures of federal awards, the independent auditor's reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included in the single audit report.

Accounting principles generally accepted in the United States of America (GAAP) require that management provide 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 Rockdale County, Georgia MD&A can be found immediately following the report of the independent auditors.

Profile of the County. Rockdale County was created by legislative act in 1870 and is a perfectly positioned suburban community located 24 miles east of Atlanta on Interstate 20. It is about 130 square miles in size – the second smallest of Georgia's 159 counties. Rockdale County has an estimated population of 85,215 by the Atlanta Regional Commission. Rockdale County has one municipality, the City of Conyers.

Rockdale County is governed by a three member Board of Commissioners, which includes a full time chairman and two part-time commissioners. Commission members are elected in partisan, at-large elections to serve staggered terms of four years each.

The Chairman of the board is the Chief Executive Officer of the county government and generally directs and controls administration and business operations of the county. Consistent with resolutions of the Board of Commissioners, the Chairman establishes rules and regulates purchasing services for all county departments, offices and agencies.

An organizational chart depicting the current structure associated with the management of the County is included in this introductory section.

The financial statements, schedules, and statistical tables included in this report pertain to all functions and funds directly under the control of Rockdale County Board of Commissioners. Also included are trust and agency funds administered and controlled by various elected or appointed officials which are not reported upon by any other entity. The Conyers-Rockdale Big Haynes Impoundment Authority and the Rockdale County Water and Sewerage Authority are reported as blended component units, and while legally separate from the county, are reported as if they were part of the primary government. The Conyers-Rockdale Library System and the Rockdale County Health Department are included in the financial statements as discretely presented component units.

Budgetary Control. Rockdale County maintains budgetary controls to ensure compliance with the legal provision of the annual appropriations budget approved by the Board of Commissioners. Rockdale County ordinance require that the County operate under an annual balanced budget. Activities of the General Fund, Special Revenue Funds, the Debt Service Fund, the Stormwater, Water, and Sewer Fund (business-type activity) are included in the annual appropriations budget. Project-length budgets are adopted for the Capital Projects Funds.

The County maintains an encumbrance accounting system as another means of accomplishing budgetary control. As purchase orders are issued, the balance of the unexpended and unencumbered appropriations is reduced by a corresponding amount. The government continues to meet its responsibility for sound financial management.

Local Economy. Rockdale County realized a 7.4% decrease in its net maintenance and operations digest in 2011. The economic condition and outlook remains stable. Collections from sales taxes within Rockdale County increased during the fiscal year 2011. The special local option sales tax for Capital outlay projects totaled $10.3 million (collections started in April 2011) for fiscal year 2011.

Rockdale County continues to benefit economically by being an integral part of one of the top growth areas in the United States. The Metropolitan Atlanta region represents one of the nation's primary transportation and distribution centers as well as being a major financial and consumer services leader.

County officials remain committed to economic development efforts to increase the community's commercial and industrial tax base. Local industries and manufacturing companies, where applicable, participate in freeport exemptions as part of the county's aggressive approach to retaining our local commercial and industrial tax base. The county has established an environment that is conducive to protecting and enhancing quality of life through long-range planning and responsible, fiscally conservative stewardship of the community's resources.

Planning for the future. Rockdale County is working to resolve the transportation system serving the County. The County continues to work with the State Department of Transportation, the Atlanta Regional Commission, and the Georgia Regional Transportation Authority to place maximum priority on transportation projects. Additionally, the

County continues to expand its network of multi-use paths, which provide pedestrian and bicycle access to the community.

Rockdale County has adopted the Unified Development Ordinance (UDO) to control zoning and land use, to promote a responsible comprehensive plan by: facilitating the adequate provision of transportation, sewerage, schools, parks and other public requirements; conserving the value of buildings; and encouraging the most appropriate use of land and buildings throughout the County. In conjunction with the UDO the county has adopted a long-range Comprehensive Land Use Plan in accordance with the Georgia Planning Act of 1989.

Relevant Financial Policies. The County has established a financial and budgetary policy which is reviewed and updated as necessary by approval of the Board of Commissioners. A comprehensive and consistent set of financial and budgetary policies provides a basis for sound financial planning, identifies appropriate directions for service-level developments, aids budgetary decision-making and serves as an overall framework to guide financial management and operations of the County. A county's adoption of financial policies also promotes public confidence and increases the county's credibility in the eyes of bond rating agencies and potential investors. Such policies also provide the resources to react to potential financial emergencies in a prudent manner.

Major Initiatives. Successful passage of another SPLOST aimed at relieving traffic congestion, improving transportation safety, upgrades to emergency services, public safety capital improvements, existing park renovations, senior center upgrades, and water system improvements.

The Georgia Film, Music & Digital Entertainment Office (FMDE) has designated Rockdale County as Camera Ready, a special designation given to participating Georgia communities interested in attracting film and television production.

Recent movie productions that utilized the movie-friendly resources available in Rockdale County include Fast and Furious 5, starring Vin Diesel; A Joyful Noise, starring Queen Latifah and Dolly Parton, American Pie Reunion, Cartoon Network's Ben 10 1 & 2, and Rob Zombie's Zombieland. Television series productions that shoot in Rockdale County include The Vampire Diaries and MTV's Teen Wolf.

Awards and Acknowledgements. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Rockdale County, Georgia for its comprehensive annual financial report for the fiscal year ended December 31, 2010.

This was the third consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

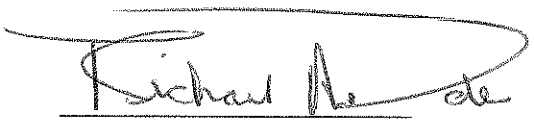
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation, design and publication of this Comprehensive Annual Financial Report could not have been accomplished without the efficient and dedicated service of the entire finance office staff. We would also like to express our gratitude and appreciation to the firm of Mauldin & Jenkins CPA, LLC for their technical guidance and assistance to make this a quality report.

Sincere appreciation also goes to the various elected officials, and county department directors for their assistance and positive attitude throughout the year in matters pertaining to the financial affairs of the County.

We would also like to thank the Board of Commissioners for their continued support and management of the County's finances.

Respectfully submitted,



Richard A. Oden
Chairman/CEO, Board of Commissioners



Roselyn Miller
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Rockdale 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

Executive Director

ROCKDALE COUNTY, GEORGIA

2011 ORGANIZATION CHART

BOARD OF COMMISSIONERS

Commissioners elected at-large

- **Chairman**
  - Commissioner Post I
  - Commissioner Post II

Report to the full Board of Commissioners

- Finance Director
- County Attorney

County Departments that Report to Commission Chairman

- Tax Assessor's Office
- Fire and Rescue
- Transportation
- Human Resources
- Management Information Services (MIS)
- Planning and Development
- Community Affairs & Innovative Programs
- Recreation & Maintenance
- Water Resources

COUNTY ELECTED POSITIONS

Elected by the Voters of Conyers/Rockdale County

- Commissioner, Chairman & CEO
- Commissioner, Post I
- Commissioner, Post II
- Clerk of Courts
- Coroner
- District Attorney
- Magistrate Court, Chief Judge
- Probate Court, Judge
- Sheriff
- State Court, Judge
- Superior Court, Judge(s)
  - Chief Superior Court Judge
  - Superior Court Judge
- Tax Commissioner

Appointed by Chief Superior Court Judge

- Juvenile Court, Judge
- Public Defender

COUNTY PARTNERSHIPS

- Board of Elections & Voter Registration
  - Board of Elections *(Appointed by political parties)*
- Cooperative Extension Service
  - Board of Regents/University of Georgia
- Environmental Health
  - State Office: East Metro Health District
- Health Department
  - State Office: Department of Health & Human Services
- Nancy Guinn Memorial Library
  - State Office: Georgia Public Library Service
- Veterans Services
  - State Office: Department of Veterans Services

ROCKDALE COUNTY, GEORGIA

PRINCIPAL COUNTY OFFICIALS
DECEMBER 31, 2011

BOARD OF COMMISSIONERS

Richard A. Oden	Chairman / CEO
Oz Nesbitt, Sr.	Commissioner Post 1
JaNice Van Ness	Commissioner Post 2

OTHER ELECTED OFFICIALS

Chief Superior Court Judge	Sidney Nation
Superior Court Judge	David Irwin
State Court Judge	Nancy Bills
District Attorney	Richard Read
Chief Magistrate Judge	Clarence Horne
Clerk of Superior Court	Ruth Wilson
Coroner	Stephen Boyle
Probate Judge	Lillis Brown
Sheriff	Jeff Wigington
Tax Commissioner	Daniel Ray

FINANCIAL SECTION

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
of Rockdale County, Georgia
Conyers, 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 **Rockdale County, Georgia (the "County")**, as of and for the year ended December 31, 2011, which collectively comprise Rockdale County, Georgia's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Conyers-Rockdale County Library System, which statements reflect total assets of $10,783,540 as of June 30, 2011, and total revenues of $2,262,800 for the year ended June 30, 2011. We also did not audit the financial statements of the Rockdale County Health Department, which statements reflect total assets of $2,160,696 as of June 30, 2011, and total revenues of $1,791,582 for the year ended June 30, 2011. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion on the basic financial statements, insofar as it relates to the amounts included for the Conyers-Rockdale County Library System and the Rockdale County Health Department in the component unit column, is based solely on the report of the other auditors.

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

In our opinion, based on our audit and the reports of the 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 the County as of December 31, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as of January 1, 2011.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2012, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 the Management's Discussion and Analysis (on pages 3 through 10) and the Schedule of Funding Progress (on page 69) 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 to 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 comprise the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements of the County. The accompanying schedule of expenditures of special purpose local option sales tax proceeds is presented for purposes of additional analysis as required by the Official Code of Georgia 48-8-21, and is 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 the County. Such information is the responsibility of management and was derived from and relates 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 accounting 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 as a whole. The introductory 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 them.

Macon, Georgia
June 19, 2012

Mauldin & Jenkins, LLC

ROCKDALE COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Rockdale County, Georgia (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the Rockdale County, Georgia for the fiscal year ended December 31, 2011. We encourage readers to read the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by $472,748,732 (*net assets*). Of this amount, $27.225 million (*unrestricted net assets*) may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net assets increased by $3,187,172 in the fiscal year ended December 31, 2011.
- As of the close of the current fiscal year, the County's governmental funds reported a combined ending fund balance of $81,191,004, an increase of $2,620,524 in comparison with the prior year.
- At the end of the current fiscal year, fund balance for the General Fund was $40,459,022, or 78% of total General Fund expenditures.
- The County's total long term liabilities decreased by $12,679,918 during the current fiscal year. This included a decrease of debt by $14,162,534 which was due to scheduled principle payments.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to Rockdale County, Georgia's basic financial statements. The County's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all the County's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the County'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 the 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 government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, judicial, public safety, public works, parks and recreation, and housing and development. The business-type activities of the County include water / wastewater and stormwater operations.

The government-wide financial statements can be found on pages 11 and 12 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 financial 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 the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities.*

The County maintains twenty-seven 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, the 2004 SPLOST Debt Service Fund, the Homestead Option Sales Tax Capital Projects Fund, and the 2010 Sales Tax Capital Projects Fund, because they are considered to be major funds. Data from the other twenty-three governmental funds (eighteen special revenue funds, three capital projects funds, and two debt service funds) are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 13 and 14 of this report.

Proprietary funds. The County maintains two proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for its Water/Wastewater Fund and Stormwater Utility Fund.

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 Water/Wastewater Fund which is a major enterprise fund, and the Stormwater Fund which is considered to be a nonmajor fund of the County.

The basic proprietary fund financial statements can be found on pages 19 – 22 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 statement because the resources of those funds are *not* available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page 23 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 25 – 68 of this report.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds and enterprise funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 70 – 94 of this report.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by $472,748,732 at the close of the most recent fiscal year.

By far the largest portion of the County's net assets (85.3%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Rockdale County's Net Assets
As of December 31, 2011 and 2010

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	$ 89,824,397	$ 87,640,183	$ 35,059,256	$ 33,272,122	$ 124,883,653	$ 120,912,305
Capital assets	307,729,437	318,110,752	204,013,375	209,982,379	511,742,812	528,093,131
Total assets	397,553,834	405,750,935	239,072,631	243,254,501	636,626,465	649,005,436
Other liabilities	3,648,924	2,898,251	8,164,975	9,396,491	11,813,899	12,294,742
Long-term liabilities outstanding	49,704,139	62,384,057	102,359,695	104,765,077	152,063,834	167,149,134
Total liabilities	53,353,063	65,282,308	110,524,670	114,161,568	163,877,733	179,443,876
Net assets:						
Invested in capital assets, net of related debt	297,076,620	278,260,202	106,164,918	109,368,867	403,241,538	387,629,069
Restricted	40,731,982	49,231,290	1,550,015	1,835,946	42,281,997	51,067,236
Unrestricted	6,392,169	12,977,135	20,833,028	17,888,120	27,225,197	30,865,255
Total net assets	$ 344,200,771	$ 340,468,627	$ 128,547,961	$ 129,092,933	$ 472,748,732	$ 469,561,560

An additional portion of the County's net assets (8.9%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets ($27,225,197) may be used to meet the County's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County is able to report positive balances in all three categories of net assets, both for the County as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Rockdale County's Changes in Net Assets
For the Years Ended December 31, 2011 and 2010

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program revenues						
Charges for services	$ 10,079,778	$ 8,569,432	$ 27,712,185	$ 28,259,817	$ 37,791,963	$ 36,829,249
Operating grants and contributions	2,004,805	2,843,638	-	2,519	2,004,805	2,846,157
Capital grants and contributions	1,337,239	4,873,236	62,591	-	1,399,830	4,873,236
General revenues:						
Property taxes	30,046,417	28,377,862	-	-	30,046,417	28,377,862
Sales taxes	26,849,131	25,673,431	-	-	26,849,131	25,673,431
Insurance premium tax	2,928,701	2,832,360	-	-	2,928,701	2,832,360
Other taxes	2,013,263	5,416,541	-	-	2,013,263	5,416,541
Unrestricted investment earnings	183,300	161,483	30,782	57,937	214,082	219,420
Gain on sale of capital assets	-	9,483	-	-	-	9,483
Total revenues	75,442,634	78,757,466	27,805,558	28,320,273	103,248,192	107,077,739
Expenses:						
General government	12,326,009	7,976,723	-	-	12,326,009	7,976,723
Judicial	6,189,047	5,715,551	-	-	6,189,047	5,715,551
Public safety	32,139,422	32,149,567	-	-	32,139,422	32,149,567
Public works	14,807,624	17,918,001	-	-	14,807,624	17,918,001
Culture and recreation	2,906,939	4,678,245	-	-	2,906,939	4,678,245
Health and welfare	1,604,626	1,642,481	-	-	1,604,626	1,642,481
Housing and development	1,251,311	2,234,437	-	-	1,251,311	2,234,437
Interest on long-term debt	1,486,787	1,792,218	-	-	1,486,787	1,792,218
Water and wastewater	-	-	26,033,072	27,547,963	26,033,072	27,547,963
Stormwater	-	-	1,316,183	1,642,485	1,316,183	1,642,485
Total expenses	72,711,765	74,107,223	27,349,255	29,190,448	100,061,020	103,297,671
Change in net assets before transfers	2,730,869	4,650,243	456,303	(870,175)	3,187,172	3,780,068
Transfers	1,001,275	(397,034)	(1,001,275)	397,034	-	-
Change in net assets	3,732,144	4,253,209	(544,972)	(473,141)	3,187,172	3,780,068
Net assets, beginning	340,468,627	336,215,418	129,092,933	129,566,074	469,561,560	465,781,492
Net assets, ending	$ 344,200,771	$ 340,468,627	$ 128,547,961	$ 129,092,933	$ 472,748,732	$ 469,561,560

Governmental activities:

Total governmental revenues decreased $3,314,832 in fiscal year 2011. This was due primarily to the reduction in road projects with GRTA and no reimbursements from GRTA as compared to fiscal year 2010. These losses were slightly offset by the increase of $1,175,700 received in fiscal year 2011 over 2010 in HOST and SPLOST sales tax revenues combined.

Total expenses of $72,711,765 decreased over the prior year expenses by $1,395,458. The decrease in expenses was primarily due to the aggressive scrutiny of the operating managers through the Board of Commissioners to reduce spending, adjusting for the downturn in the economy. Total expenses were offset by $10,079,778 of revenue generated from charges for services, $2,004,805 of operating grants and contributions, and $1,337,239 of capital grants and contributions. The remaining $62,020,812 or 82.2 percent of expenses were financed through property, sales and other taxes.

The decrease in total charges for services for the County's business-type activities is due to high vacancy and foreclosure rates.

Business-type activities. The business-type activities are comprised of the County's water and sewer and storm water utility operations. Charges for services accounted for 99 percent of business-type activities revenues and decreased $514,715 primarily due to a reduction in the Stormwater Fund. Total expenses decreased by $1,841,193.

Financial Analysis of the County's Funds

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

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

At the end of 2011 and 2010, the combined ending fund balances of the County's governmental funds were $81,191,004 and a $78,570,480 respectively. This increase was due to controlled spending adjustments by the County departments. Approximately 49.0 percent of this total amount, $39,817,549, constitutes unassigned fund balance. A positive $39,817,549 at December 31, 2011 of the ending fund balance consists of unassigned fund balance, which is available as working capital for current spending in accordance with the purposes of the specific funds. A portion of the fund balance at December 31, 2011, $641,473 is termed non-spendable to indicate that it is not available for new spending because it is reserved for prepaid items. The remainder of $40,731,982 is restricted for public safety needs, debt service payments, and other capital projects.

The County has only four major governmental funds which include the General Fund, the 2004 SPLOST Debt Service Fund, the HOST Fund, and the 2010 SPLOST Fund. The General Fund is the primary operating fund of the County. It accounts for many of the County's core services such as law enforcement, fire protection, planning, roads and streets, and administration. At the end of 2011 the General Fund had a positive fund balance of $40,459,022. This is an increase of $2,914,174 from the beginning fund balance. This increase was a result of spending constraints by all constituents of the County.

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

The net assets of the County's enterprise funds decreased by $544,972 in 2011 and by $473,141 in 2010, as a result of operations in the enterprise funds.

Capital Asset and Debt Administration

Capital Assets. At the end of the fiscal year ending December 31, 2011, governmental activities and business-type activities had capital assets of $511,742,812 (net of accumulated depreciation) invested in land, buildings, system improvements, infrastructure, and machinery and equipment. The total decrease in the County's investment in capital assets for the current fiscal year was $16,350,319. The major decrease in capital assets for governmental activities and business-type activities was primarily due to current year depreciation expense.

Rockdale County's Capital Assets
(net of depreciation)
As of December 31, 2011 and 2010

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	$ 59,074,210	$ 59,019,553	$ 13,923,120	$ 13,878,120	$ 72,997,330	$ 72,897,673
Buildings and improvements	61,499,544	62,625,763	2,147,583	2,516,290	63,647,127	65,142,053
Infrastructure	164,572,723	175,021,004	176,330,329	182,118,603	340,903,052	357,139,607
Improvements other than buildings	4,839,732	5,121,974	-	-	4,839,732	5,121,974
Machinery and equipment	3,896,436	4,150,689	2,307,639	2,484,905	6,204,075	6,635,594
Construction in progress	13,846,792	12,171,769	9,304,704	8,984,461	23,151,496	21,156,230
Total	$ 307,729,437	$ 318,110,752	$ 204,013,375	$ 209,982,379	$ 511,742,812	$ 528,093,131

Additional information on the County's capital assets can be found in Note 7 on pages 43 - 45 of this report.

Debt Administration. At the end of December 31, 2011, the County had total bonded debt outstanding of $124,880,920 (net of premiums and deferred items). Of this amount $15,383,609 was backed solely by the full faith and credit of the County and $109,497,311 was secured by specified revenue sources. This is a decrease of $15,770,155 and is due mostly to scheduled principle payments on long term debt.

Rockdale County maintains a "Aa2", "Aa2", and "Aa3" rating from the national rating agency Moody's for its general obligation bonds, revenue bonds, and certificates of participation, respectively.

State statutes limit the amount of general obligation debt a governmental entity may issue to ten percent of its total assessed valuation. The statutory limit at fiscal year-end for the County was $268,922,307, which significantly exceeds the $15,383,609 of outstanding general obligation bonds.

Additional information on the County's debt can be found in Note 8 on pages 46 - 57 of this report.

Economic Factors affecting the FY 2012 Budget:

Due to the decline economy, the 2012 budget plans for no increase of revenues and has anticipated a loss in revenue from property tax. The economy has necessitated a tight spending budget for 2012 as the value of the digest continues to decline. The budget has been primarily stable but the County has been able to maintain the same level of service. The County has also implemented a number of cost saving measures to ease the burden placed on the operating budget.

Requests for information:

This financial report is designed to provide a general overview of Rockdale County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Department of Finance, 958 Milstead Avenue, Suite 300, Conyers, Georgia 30012.

ROCKDALE COUNTY, GEORGIA

STATEMENT OF NET ASSETS
DECEMBER 31, 2011

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Conyers-Rockdale Library System	Rockdale County Health Department
ASSETS					
Cash and cash equivalents	$ 68,538,803	$ 18,477,510	$ 87,016,313	$ 853,602	$ 1,893,901
Investments	3,398,936	-	3,398,936	-	230,414
Taxes receivable	1,880,150	-	1,880,150	-	-
Accounts receivable, net of allowances	471,543	3,101,372	3,572,915	37,441	-
Due from other governments	9,159,226	62,591	9,221,817	45,311	16,668
Internal balances	(5,080)	5,080	-	-	-
Prepaid expenses	641,473	71,311	712,784	-	-
Restricted assets:					
Cash and cash equivalents	-	12,032,504	12,032,504	-	-
Deferred charges	605,218	801,681	1,406,899	-	-
Other noncurrent asset - net pension asset	3,831,454	507,207	4,338,661	-	-
Other noncurrent asset - interest rate swap	1,302,674	-	1,302,674	-	-
Capital assets:					
Nondepreciable	72,921,002	23,227,824	96,148,826	335,000	-
Depreciable, net	234,808,435	180,785,551	415,593,986	9,512,186	19,713
Total assets	397,553,834	239,072,631	636,626,465	10,783,540	2,160,696
LIABILITIES					
Accounts payable	1,072,165	282,773	1,354,938	-	127,814
Accrued liabilities	1,162,864	2,624,249	3,787,113	-	-
Unearned revenues	1,403,405	-	1,403,405	-	-
Due to other governments	10,490	-	10,490	-	-
Customer deposits payable	-	5,257,953	5,257,953	-	-
Noncurrent liabilities:					
Due within one year	7,593,834	3,348,532	10,942,366	23,437	59,330
Due in more than one year	42,110,305	99,011,163	141,121,468	-	-
Total liabilities	53,353,063	110,524,670	163,877,733	23,437	187,144
NET ASSETS					
Invested in capital assets, net of related debt	297,076,620	106,164,918	403,241,538	9,847,186	19,713
Restricted for debt service	3,997,848	1,550,015	5,547,863	-	-
Restricted for public safety	2,899,363	-	2,899,363	-	-
Restricted for other capital projects	33,834,771	-	33,834,771	622,717	-
Restricted for health and welfare	-	-	-	-	899,734
Unrestricted	6,392,169	20,833,028	27,225,197	290,200	1,054,105
Total net assets	$ 344,200,771	$ 128,547,961	$ 472,748,732	$ 10,760,103	$ 1,973,552

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

ROCKDALE COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL 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 (Expenses) Revenues and Changes in Net Assets: Governmental Activities	Net (Expenses) Revenues and Changes in Net Assets: Business-type Activities	Net (Expenses) Revenues and Changes in Net Assets: Total	Conyers-Rockdale Library System	Rockdale County Health Department
Primary government:									
Governmental activities:									
General government	$ 12,326,009	$ 1,975,404	$ -	$ -	$ (10,350,605)	$ -	$ (10,350,605)	$ -	$ -
Judicial	6,189,047	-	667,859	-	(5,521,188)	-	(5,521,188)	-	-
Public safety	32,139,422	6,982,835	683,763	229,262	(24,243,562)	-	(24,243,562)	-	-
Public works	14,807,624	546,748	290,801	-	(13,970,075)	-	(13,970,075)	-	-
Culture and recreation	2,906,939	539,018	-	1,107,977	(1,259,944)	-	(1,259,944)	-	-
Health and welfare	1,604,626	-	362,382	-	(1,242,244)	-	(1,242,244)	-	-
Housing and development	1,251,311	35,773	-	-	(1,215,538)	-	(1,215,538)	-	-
Interest on long-term debt	1,486,787	-	-	-	(1,486,787)	-	(1,486,787)	-	-
Total governmental activities	72,711,765	10,079,778	2,004,805	1,337,239	(59,289,943)	-	(59,289,943)	-	-
Business-type activities:									
Water and Wastewater	26,033,072	26,006,265	-	62,591	-	35,784	35,784	-	-
Stormwater	1,316,183	1,705,920	-	-	-	389,737	389,737	-	-
Total business-type activities	27,349,255	27,712,185	-	62,591	-	425,521	425,521	-	-
Total primary government	$ 100,061,020	$ 37,791,963	$ 2,004,805	$ 1,399,830	(59,289,943)	425,521	(58,864,422)	-	-
Component units:									
Conyers-Rockdale Library System	$ 1,726,997	$ 111,558	$ 199,869	$ 1,014,415	-	-	-	(401,155)	-
Rockdale County Health Department	1,744,339	620,043	1,171,539	-	-	-	-	-	47,243
Total component units	$ 3,471,336	$ 731,601	$ 1,371,408	$ 1,014,415	-	-	-	(401,155)	47,243
General revenues:									
Property taxes					30,046,417	-	30,046,417	-	-
Sales taxes					26,849,131	-	26,849,131	-	-
Insurance premium tax					2,928,701	-	2,928,701	-	-
Alcoholic beverage taxes					623,019	-	623,019	-	-
Business occupational taxes					478,768	-	478,768	-	-
Franchise taxes					705,756	-	705,756	-	-
Other taxes					205,720	-	205,720	-	-
Unrestricted investment earnings					183,300	30,782	214,082	2,154	-
Grants and contributions not restricted to specific purpose					-	-	-	934,804	-
Gain on sale of capital assets					-	-	-	-	-
Transfers					1,001,275	(1,001,275)	-	-	-
Total general revenues and transfers					63,022,087	(970,493)	62,051,594	936,958	-
Change in net assets					3,732,144	(544,972)	3,187,172	535,803	47,243
Net assets, beginning of year					340,468,627	129,092,933	469,561,560	10,224,300	1,926,309
Net assets, end of year					$ 344,200,771	$ 128,547,961	$ 472,748,732	$ 10,760,103	$ 1,973,552

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

ROCKDALE COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2011

	General	2004 SPLOST G.O. Bonds Debt Service	Homestead Option Sales Tax Capital Projects	2010 Sales Tax Capital Projects	Other Governmental Funds	Totals Governmental Funds
ASSETS						
Cash and cash equivalents	$ 29,326,006	$ -	$ 2,873,371	$ 17,197,485	$ 19,141,941	$ 68,538,803
Investments	3,398,936	-	-	-	-	3,398,936
Taxes receivable, net	1,832,391	-	-	-	47,759	1,880,150
Accounts receivable, net	293,222	-	-	540	177,781	471,543
Due from other governments	2,957,864	-	1,306,205	1,306,424	3,588,733	9,159,226
Due from other funds	4,753,619	-	-	-	247,384	5,001,003
Prepaid expenditures	641,473	-	-	-	-	641,473
Total assets	$ 43,203,511	$ -	$ 4,179,576	$ 18,504,449	$ 23,203,598	$ 89,091,134
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	$ 772,876	$ -	$ -	$ 161,311	$ 137,978	$ 1,072,165
Accrued liabilities	671,908	-	-	-	-	671,908
Deferred revenues	1,119,923	-	-	-	19,561	1,139,484
Due to other governments	10,490	-	-	-	-	10,490
Due to other funds	169,292	-	1,410,507	4,438	3,421,846	5,006,083
Total liabilities	2,744,489	-	1,410,507	165,749	3,579,385	7,900,130
FUND BALANCES						
Nonspendable:						
Prepaid expenditures	641,473	-	-	-	-	641,473
Restricted for:						
Public safety	-	-	-	-	2,899,363	2,899,363
Debt service	-	-	-	-	3,997,848	3,997,848
Other capital projects	-	-	2,769,069	18,338,700	12,727,002	33,834,771
Unassigned:	39,817,549	-	-	-	-	39,817,549
Total fund balances	40,459,022	-	2,769,069	18,338,700	19,624,213	81,191,004
Total liabilities and fund balances	$ 43,203,511	$ -	$ 4,179,576	$ 18,504,449	$ 23,203,598	$ 89,091,134

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

ROCKDALE COUNTY, GEORGIA

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS DECEMBER 31, 2011

Total fund balances for governmental funds:		$ 81,191,004
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		307,729,437
Deferred charges for bond issuance costs are expenditures in the funds but are reported net of accumulated amortization in the Statement of Net Assets.		605,218
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.		1,038,753
Net pension asset is not a financial asset in governmental fund activities and therefore is not reported in governmental funds.		3,831,454
Certain long term liabilities are not due and payable in the current period and are therefore not reported in the funds. All liabilities, both current and long-term, are reported in the Statement of Net Assets net of issuance premiums, discounts, and refunding deferral amounts.		
General obligation bonds	$ (1,830,000)	
General obligation sales tax bonds	(13,000,000)	
Unamortized premium on general obligation sales tax bonds	(553,609)	
Certificates of participation	(14,802,643)	
Unamortized premium on certificates of participation	(35,627)	
Unamortized refunding deferral amount on certificates of participation	172,643	
Fair value of interest rate swap	1,302,674	
Deferred fair value of interest rate swap	(1,302,674)	
Notes payable	(1,044,625)	
Contractual obligation - revenue bonds payable	(8,300,000)	
Unamortized premium on contractual obligations	(94,126)	
Compensated absences payable	(2,258,691)	
Landfill postclosure	(840,000)	
General liability claims	(174,325)	
Net OPEB liability	(6,943,136)	
Total long-term liabilities		(49,704,139)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.		(490,956)
Net assets of governmental activities		$ 344,200,771

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

ROCKDALE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	General	2004 SPLOST G.O. Bonds Debt Service	Homestead Option Sales Tax Capital Projects	2010 Sales Tax Capital Projects	Other Governmental Funds	Totals Governmental Funds
REVENUES						
Property taxes	$ 29,736,472	$ -	$ -	$ -	$ 648,653	$ 30,385,125
Sales taxes	-	-	13,368,759	10,380,602	3,099,770	26,849,131
Other taxes	4,886,991	-	-	-	54,973	4,941,964
Charges for services	4,021,904	-	-	-	1,599,102	5,621,006
Licenses and permits	120,727	-	-	-	14,920	135,647
Intergovernmental	450,816	-	-	-	2,891,228	3,342,044
Fines and forfeitures	2,539,184	-	-	-	520,849	3,060,033
Interest revenue	106,997	150	2,832	10,320	63,001	183,300
Other revenues	184,415	-	-	-	1,079,177	1,263,592
Total revenues	42,047,506	150	13,371,591	10,390,922	9,971,673	75,781,842
EXPENDITURES						
Current:						
General government	7,704,741	-	-	825	723,663	8,429,229
Judicial	5,166,969	-	-	-	835,113	6,002,082
Public safety	27,396,105	-	-	-	2,688,097	30,084,202
Public works	4,746,968	-	-	-	168,534	4,915,502
Culture and recreation	2,114,214	-	-	-	85,115	2,199,329
Health and welfare	1,354,348	-	-	-	124,495	1,478,843
Housing and development	321,460	-	-	-	935,502	1,256,962
Intergovernmental	-	-	-	783,742	-	783,742
Capital outlay	-	-	-	1,119,237	1,964,979	3,084,216
Debt service:						
Principal	2,032,534	11,585,000	-	-	545,000	14,162,534
Interest	1,054,338	231,700	-	-	486,955	1,772,993
Total expenditures	51,891,677	11,816,700	-	1,903,804	8,557,453	74,169,634
Excess (deficiency) of revenues over (under) expenditures	(9,844,171)	(11,816,550)	13,371,591	8,487,118	1,414,220	1,612,208
OTHER FINANCING SOURCES (USES)						
Transfers in	14,342,510	850,869	-	-	5,159,006	20,352,385
Transfers out	(1,591,206)	-	(13,341,235)	(3,567,800)	(850,869)	(19,351,110)
Proceeds from the sale of capital assets	7,041	-	-	-	-	7,041
Total other financing sources (uses)	12,758,345	850,869	(13,341,235)	(3,567,800)	4,308,137	1,008,316
Net change in fund balances	2,914,174	(10,965,681)	30,356	4,919,318	5,722,357	2,620,524
Fund balances, beginning of year	37,544,848	10,965,681	2,738,713	13,419,382	13,901,856	78,570,480
Fund balances, end of year	$ 40,459,022	$ -	$ 2,769,069	$ 18,338,700	$ 19,624,213	$ 81,191,004

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

ROCKDALE COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

Net change in fund balances - total governmental funds		$ 2,620,524
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.		
Capital outlay	$ 3,660,455	
Depreciation expense	(12,419,228)	(8,758,773)
The net effect of various miscellaneous transactions (i.e., sales and donations) is to decrease net assets.		(1,622,542)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(339,208)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Also, the refunding deferral amount, which is the difference in the amount that is sent to the paying agent to be escrowed for payment of refunded debt and the principal amount of debt refunded, is amortized as an adjustment of interest expense in the statement of activities. The effects of these items are as follows:		
Repayment of the principal of long-term debt	$ 14,162,534	
Amortization of premium on long-term debt	341,586	
Amortization of the refunding deferral amount on the refunding certificates of participation	(45,738)	
Amortization of issuance costs of long-term debt	(47,866)	14,410,516
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. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The following amounts represent the net liability changes using the full accrual method of accounting:		
General liability claims	$ 187,694	
Compensated absences	32,455	
Landfill postclosure liability	70,000	
Accrued interest on long-term debt	38,224	
Pension asset	306,223	
OPEB liability	(2,114,351)	(1,479,755)
Collections of long-term receivables from advances to other governments represent current financial resources in the fund financial statements but reduce the receivable in the government-wide financial statements.		(1,098,618)
		$ 3,732,144

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

ROCKDALE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (BUDGET BASIS) AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
REVENUES:				
Property taxes	$ 28,750,818	$ 29,736,472	$ 29,736,472	$ -
Other taxes	4,702,341	4,886,991	4,886,991	-
Charges for services	3,574,230	4,021,904	4,021,904	-
Licenses and permits	272,425	120,727	120,727	-
Intergovernmental	415,000	450,816	450,816	-
Fines and forfeitures	2,513,289	2,539,184	2,539,184	-
Interest revenue	180,000	106,997	106,997	-
Other revenues	75,234	184,415	184,415	-
Total revenues	40,483,337	42,047,506	42,047,506	-
EXPENDITURES:				
Current:				
General government:				
Board of Commissioners	517,035	528,916	528,916	-
Finance	1,104,879	1,086,714	1,086,714	-
Personnel	551,752	548,019	548,019	-
Information systems	859,227	919,492	919,492	-
Public affairs	201,985	189,384	189,384	-
Legal	483,400	421,849	421,849	-
Tax Assessor	648,578	608,472	608,472	-
Tax Commissioner	1,001,865	891,385	891,385	-
Public buildings	1,644,767	1,616,578	1,616,578	-
Election and registrars	273,772	214,755	214,755	-
General appropriations	632,733	676,858	676,858	-
Total general government	7,919,993	7,702,422	7,702,422	-
Judicial:				
Clerk of Superior Court	1,221,647	1,114,570	1,114,570	-
Clerk of State Court	378,491	367,304	367,304	-
Superior Court	317,018	350,245	350,245	-
State Court	374,126	345,050	345,050	-
Juvenile Court	619,942	533,844	533,844	-
Probate Court	427,290	406,374	406,374	-
District attorney	1,157,203	1,073,939	1,073,939	-
Magistrate Court	579,658	551,949	551,949	-
Public defender	432,693	423,344	423,344	-
Total judicial	5,508,068	5,166,619	5,166,619	-
Public safety:				
Sheriff	10,256,520	9,832,897	9,832,897	-
Jail	8,462,191	7,813,831	7,813,831	-
Fire department	9,016,175	9,064,333	9,064,333	-
Coroner	134,973	138,708	138,708	-
Communications	1,185,816	321,829	321,829	-
Animal control	282,793	251,636	251,636	-
Total public safety	29,338,468	27,423,234	27,423,234	-
Public works	5,231,287	4,735,547	4,735,547	-
Culture and recreation:				
Recreation	1,412,588	1,200,611	1,200,611	-
Library	913,410	912,005	912,005	-
Total culture and recreation	2,325,998	2,112,616	2,112,616	-

(Continued)

ROCKDALE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (BUDGET BASIS) AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Expenditures: (Continued)				
Health and welfare:				
Community services - aging program	$ 835,818	$ 806,364	$ 806,364	$ -
General health	362,696	362,224	362,224	-
General welfare	186,000	185,760	185,760	-
Total housing and economic development	1,384,514	1,354,348	1,354,348	-
Housing and development:				
Conservation	4,719	6,050	6,050	-
Cooperative extension service	228,865	212,917	212,917	-
Economic development	125,000	102,493	102,493	-
Total housing and development	358,584	321,460	321,460	-
Debt service	3,169,061	3,086,872	3,086,872	-
Total expenditures	55,235,973	51,903,118	51,903,118	-
Deficiency of revenues under expenditures	(14,752,636)	(9,855,612)	(9,855,612)	-
OTHER FINANCING SOURCES (USES)				
Transfers in	14,743,640	14,342,510	14,342,510	-
Transfers out	-	(1,591,206)	(1,591,206)	-
Proceeds from the sale of capital assets	26,000	7,041	7,041	-
Total other financing sources (uses)	14,769,640	12,758,345	12,758,345	-
Net change in fund balances	17,004	2,902,733	2,902,733	-
Fund balances, beginning of year	37,544,848	37,544,848	37,544,848	-
Fund balances, end of year	$ 37,561,852	$ 40,447,581	$ 40,447,581	$ -

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

ROCKDALE COUNTY, GEORGIA

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
DECEMBER 31, 2011

	Water and Sewer	Non-major Stormwater	Totals
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	$ 14,433,711	$ 4,043,799	$ 18,477,510
Restricted assets, cash and cash equivalents	12,032,504	-	12,032,504
Accounts receivable, net of allowances	3,062,765	38,607	3,101,372
Due from other governments	62,591	-	62,591
Due from other funds	256,299	-	256,299
Prepaid expenses	67,537	3,774	71,311
Total current assets	29,915,407	4,086,180	34,001,587
NONCURRENT ASSETS			
Deferred charges	801,681	-	801,681
Net pension asset	474,918	32,289	507,207
Capital assets:			
Nondepreciable	22,583,464	644,360	23,227,824
Depreciable, net of accumulated depreciation	179,883,365	902,186	180,785,551
Total noncurrent assets	203,743,428	1,578,835	205,322,263
Total assets	233,658,835	5,665,015	239,323,850
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	230,477	52,296	282,773
Accrued liabilities	79,874	6,625	86,499
Current portion - compensated absences	219,209	6,007	225,216
Current portion - notes payable	23,316	-	23,316
Customer deposits payable	5,233,384	24,569	5,257,953
Due to other funds	129,149	122,070	251,219
Payable from restricted assets:			
Accrued interest	2,537,750	-	2,537,750
Revenue bonds payable, current portion	3,100,000	-	3,100,000
Total current liabilities	11,553,159	211,567	11,764,726
NONCURRENT LIABILITIES			
Compensated absences, net of current portion	73,069	2,002	75,071
Revenue bonds payable, net of current portion	98,003,185	-	98,003,185
Notes payable, net of current portion	20,524	-	20,524
Net OPEB liability	847,724	64,659	912,383
Total noncurrent liabilities	98,944,502	66,661	99,011,163
Total liabilities	110,497,661	278,228	110,775,889
NET ASSETS			
Invested in capital assets, net of related debt	104,618,372	1,546,546	106,164,918
Restricted for debt service	1,550,015	-	1,550,015
Unrestricted	16,992,787	3,840,241	20,833,028
Total net assets	$ 123,161,174	$ 5,386,787	$ 128,547,961

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

ROCKDALE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Water and Sewer	Non-major Stormwater	Totals
OPERATING REVENUES			
Charges for services:			
Water and sewer sales (security for water revenue bonds)	$ 24,544,753	$ -	$ 24,544,753
Stormwater charges	-	1,704,901	1,704,901
Connection charges (security for water revenue bonds)	389,017	-	389,017
Late charges (security for water revenue bonds)	914,633	-	914,633
Miscellaneous	157,862	1,019	158,881
Total operating revenues	26,006,265	1,705,920	27,712,185
OPERATING EXPENSES			
Personal services	4,615,615	388,732	5,004,347
Purchased or contracted services	5,615,114	234,805	5,849,919
Supplies and other expenses	3,124,747	100,179	3,224,926
Repair and maintenance	469,490	523,965	993,455
Depreciation	6,799,864	68,502	6,868,366
Total operating expenses	20,624,830	1,316,183	21,941,013
Operating income	5,381,435	389,737	5,771,172
NONOPERATING INCOME (EXPENSES)			
Intergovernmental	62,591	-	62,591
Interest income	24,772	6,010	30,782
Interest expense	(5,408,242)	-	(5,408,242)
Total nonoperating income (expenses)	(5,320,879)	6,010	(5,314,869)
Income before transfers	60,556	395,747	456,303
TRANSFERS			
Transfers out	(1,001,275)	-	(1,001,275)
Total transfers	(1,001,275)	-	(1,001,275)
Change in net assets	(940,719)	395,747	(544,972)
NET ASSETS, beginning of year	124,101,893	4,991,040	129,092,933
NET ASSETS, end of year	$ 123,161,174	$ 5,386,787	$ 128,547,961

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

ROCKDALE COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Water and Sewer	Non-major Stormwater	Totals
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	$ 26,628,693	$ 1,808,035	$ 28,436,728
Payments to suppliers	(9,759,868)	(1,104,525)	(10,864,393)
Payments to employees	(4,562,987)	(385,536)	(4,948,523)
Net cash provided by operating activities	12,305,838	317,974	12,623,812
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers out	(1,001,275)	-	(1,001,275)
Net cash (used in) noncapital financing activities	(1,001,275)	-	(1,001,275)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(899,362)	-	(899,362)
Principal paid on bonds	(2,920,000)	-	(2,920,000)
Principal paid on notes payable	(21,962)	-	(21,962)
Interest paid	(5,152,278)	-	(5,152,278)
Net cash (used in) capital and related financing activities	(8,993,602)	-	(8,993,602)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends received	24,772	6,010	30,782
Net cash provided by investing activities	24,772	6,010	30,782
Net change in cash and cash equivalents	2,335,733	323,984	2,659,717
Cash and cash equivalents:			
Beginning of year	24,130,482	3,719,815	27,850,297
End of year	$ 26,466,215	$ 4,043,799	$ 30,510,014
Classified as:			
Cash and cash equivalents	$ 14,433,711	$ 4,043,799	$ 18,477,510
Restricted assets, cash	12,032,504	-	12,032,504
	$ 26,466,215	$ 4,043,799	$ 30,510,014

(Continued)

ROCKDALE COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Water and Sewer	Non-major Stormwater	Totals
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	$ 5,381,435	$ 389,737	$ 5,771,172
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	6,799,864	68,502	6,868,366
Changes in assets and liabilities:			
Decrease in accounts receivable	829,137	5,659	834,796
(Increase) decrease in due from other funds	(15,407)	6,991	(8,416)
Increase in prepaids and other assets	(100,744)	(6,820)	(107,564)
Decrease in accounts payable	(715,773)	(258,256)	(974,029)
Increase in accrued liabilities	16,130	635	16,765
Increase in Net OPEB liability	266,000	19,500	285,500
Increase in compensated absences	36,498	2,561	39,059
Decrease in customer deposits	(224,252)	-	(224,252)
Increase in due to other funds	32,950	89,465	122,415
Net cash provided by operating activities	$ 12,305,838	$ 317,974	$ 12,623,812

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

ROCKDALE COUNTY, GEORGIA

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
DECEMBER 31, 2011

	Agency Funds	Defined Contribution Pension Trust Fund
ASSETS		
Cash and cash equivalents	$ 3,298,186	$ -
Investment in mutual funds	-	920,129
Taxes receivable	2,984,077	-
Accounts receivable	1,259	-
Total assets	6,283,522	920,129
LIABILITIES		
Due to others	6,283,522	-
Total liabilities	$ 6,283,522	-
NET ASSETS		
Held in trust for pension benefits		$ 920,129

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

ROCKDALE COUNTY, GEORGIA

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUND
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Defined Contribution Pension Trust Fund
Additions	
Contributions:	
Employer	$ -
	-
Investment income:	
Net appreciation in fair value of investments	11,423
	11,423
Total additions	11,423
Deductions	
Benefit payments	20,800
Administrative expenses	5,286
Total deductions	26,086
Change in net assets	(14,663)
Net assets available for benefits:	
Beginning of year	934,792
End of year	$ 920,129

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Rockdale County, Georgia (the "County") have been prepared in conformity with accounting principles generally accepted in the United States of America (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. With respect to proprietary activities, the County has adopted GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting". The County has elected to apply all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) Opinions, issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. The more significant of the County's accounting policies are described below.

A. The Financial Reporting Entity

Rockdale County (the County) is a political subdivision of the State of Georgia created by legislative act in 1870. The County is governed by an elected Board of Commissioners who is governed by state statutes and regulations. As required by Generally Accepted Accounting Principles, the financial statements of the reporting entity include those of the County (the primary government), its pension plan and its component units. Also, the fiduciary activities of various constitutional officers, judges, and other judicial officials are included in the Agency Funds. These include the Tax Commissioner, Superior Court, State Court, Sheriff, Probate Court, Juvenile Court and Magistrate Court.

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the County (the primary 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 and financial relationship with the County.

In conformity with generally accepted accounting principles, as set forth in the Statement of Governmental Accounting Standards No. 14, "The Financial Reporting Entity", the component units' financial statements have been included as both blended and discretely presented. Blended component units, although legally separate entities, are in substance, part of the County's operations and so financial data from these units are combined with the financial data of the primary government. The discretely presented component units' financial data is reported in a separate column in the statement of net assets and the statement of activities to emphasize that it is legally separate from the County. The component units' financial information disclosed within these statements reflect the most recently audited financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Financial Reporting Entity (Continued)

Blended Component Units

The Conyers-Rockdale Big Haynes Impoundment Authority (the "BHIA") is governed by a five-member board appointed by the County of Conyers and the Rockdale County Board of Commissioners. Although it is legally separate from the County, the BHIA is reported as if it were part of the primary government because its sole purpose is as a financing authority to acquire, construct and equip on a limited basis, fixed assets for the County. The BHIA board is essentially the same as the County's and the County can impose its will on the BHIA. No separate financial statements for the BHIA are issued.

The Rockdale County Water and Sewerage Authority (the "W&S Authority") is governed by a seven-member board appointed by the Rockdale County Board of Commissioners. The W&S Authority provides a means to issue revenue bonds. Although it is legally separate from the County, the W&S Authority is reported as if it were part of the primary government because its sole purpose is to provide adequate water and sewerage services and to manage, lease or own water and sewerage treatment facilities and other related facilities. Such responsibilities have been assigned to the County as part of a lease agreement as discussed in Note 17. No separate financial statements for the W&S Authority are issued.

Discretely Presented Component Units

Rockdale County Health Department (the "Health Department") – The governing board of the Health Department consists of seven members: The Chief Executive Officer of the County, the Chief Executive Office of the City of Conyers, the Rockdale County School Superintendent, three members appointed by the Rockdale County Board of Commissioners and one member appointed by City of Conyers Council. The County, by virtue of its appointments and the presence of the Chief Executive Officer on the board, controls a majority of the Health Department's governing body positions. Although the County does not have the authority to approve or modify the Health Department's operational and capital budgets, it does have the ability to control the amount of funding it provides to the Health Department. Such funding is significant to the overall operations of the Health Department.

Conyers-Rockdale Library System (the "Library") – The governing board of the Library consists of nine members appointed by the Rockdale County Board of Commissioners. Two of the nine members are selected for appointment from recommendations provided by the President of the Conyers Civic League. Three of the nine members are selected for appointment from recommendations provided by the City of Conyers. Although the County does not have the authority to approve or modify the Library's operational or capital budgets, it does have the ability to control the amount of funding it provides. Such funding is significant to the overall operations of the Library.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Financial Reporting Entity (Continued)

Discretely Presented Component Units (Continued)

The Board of Health and Library operate on a June 30 fiscal year end. The financial information presented is as of June 30, 2011. Due to the differing year-ends between the County and the discretely presented component units, recorded payments to the component units were less than the payments recorded by the primary government by $927,270.

Complete financial statements of the individual component units may be obtained directly from their administrative offices.

Addresses of the administrative offices are as follows:

Rockdale County Health Department
985 Taylor Street
Conyers, Georgia 30012

Conyers-Rockdale Library System
864 Green Street
Conyers, Georgia 30012

B. Government-wide and Fund Financial Statements

The basic financial statements consist of government-wide financial statements and fund financial statements. Both sets of statements distinguish between the governmental and business-type activities of the County.

Government-wide financial statements include a statement of net assets and a statement of activities. These statements report on the government as a whole, both the primary government and its component units. 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 discretely presented component units. Fiduciary funds of the government are excluded from the government-wide financial statements since these resources are not available for general government funding purposes. Interfund activity is eliminated from the government-wide financial statements.

The statement of net assets reports all financial and capital resources and includes, net of accumulated depreciation, non-current capital assets and non-current liabilities.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements (Continued)

The statement of activities reports functional categories of programs provided by the County and demonstrates how and to what degree those programs are supported by specific revenue. Program revenues are classified into three categories; 1) charges for services to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, 2) operating grants and contributions that are restricted to meeting the operational requirements of a function, and 3) capital grants and contributions that are restricted to meeting the capital requirements of a particular function. General revenues are comprised of taxes and other items collected, which support all functions of the County and contribute to the change in the net assets for the fiscal year. Direct expenses are those that are specifically associated with a program or function and therefore, are clearly identifiable to a particular function. Administrative overhead charges are included in direct expenses for the business type activities.

The fund financial statements report additional information about the County's operations for major funds individually and in the aggregate for nonmajor funds. Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements, although the agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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 County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of grants, which are recognized when all eligibility requirements have been met. Property taxes, sales taxes, franchise taxes, licenses, and investment income 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 County. 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

In accordance with GASB Statement No. 33, "Accounting and Financial Reporting for Non exchange Transactions", the corresponding assets (receivables) in non exchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source.

The County's accounting policies and financial statements are prepared to conform to GAAP in accordance with the GASB. The County applies all applicable Financial Accounting Standards Board ("FASB") pronouncements issued before November 30, 1989 in accounting and reporting for its proprietary operations, but has elected not to apply FASB pronouncements issued after November 30, 1989.

Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

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

The ***2004 SPLOST General Obligation Bond Debt Service Fund*** accounts for the special purpose local option sales taxes collected for the payment of the 2004 SPLOST general obligation bonds annual principal and interest payments.

The ***Homestead Option Sales Tax Fund*** accounts for the receipt and disbursement of the financial resources provided by the homestead option sales tax (HOST). The HOST is used to replace funds lost as a result of the County providing for a homestead exemption from County ad valorem taxes.

The ***2010 Sales Tax Fund*** accounts for the financial resources to be provided from the 2010 one percent Special Purpose Local Option Sales Tax and the proceeds from the issuance of general obligation sales tax bonds. The sales tax is required to be used for debt service payments on the sales tax general obligation bonds, certain County and City road improvements, enhancements of the County jail facility, water line infrastructure, and various other County and City public safety and recreational projects.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

The County reports the following major proprietary funds:

The ***Water and Sewer Fund*** accounts for the provision of water and sewer services to the residents of the County. All activities necessary to provide such services are accounted for in this fund.

Additionally, the County reports the following fund types:

The ***special revenue funds*** account for revenue sources that are legally restricted to expenditure for specific purposes.

The ***capital projects fund*** accounts for the acquisition of capital assets and construction or improvement of major capital projects such as construction of new roads.

The ***agency funds*** are custodial in nature and do not involve measurement of results of operations. Agency funds are clearing accounts for assets held by the County as agent for individuals, private organizations, other governments or other funds.

The ***Pension Trust Fund*** accounts for the assets of the County's general employees defined contribution pension plan and is accounted for in essentially the same manner as the proprietary funds, using the same measurement focus.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the County's water and wastewater function and various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

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 of the proprietary funds are charges to customers for sales and services provided. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the proprietary 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.

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

D. Budgets and Budgetary Accounting

An operating budget is legally adopted each fiscal year for the General Fund, Special Revenue Funds and Debt Service Funds. The Capital Project Funds adopt project-length budgets. An annual operating budget is prepared for the Enterprise Fund for planning, control, cost allocation, and evaluation purposes.

The level of controls (the level at which expenditures may not legally exceed appropriations) for each legally adopted annual operating budget is at the department level. During the year, supplemental appropriations are approved by the Board of Commissioners to cover unforeseen expenditures and are funded out of contingency accounts, from positive revenue and expenditure variances or unappropriated fund balances.

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

1. Prior to December 1, the Chairman submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets and Budgetary Accounting (Continued)

3. Prior to January 1, the budget is legally enacted through the passage of an ordinance.
4. The enacted budget may be amended only by formal action by the Board of Commissioners in public meetings, except that the Director of Finance may make interdepartmental amendments not associated with personnel services as long as the Board of Commissioners is notified of the changes.
5. Expenditures may not legally exceed appropriations.
6. Unencumbered appropriations lapse at year-end, with the exception of capital project funds.

E. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the appropriation, is employed in the Governmental funds. Encumbrances outstanding at year-end are reported as reservations of fund balances in the Governmental Funds, as they do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

F. Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with an original maturity date of three months or less. Investments are stated at fair value, based on quoted market prices. Georgia law authorizes the County to invest in obligations of the State of Georgia or of any other states; obligations issued by the United States; obligations fully insured or guaranteed by the United States government or governmental agency; prime bankers' acceptances; The State of Georgia Local Government Investment Pool (Georgia Fund-1); repurchase agreements; and obligations of other political subdivisions of the State of Georgia. The Georgia Fund 1 is not SEC registered, but is operated in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940. Therefore, fair value of the County's investment in the Georgia Fund 1 is based on the price of the County's share in the pool.

G. Receivables and Payables

Transactions between governmental funds that are representative of lending/borrowing arrangements have been eliminated in the Government-wide statement of net assets. Such transactions between the governmental and business type activities are reported in the government-wide statement of net assets as "internal balances." In the governmental funds balances sheets, these receivables and payables are classified as "due from other funds" or "due to other funds."

All account and property tax receivables are shown net of an allowance for uncollectible accounts. The allowance for uncollectible receivable balances represents estimates based on historical collection rates and account balance aging reports.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Inventories and Prepaid Items

Inventories are determined by actual physical count and are stated at cost generally using the first-in, first-out method (FIFO). In the governmental funds, the cost of inventory items is recorded as expenditures at the time of purchase (purchase method).

Prepaid items are accounted for using the consumption method. A prepaid item is recognized when a cash expenditure is made for goods or services that were purchased for consumption, but not consumed as of December 31.

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, water and sewer distribution systems, and similar assets), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Governmental (general) capital assets are recorded as expenditures in the governmental funds statement of revenues, expenditures and changes in fund balances and capitalized at cost in the government-wide statement of net assets. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. The county's capitalization threshold is $5,000 for equipment, $25,000 for computer software, $25,000 for buildings and improvements, and $100,000 for infrastructure assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred. Major outlays for capital assets and major improvements are capitalized as projects are constructed. Interest incurred during the construction period of capital assets of the proprietary funds is included as part of the capitalized value of the assets. The amount of interest capitalized is calculated by offsetting interest expense incurred with interest earned on investment proceeds over the same period. During fiscal year 2011, the County capitalized $17,935 of interest.

Donated capital assets are recorded at their estimated fair value at the date of donation.

Depreciation is calculated using the straight-line method over the following estimated useful lives.

	Life Years
Buildings and Improvements	10-50
Infrastructure	20-50
Improvements (other than buildings)	10-20
Machinery and Equipment	5-10

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net assets. Bond premiums and discounts, issuance costs, and deferred losses on refunded debt, are deferred and amortized over the life of the bonds using the bonds outstanding method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred changes and amortized over the term of the related debt.

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

K. Landfill Postclosure Cost

Federal and state laws and regulations require the operator of a sanitary landfill to perform certain maintenance and monitoring functions at a closed site for 30 years after closure. The County is a party to an operating agreement for a sanitary landfill that was closed on September 1, 1993. The County includes its portion of the estimated postclosure cost liability as a government activities non-current liability in the government-wide statement of net assets. The amount is based on what it would cost to perform all postclosure in 2011. Actual cost may be higher or lower due to inflation/deflation, changes in technology, or changes in regulations.

L. Compensated Absences

The County maintains a paid time off policy ("PTO policy") pursuant to which employees earn annual leave at the rate of 12 days during the first year of service, 18 days per year after one year of service up to a maximum of 30 days per year after 20 years of service. The maximum allowed accumulation under the PTO policy is 60 days for regular full-time employees and 78 days for employees of the Fire Department (suppression personnel only). Any hours at the end of the year that exceed the respective limits will be forfeited.

Liabilities for compensated absences have been accrued in the Proprietary Funds and the government-wide statement of net assets as compensated absences. The liability for compensated absences is not accrued in the governmental fund type's balance sheets since the liability is expected to be paid from appropriations of subsequent years.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity

The County implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as of January 1, 2010. This new standard changed the overall definitions and classifications of governmental fund balances.

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 assets and liabilities under the current financial resources measurement focus of accounting. 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 amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

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

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

- ***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 County Commission has authorized the County's Chief Financial Officer, Finance Director, or Director of Administrative Services 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 funds.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order: 1) committed, 2) assigned, and 3) unassigned.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Fund Equity (Continued)

Net Assets – Net assets represent the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. 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 borrowing used (i.e., the amount that the County has spent) for the acquisition, construction or improvement of those assets. Net assets are reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net assets are reported as unrestricted.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

N. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 and were levied for the year ended December 31, 2011 on September 15, 2011, by the Board of Commissioners. Tax bills were mailed on September 20 and were due November 15, 2011. All unpaid amounts were delinquent and subject to collection efforts pursuant to the O.C.G.A. on November 16. Liens were placed on delinquent accounts on January 6, 2012. Motor vehicle taxes are assessed on the taxpayer's birth date and due thereon.

Rockdale County bills and collects its own real & personal property taxes as well as property taxes for the County School System and State of Georgia. The County also collects automobile ad valorem and mobile home taxes for itself, the County School System, the State of Georgia and the City of Conyers. Collections and remittance of taxes are accounted for in the Tax Commissioner Agency Fund.

O. Restricted Assets

Certain debt proceeds from the Water and Sewer Authority's revenue bonds, as well as resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable covenants and agreements. When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, restricted assets are utilized first.

P. Interest Rate Swap Agreements

The County has entered into an interest rate swap agreement, as further discussed in Note 8.A.2.(c), to modify interest rates on outstanding debt. The net interest due, pursuant to the agreement, is recorded in the financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Statement of Cash Flows

For purposes of the statement of cash flows, investments purchased with an original maturity date of three months or less are considered cash equivalents.

R. Estimates

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

NOTE 2. BUDGETARY COMPLIANCE

Appropriations for the general fund, debt service funds, and special revenue funds are budgeted on a basis that is not consistent with generally accepted accounting principles, (GAAP). The major difference between the budget basis and GAAP basis is that encumbrances are recognized as expenditures (budget) as opposed to assignments of fund balance (GAAP). Adjustments necessary to convert the results of operations at the end of the year on the budget basis to the GAAP basis are as follows:

	Net Change in Fund Balances				Fund Balances at the End of Year		
	General Fund	2004 SPLOST G.O. Bonds Debt Service Fund	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	General Fund	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds
GAAP basis	$ 2,914,174	$ (10,965,681)	$ 968,486	$ 3,184,504	$ 40,459,022	$ 5,168,815	$ 3,997,848
Increase (decrease) Due to Encumbrances:							
Encumbrances December 31, 2011	(28,559)	-	(198,624)	-	(28,559)	(198,624)	-
Encumbrances December 31, 2010	17,118	-	75,927	-	17,118	75,927	-
Budget basis	$ 2,902,733	$ (10,965,681)	$ 845,789	$ 3,184,504	$ 40,447,581	$ 5,046,118	$ 3,997,848

The original budgeted appropriations for the year ended December 31, 2011 were amended through supplemental appropriations as follows:

	Original Appropriation Budget	Increase (Decrease)	Amended Appropriation Budget
General Fund	$ 55,235,973	$ (3,332,855)	$ 51,903,118
Special Revenue Funds	2,432,000	1,656,497	4,088,497
General Obligation Bonds Debt Service Fund	654,958	669	655,627
	$ 58,322,931	$ (1,675,689)	$ 56,647,242

NOTE 2. BUDGETARY COMPLIANCE (CONTINUED)

The General Fund budget decrease resulted from amendments for reduced expenditures to coincide with reduced HOST proceeds. The special revenue funds' increases were made primarily to increase budgeted expenditures for additional expenditures resulting from additional grant revenues. The G.O. bonds debt service fund's decrease resulted from amendments for reduced expenditures.

NOTE 3. CASH AND INVESTMENTS

A reconciliation of cash and cash equivalents and investments as shown on the government-wide and fiduciary funds statements of net assets follows:

As reported in the Statement of Net Assets:	
Primary government	
Cash and cash equivalents	$ 87,016,313
Investments	3,398,936
Restricted assets:	
Cash and cash equivalents	12,032,504
Agency Funds - cash and cash equivalents	3,298,186
Pension Trust Fund	
Investments	920,129
	$ 106,666,068
Cash deposited with financial institutions	$ 40,877,177
Cash on hand	6,545
Investment in Georgia Fund 1	61,463,281
Repurchase Agreement	3,398,936
Pension Trust Fund investments - Mutual Funds	920,129
	$ 106,666,068

Interest rate risk

While the County does not have a formal investment policy relating to specific investment related risk, the County manages its exposure to declines in fair values of its investment portfolio by generally limiting its investment in securities with maturities that are less than two years.

Custodial credit risk-deposits

This is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. As of December 31, 2011, the total carrying amount of the County's deposits was $40,075,758 and the bank balance was $41,834,229. Of the bank balance, $1,226,758 was insured through the Federal Deposit Insurance Corporation (FDIC) and the remaining $40,607,471 was exposed to custodial credit risk because the deposits were uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the County's name.

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

The carrying amount of deposits for the Rockdale County Board of Health, a discretely presented component unit, was $2,124,190 and the bank balance was $2,091,791 at June 30, 2011. All of the Rockdale County Board of Health's bank balance was covered by Federal depository insurance or insured with securities held by the Rockdale County Board of Health or by its agent in the Rockdale County Board of Health's name.

The carrying amount of deposits for the Conyers-Rockdale Library System, a discretely presented component unit was $853,602 and the bank balance was $924,286 at June 30, 2011. The amount of $112,202 was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the Library's name.

Custodial credit risk-investments
This is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The County does not have a deposit policy for the custodial credit risk associated with investments. Of the repurchase agreements investment of $3,398,936, the County has a custodial credit risk exposure of $3,398,936 because the related securities are uninsured, unregistered and held by the County's brokerage firm, which is also the counterparty for the securities.

Credit risk
Georgia law authorizes the County to invest in obligations of the State of Georgia or of any other states; obligations issued by the United States; obligations fully insured or guaranteed by the United States government or governmental agency; prime bankers' acceptances; The State of Georgia Local Government Investment Pool; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. It is the County's policy to limit its investments to these types of investments.

The local government investment pool, created by O.C.G.A. 36-83-8, is a stable net asset value investment pool which has an AAAm rating by Standard & Poor's. The local government investment pool operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. 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 participants' shares sold and redeemed based on $1.00 per share. The Georgia Office of the State Treasurer is the agency with regulatory oversight for the local government investment pool.

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

Concentration of credit risk

Excluding investments issued or explicitly guaranteed by the U.S. Government and investments in mutual funds, external investments pools, and other pooled investments, the County does not invest more than 5% of its total investments in any one issuer.

NOTE 4. RECEIVABLES

Receivables at December 31, 2011, consist of the following:

	General Fund	2010 Sales Tax Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Activities	Proprietary Funds	Agency Funds
Taxes	$ 1,832,391	$ -	$ 48,759	$ 1,881,150	$ -	$ 2,984,077
Accounts	293,222	540	177,781	471,543	5,811,501	1,259
	2,125,613	540	226,540	2,352,693	5,811,501	2,985,336
Less: allowance for uncollectibles	-	-	(1,000)	(1,000)	(2,647,538)	-
	$ 2,125,613	$ 540	$ 225,540	$ 2,351,693	$ 3,163,963	$ 2,985,336

NOTE 5. DUE FROM OTHER GOVERNMENTS

As discussed in Note 8. A.1.(b)., the County advanced $4,200,000 to the City of Conyers out of proceeds from the general obligation sales tax bonds, series 2004. The amount of $1,098,618 was re-paid in fiscal year 2011 bringing the total balance due to zero. The County is also due amounts from the State of Georgia for sales tax collected by the state and not remitted to the County as of December 31, 2011, an estimated amount for insurance premium taxes, and amounts due from federal and state grantor agencies. These amounts as well as other miscellaneous amounts comprise "Due from other governments" in the Statement of Net Assets as follows:

Due From	Purpose	Amount
Governmental activities:		
City of Conyers	Miscellaneous	$ 18,909
State of Georgia	Sales tax	2,612,629
State of Georgia	Insurance premium tax	2,885,000
State of Georgia	Department of Corrections	65,186
State of Georgia	Department of Transportation - Grants	3,436,335
State of Georgia	Miscellaneous Grants	133,489
Various Agencies	Grants	7,678
		$ 9,159,226

The component units "Due from other governments" represents amounts due from federal and state grant programs.

NOTE 6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Balances due to/from other funds at December 31, 2011, consist of the following:

Receivable Fund	Payable Fund	Amount
General Fund	Homestead Option Sales Tax Capital Projects Fund	$ 1,380,130
	2010 Sales Tax Capital Projects	3,251
	Water and Sewer Fund	129,149
	Stormwater Fund	107,751
	Other Governmental Funds	3,133,338
Total General Fund		$ 4,753,619

The above balances are the result of subsidies due from proceeds of the host tax and the payment of expenditures by the General Fund on behalf of the other respective funds.

Other Governmental Funds	General Fund	$ 169,292
	Homestead Option Sales Tax Capital Projects Fund	30,377
	Other Governmental Funds	47,715
Total Other Governmental Funds		$ 247,384

The above balances represent expenditures incurred by Other Governmental Funds for which the respective fund is responsible for the cost.

Water and Sewer Fund	2010 Sales Tax Capital Projects	$ 1,187
	Other Governmental Funds	240,793
	Stormwater Fund	14,319
		$ 256,299

The above balances represent the payment of expenditures on behalf of the other respective funds.

NOTE 6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

Interfund transfers for the year ended December 31, 2011 consist of the following:

Transfer To	Transfer From	Amount
General Fund	Homestead Option Sales Tax Capital Projects Fund	$ 13,341,235
Transfer to the General Fund for the homstead tax exemption.		
General Fund	Water and Sewer Fund	1,001,275
Transfer of funds for general fund expenditures.		
Other Capital Projects Fund	General Fund	1,591,206
Transfer of funds for current capital projects.		
2004 SPLOST G.O. Bonds Debt Service Fund	2004 Sales Tax Capital Projects Fund	850,869
Transfer of funds for the 2004 SPLOST Obligation Bonds debt service.		
2010 SPLOST G.O. Bonds Debt Service Fund	2010 Sales Tax Capital Projects Fund	3,567,800
		$ 20,352,385

NOTE 7. CAPITAL ASSETS

The County's Capital Asset activity for the year ended December 31, 2011 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 59,019,553	$ 244,595	$ (189,938)	$ -	$ 59,074,210
Construction in progress	12,171,769	1,675,023	-	-	13,846,792
Total capital assets, not being depreciated	71,191,322	1,919,618	(189,938)	-	72,921,002
Capital assets, being depreciated:					
Buildings and improvements	77,660,845	412,735	-		78,073,580
Infrastructure	361,563,657	-	(1,601,750)	-	359,961,907
Improvements (other than buildings)	8,096,025	211,050	-	-	8,307,075
Machinery and equipment	23,567,338	1,117,052	(39,544)	-	24,644,846
Total capital assets, being depreciated	470,887,865	1,740,837	(1,641,294)	-	470,987,408
Less accumulated depreciation for:					
Buildings and improvements	(15,035,082)	(1,538,954)	-	-	(16,574,036)
Infrastructure	(186,542,653)	(9,015,677)	169,146	-	(195,389,184)
Improvements (other than buildings)	(2,974,051)	(493,292)	-		(3,467,343)
Machinery and equipment	(19,416,649)	(1,371,305)	39,544	-	(20,748,410)
Total accumulated depreciation	(223,968,435)	(12,419,228)	208,690	-	(236,178,973)
Total capital assets, being depreciated, net	246,919,430	(10,678,391)	(1,432,604)	-	234,808,435
Governmental activities capital assets, net	$ 318,110,752	$ (8,758,773)	$ (1,622,542)	$ -	$ 307,729,437

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type activities:					
Capital assets, not being depreciated:					
Land	$ 13,878,120	$ -	$ -	$ 45,000	$ 13,923,120
Construction in progress	8,984,461	742,800	(422,557)	-	9,304,704
Total capital assets, not being depreciated	22,862,581	742,800	(422,557)	45,000	23,227,824
Capital assets, being depreciated:					
Buildings and improvements	7,374,105	-	-	-	7,374,105
Infrastructure	238,704,678	368,199	-	(45,000)	239,027,877
Machinery and equipment	8,302,603	210,920	-	-	8,513,523
Total capital assets, being depreciated	254,381,386	579,119	-	(45,000)	254,915,505
Less accumulated depreciation for:					
Buildings and improvements	(4,857,815)	(368,707)	-	-	(5,226,522)
Infrastructure	(56,586,075)	(6,111,473)	-	-	(62,697,548)
Machinery and equipment	(5,817,698)	(388,186)	-	-	(6,205,884)
Total accumulated depreciation	(67,261,588)	(6,868,366)	-	-	(74,129,954)
Total capital assets, being depreciated, net	187,119,798	(6,289,247)	-	(45,000)	180,785,551
Business-type activities capital assets, net	$ 209,982,379	$ (5,546,447)	$ (422,557)	$ -	$ 204,013,375

NOTE 7. CAPITAL ASSETS (CONTINUED)

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

Governmental activities:	
General government	$ 416,769
Judicial	37,888
Public safety	1,978,114
Public works	9,143,625
Culture and recreation	747,728
Health and welfare	91,462
Housing and development	3,642
Total depreciation expense - governmental activities	$ 12,419,228
Business-type activities:	
Water and sewer	$ 6,799,864
Stormwater	68,502
Total depreciation expense - business-type activities	$ 6,868,366

Discretely Presented Component Units

The Rockdale County Board of Health and the Conyers-Rockdale Library System's capital asset activity for the fiscal year ended June 30, 2011 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Conyers-Rockdale Library System					
Capital assets, not being depreciated:					
Land	$ 335,000	$ -	$ -	$ -	$ 335,000
Total capital assets, not being depreciated	335,000	-	-	-	335,000
Capital assets, being depreciated:					
Buildings and improvements	10,505,559	192,702	-		10,698,261
Improvements (other than buildings)	83,500	-	-	-	83,500
Library books and reference materials	2,270,259	113,068	(248,651)	-	2,134,676
Furniture, equipment and vehicles	543,671	45,683	-	-	589,354
Total capital assets, being depreciated	13,402,989	351,453	(248,651)	-	13,505,791
Less accumulated depreciation for:					
Buildings and improvements	(1,705,678)	(267,457)	-	-	(1,973,135)
Improvements (other than buildings)	(77,835)	(667)	-	-	(78,502)
Library books and reference materials	(1,807,060)	(90,524)	248,651	-	(1,648,933)
Furniture, equipment and vehicles	(271,065)	(21,970)	-	-	(293,035)
Total accumulated depreciation	(3,861,638)	(380,618)	248,651	-	(3,993,605)
Total capital assets, being depreciated, net	9,541,351	(29,165)	-	-	9,512,186
Business-type activities capital assets, net	$ 9,876,351	$ (29,165)	$ -	$ -	$ 9,847,186

NOTE 7. CAPITAL ASSETS (CONTINUED)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Rockdale County Board of Health:					
Capital assets, being depreciated:	$	$	$	$	$
Equipment	95,411	-	-	-	95,411
Less accumulated depreciation	(70,128)	(5,570)	-	-	(75,698)
Board of Health capital assets, net	$ 25,283	$ (5,570)	$ -	$ -	$ 19,713

Construction commitments as of December 31, 2011, are as follows:

	Project Authorization	Expended	Committed
Governmental activities			
Public Safety	$ 44,804,876	$ 28,446,755	$ 16,358,121
Road Projects	74,395,128	31,009,157	43,385,971
Water Infrastructure	12,000,000	308,778	11,691,222
	$ 131,200,004	$ 59,764,690	$ 71,435,314
Business-type activities			
Water and sewerage distribution and collection facilities	$ 11,102,985	$ 10,177,126	$ 925,859

NOTE 8. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended December 31, 2011.

	Beginning Balance	Increases	Decreases	Ending Balance	Due in One Year
Governmental activities:					
General obligation bonds	$ 2,375,000	$ -	$ (545,000)	$ 1,830,000	$ 575,000
General obligation sales tax bonds, Series 2004	11,585,000	-	(11,585,000)	-	-
Series 2004 premium	26,252	-	(26,252)	-	-
General obligation sales tax bonds, Series 2010	13,000,000	-	-	13,000,000	3,145,000
Series 2010 premium	836,881	-	(283,272)	553,609	-
Certificates of Participation (2006)	7,905,000	-	(655,000)	7,250,000	675,000
COPs 2006 premium	45,036	-	(9,409)	35,627	-
Certificates of Participation (1999)	3,775,000	-	(295,000)	3,480,000	310,000
Certificates of Participation (1998)	3,900,000	-	-	3,900,000	-
Notes payable - Coalition Building	904,928	-	(400,317)	504,611	360,098
Notes payable - GEFA Loan	622,231	-	(82,217)	540,014	84,718
Contractual Obligation - Revenue Bonds	8,900,000	-	(600,000)	8,300,000	600,000
Revenue bonds premium	116,779	-	(22,653)	94,126	-
Compensated absences	2,291,146	1,944,828	(1,977,283)	2,258,691	1,694,018
Landfill postclosure	910,000	-	(70,000)	840,000	70,000
General liability claims	362,019	-	(187,694)	174,325	80,000
Net OPEB Liability	4,828,785	2,114,351	-	6,943,136	-
Governmental activity long-term liabilities	$ 62,384,057	$ 4,059,179	$ (16,739,097)	$ 49,704,139	$ 7,593,834
Business-type activities:					
Revenue bonds	$ 105,050,000	$ -	$ (2,920,000)	$ 102,130,000	$ 3,100,000
Revenue bonds premium	4,128,485	-	(433,042)	3,695,443	-
Deferred loss on revenue bond refunding	(5,367,322)	-	645,064	(4,722,258)	-
Notes payable	65,803	-	(21,963)	43,840	23,316
Compensated absences	261,228	266,879	(227,820)	300,287	225,216
Net OPEB Liability	626,883	285,500	-	912,383	-
Business-type activity long-term liabilities	$ 104,765,077	$ 552,379	$ (2,957,761)	$ 102,359,695	$ 3,348,532
Component Units:					
Compensated absences	$ 95,935	$ 54,170	$ (67,338)	$ 82,767	$ 82,767

NOTE 8. LONG-TERM OBLIGATIONS (CONTINUED)

A. Governmental Activities

1. General Obligation Bonds

General obligation bonds are direct obligations and pledge the full faith and credit of Rockdale County. The County is subject to the laws of the State of Georgia, which limit the amount of net bonded debt (exclusive of revenue bonds) the County may have outstanding to 10% of the assessed valuation of taxable property within the County. At year-end, general obligation bonds outstanding, net of amounts available in the Debt Service Funds for general obligation bonds, totaled $11,385,761. The statutory limit at that date was $268,922,307 providing a debt margin of $257,536,546. General obligation bonds currently outstanding are as follows:

(a). Refunding recreational facilities bonds

Issue Date	Purpose	Interest Rate %	Interest Dates	Maturity Date	Authorized and Issued	Retired	Balance at December 31, 2011
2/1/1994	Recreational Facilities	5.0 - 5.25	1/1 - 7/1	1/1/2014	$ 3,860,000	$ 2,030,000	$ 1,830,000

Annual debt service requirements to maturity as of December 31, 2011 for the above general obligation bonds are as follows:

Fiscal Year Payable	Principal	Interest	Total
2012	$ 575,000	$ 80,838	$ 655,838
2013	610,000	49,875	659,875
2014	645,000	16,931	661,931
	$ 1,830,000	$ 147,644	$ 1,977,644

(b). General obligation sales tax bonds, series 2004

Issue Date	Purpose	Interest Rate %	Interest Dates	Maturity Date	Authorized and Issued	Retired	Balance at December 31, 2011
12/28/2004	Advance funding for 2004 sales tax capital projects	2.2 - 5.0	4/1 - 10/1	4/1/2011	$ 44,300,000	$ 44,300,000	$ -

NOTE 8. LONG-TERM OBLIGATIONS (CONTINUED)

In December 2004, the County issued $44,300,000 of general obligation sales tax bonds, series 2004. The total proceeds of the bonds net of issuance costs totaling $416,260 plus a $2,508,623 premium were $46,392,363. The issuance of the bonds was approved by Rockdale County voters in November 2004 along with the approval of a one percent special local option sales tax for funding various capital projects. The bonds were issued to provide immediate funding for certain of the capital projects. The bonds are to be repaid from the sales tax proceeds and require that annually, the sales tax be set aside in a sinking fund sufficient to pay that year's debt service before any sales tax proceeds are utilized for capital project expenditures. Interest in the government-wide statement of net assets has been reduced by $26,252 of bond premium amortization.

Pursuant to an intergovernmental agreement with the City of Conyers, (the City), $4,200,000 of the bond proceeds were remitted to the City to provide advance funding for certain City capital projects approved in the sales tax referendum. The intergovernmental agreement requires the City to repay the $4,200,000 from its share of the sales and use tax collections. The amount of $1,098,618 was re-paid in fiscal year 2011.

These bonds were paid in full during the year ended December 31, 2011.

(c). General obligation sales tax bonds, series 2010

Issue Date	Purpose	Interest Rate %	Interest Dates	Maturity Date	Authorized and Issued	Retired	Balance at December 31, 2011
10/26/2010	Advance funding for 2010 sales tax capital projects	3.0 - 4.0	4/1 - 10/1	4/1/2015	$ 13,000,000	$ -	$ 13,000,000

In July 2010, Rockdale County voters passed a one percent special local option sales tax for funding various capital projects. In October 2010, the County issued $13,000,000 of general obligation sales tax bonds, series 2010. The total proceeds of the bonds, net of issuance costs totaling $255,400 plus a $836,881 premium, were $13,581,481. The bonds were issued to provide immediate funding for several of the capital projects. The bonds are to be repaid from the sales tax proceeds and require that annually, the sales tax be set aside in a sinking fund sufficient to pay that year's debt service before any sales tax proceeds are utilized for capital project expenditures.

NOTE 8. LONG-TERM OBLIGATIONS (CONTINUED)

Annual debt service requirements as of December 31, 2011 for the General Obligation Sales Tax Bonds, Series 2010 are as follows:

Fiscal Year Payable	Principal	Interest	Total
2012	$ 3,145,000	$ 375,625	$ 3,520,625
2013	3,210,000	280,300	3,490,300
2014	3,280,000	166,550	3,446,550
2015	3,365,000	50,475	3,415,475
	$ 13,000,000	$ 872,950	$ 13,872,950

2. Certificates of Participation

The County issued certificates of participation through the Association County Commissioners of Georgia and the Georgia Municipal Association, Inc. public purpose master lease agreements as follows:

Issue Date	Purpose	Interest Rate %	Interest Dates	Maturity Date	Authorized and Issued	Retired	Balance at December 31, 2011
4/1/2006	Refunding of Series 1999 certificates of participation	3.375-4.75	1/1 - 7/1	7/1/2020	$ 8,155,000	$ 905,000	$ 7,250,000
11/1/1999	Construction projects and refunding Series 1991 and 1997 certificates of participation	4.25-5.625	1/1 - 7/1	7/1/2020	21,575,000	18,095,000	3,480,000
6/1/1998	Equipment	4.75	6/1 - 2/1	6/1/2028	3,900,000	-	3,900,000
					$ 33,630,000	$ 19,000,000	$ 14,630,000

(a) The County issued $8,155,000 of Series 2006 certificates of participation through the Association County Commissioners of Georgia. The net proceeds of $8,021,850 (after payment of $229,415 in underwriting fees, insurance, and other issuance costs, plus an issuance premium of $96,265) were used to purchase United States Treasury Obligations – State and Local Government Series that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments on $7,555,000 principal amount of Series 1999 certificates of participation. As a result, the refunded certificates are considered defeased and the liability has been excluded from the statement of net assets. The reacquisition price exceeded the net carrying amount of the old debt by $466,850. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt (15 years), which is the same as the life of the new debt issued.

NOTE 8. LONG-TERM OBLIGATIONS (CONTINUED)

Annual debt service requirements as of December 31, 2011 for the 2006 certificates of participation are as follows:

Fiscal Year Payable	Principal	Interest	Total
2012	$ 675,000	$ 308,200	$ 983,200
2013	705,000	283,900	988,900
2014	735,000	250,413	985,413
2015	770,000	215,500	985,500
2016	805,000	178,925	983,925
2017 - 2020	3,560,000	371,319	3,931,319
	$ 7,250,000	$ 1,608,257	$ 8,858,257

(b). The County issued $21,575,000 of certificates of participation through the Association County Commissioners of Georgia public purpose master lease agreement dated November 1, 1999. The certificates represent fractionalized interest in base rentals to be paid by the County pursuant to a master lease agreement. The net proceeds have been used for the construction or renovation of (i) an expansion to the County's jail, (ii) an additional administration complex, (iii) a new fire station, (iv) a new fleet service building, and (v) the refunding of Series 1991 and 1997 certificates of participation. As discussed in (a) above, $7,555,000 of the Series 1999 certificates were refunded in April 2006 with the issuance of the Series 2006 Refunding Certificates of participation.

Annual debt service requirements as of December 31, 2011 for the unrefunded 1999 certificates of participation are as follows:

Fiscal Year Payable	Principal	Interest	Total
2012	$ 310,000	$ 192,894	$ 502,894
2013	325,000	176,619	501,619
2014	345,000	159,150	504,150
2015	360,000	140,175	500,175
2016	385,000	120,375	505,375
2017 - 2020	1,755,000	253,406	2,008,406
	$ 3,480,000	$ 1,042,619	$ 4,522,619

(c). Effective June 1, 1998, the County entered into a 1998A master lease and option agreement with the Georgia Municipal Association, Inc. The lease agreement, among other things, obligates the County for $3,900,000 of 1998A certificates of participation issued by the Georgia Municipal Association, Inc. The proceeds from the certificates were deposited with an escrow agent in an irrevocable trust fund in the name of the County. The County's use of the money is restricted for the purchase of certain equipment and must be repaid to the trust fund over lease terms pursuant to the 1998A Master Lease and Option Agreement.

NOTE 8. LONG-TERM OBLIGATIONS (CONTINUED)

As part of the issuance of the certificates of participation, the County entered into an interest rate swap agreement. Under the Swap Agreement, the County is required to pay (1) a semiannual (and beginning July 1, 2003, a monthly) floating rate of interest based on the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index (plus a 31 basis points spread) to, or on behalf of, the Swap Counterparty (the "Swap Payment"); and the Swap Counterparty will pay to, or on behalf of, the County a semi-annual payment based on a rate equal to the fixed rate on the certificates of participation (4.75%) times a notional amount specified in the Swap Agreement, but generally equal to the outstanding unpaid principal portion of such Contract, less the amount originally deposited in the Reserve Fund relating to the Contract, and (2) a one-time Swap Premium to be paid on the effective date of the Swap Agreement. The semiannual payments from the Swap Counterparty with respect to the County are structured, and expected to be sufficient to make all interest payments due under the Contract, and related distributions of interest on the Certificates. Monthly interest payments between the County, the holders of the Certificates of Participation, and the Swap Counterparty can be made in net settlement form as part of this agreement. Under the Swap Agreement, the County's obligation to pay floating payments to the Swap Counterparty in any calendar year may not exceed an amount equal to the SIFMA Municipal Swap Index plus 5% to be determined on the first business day of December in the preceding year. This agreement matures on June 1, 2028, at the same time of the certificates of participation. This derivative qualifies as a fair market hedge.

In the unlikely event that the Swap Counterparty becomes insolvent, or fails to make payments as specified in the Swap Agreement, the County would be exposed to credit risk in the amount of the Swap's fair value. To minimize this risk, the County executed this agreement with counterparties of appropriate credit strength, with the counterparty being rated Aa1 by Moody's. At December 31, 2011, the floating rate being paid by the County is 0.10% and the market value of this agreement is $1,302,673, an increase of $731,565 from the market value at the end of the previous fiscal year. The market value of the hedge was determined using settlement prices at the end of the day on December 31, 2011 based on the derivative contract. This market value is reported as a component of the certificates of participation in long-term debt in the statement of net assets. As this derivative is an effective hedge, qualifying for hedge accounting, the inflow from the hedge (any change in fair value from inception until fiscal year end) is deferred and reported as deferred revenue in the statement of net assets.

NOTE 8. LONG-TERM OBLIGATIONS (CONTINUED)

The annual estimated debt service requirements as of December 31, 2011 on the 1998A certificates of participation are as follows:

Fiscal Year Payable	Principal	Interest	Total
2012	$ -	$ 185,250	$ 185,250
2013	-	185,250	185,250
2014	-	185,250	185,250
2015	-	185,250	185,250
2016	-	185,250	185,250
2017 - 2021	-	926,250	926,250
2022 - 2026	-	926,250	926,250
2027 - 2028	3,900,000	262,438	4,162,438
	$ 3,900,000	$ 3,041,188	$ 6,941,188

3. Notes Payable - Coalition Building

On September 10, 1996, the County entered into an installment purchase agreement for the purchase of the Rockdale County DFACS, mental health, children and youth services office buildings. The installment note, which bears interest at 7.5%, is payable in monthly installments of principal and interest ranging from $15,860 to $38,740.

The original amount of the note was $3,102,490 of which $2,597,879 has been retired leaving $504,611 outstanding. The note fully matures on June 1, 2013.

The annual note payments as of December 31, 2011 are as follows:

Fiscal Year Payable	Principal	Interest	Total
2012	$ 360,098	$ 25,048	$ 385,146
2013	144,513	3,741	148,254
	$ 504,611	$ 28,789	$ 533,400

4. Notes Payable - GEFA Loan

In September 2007, the County borrowed $861,000 from the Georgia Environmental Facilities Authority, (GEFA), pursuant to two promissory note agreements. The proceeds were used to purchase 10.6 acres of land to begin the South River Trail Project in South Rockdale County. The loans require repayment over 10 years in monthly installments. The installment notes bear interest at 3%, per annum, and the combined monthly payment is $8,314. Principal payments totaling $320,986 have been made since the notes' inception leaving $540,014 outstanding. The notes fully mature on November 1, 2017.

NOTE 8. LONG-TERM OBLIGATIONS (CONTINUED)

The annual note payments as of December 31, 2011 are as follows:

Fiscal Year Payable	Principal	Interest	Total
2012	$ 84,718	$ 15,049	$ 99,767
2013	87,295	12,473	99,768
2014	89,950	9,817	99,767
2015	92,686	7,081	99,767
2016	95,505	4,262	99,767
2017	89,860	1,357	91,217
	$ 540,014	$ 50,039	$ 590,053

5. Operating Lease – Emergency CAD Loan

In May 2010, the County borrowed $220,800 from the Government Capital Corporation through the Georgia Municipal Association, (GMA). The proceeds were used to purchase a maintenance agreement for the law enforcement computer aided system. The loan requires repayment over five years in annual installments of $51,051 which includes principal and interest. The notes bear interest at 4%, in the first year, and 5% thereafter, per annum. The note fully matures February 2015, and it carries an option to purchase the equipment after the payment date in the last three years.

The annual note payments as of December 31, 2011 are as follows:

Fiscal Year Payable	Principal	Interest	Total
2012	$ 41,277	$ 9,774	$ 51,051
2013	43,529	7,522	51,051
2014	45,905	5,146	51,051
2015	48,409	2,642	51,051
	$ 179,120	$ 25,084	$ 204,204

6. Contractual Obligations

The following is a summary of the County's outstanding contractual obligations:

Issue Date	Purpose	Interest Rate %	Interest Dates	Maturity Date	Authorized and Issued	Retired	Balance at December 31, 2011
11/25/2008	Big-Haynes Impoundment	3.5 - 5.0	1/1 - 7/1	7/1/2022	$ 10,000,000	$ 1,700,000	$ 8,300,000

NOTE 8. LONG-TERM OBLIGATIONS (CONTINUED)

On November 1, 1998, the County entered into a contract with the Conyers-Rockdale Big Haynes Impoundment Authority (the "Authority"). The Authority, on November 20, 1998, issued $13,300,000 of variable rate revenue bonds for the purpose of retiring $12,600,000 of principal and approximately $463,400 of interest on a series 1997 bond issue that matured December 31, 1998. In November 2008, the variable rate bonds were redeemed in a current refunding as part of a remarketing of the previous variable rate bonds with new fixed rate bonds. The total proceeds of the refunding net of $162,000 of issuance cost plus a $186,143 premium, were $10,024,143. The amount of $10,000,000 was used to retire the variable rate bonds. The refunding was undertaken to eliminate the interest rate risk associated with the variable rate bonds. The reacquisition price and the carrying amount of the variable rate bonds were the same. Pursuant to the County's contract with the Authority, the County has agreed to pay the Authority amounts sufficient to pay the debt service on the bonds, pledging the full faith and credit of the County.

Annual debt service requirements for the Big Haynes Impoundment Authority revenue bonds contractual obligation as of December 31, 2011 are as follows:

Fiscal Year Payable	Principal	Interest	Total
2012	$ 600,000	$ 376,625	$ 976,625
2013	600,000	352,625	952,625
2014	700,000	327,125	1,027,125
2015	700,000	297,750	997,750
2016	700,000	271,500	971,500
2017 - 2021	4,100,000	797,500	4,897,500
2022	900,000	42,750	942,750
	$ 8,300,000	$ 2,465,875	$ 10,765,875

7. Other Obligations

(a). Compensated absences – Earned and vested paid time off is recorded as a liability in the government-wide statement of net assets. The compensated absences have been paid in prior years by the General Fund.

(b). Landfill post closure cost - As discussed in Note 12, the County is obligated for a portion of the expenses related to the post closure costs of a landfill jointly operated and maintained by the City of Conyers and the County. The County's portion of the post closure costs are estimated to be $840,000 based on what it would cost to perform the anticipated post closure costs at December 31, 2011. The post closure costs have been paid in prior years by the General Fund. This is an estimate and is subject to inflation or deflation due to economic conditions.

NOTE 8. LONG-TERM OBLIGATIONS (CONTINUED)

(c). General liability claims – Various claims and legal proceedings arising in the course of providing general government services are pending against the County. The County, as discussed in Note 11, maintains insurance coverage for losses arising from claims and legal proceedings. The County is exposed to a per occurrence deductible of $25,000 and to amounts that exceed policy limits. Management has estimated the County's liability for claims and legal proceedings to be approximately $174,325 as of December 31, 2011.

(d). Other Post Employment Benefits, (OPEB) – The County provides OPEB through a single-employer defined benefit post employment plan. The plan and related liability are discussed in detail in Note 15. The OPEB obligation affects the actuarial calculation of future annual required contributions and thus does not represent a liability with a current portion. Accordingly, all of the liability is reported as long-term. Payment of the liability is expected to occur from the General Fund.

B. Business-type Activities

1. Revenue Bonds

Issue Date	Purpose	Interest Rate %	Interest Dates	Maturity Date	Authorized and Issued	Retired	Balance at December 31, 2011
5/31/2005	Refund Series 1996 and 1999 revenue bonds	2.50-5.00	1/1 - 7/1	7/1/2029	$ 113,165,000	$ 11,035,000	$ 102,130,000

In May 2005, the Water Authority issued the Series 2005 Revenue Bonds for the purpose of (i) advance refunding the Water Authority's Series 1996 Revenue Bonds maturing on and after July 1, 2008 and the Water Authority's Series 1999A Revenue Bonds maturing on and after July 1, 2010 and (ii) financing certain improvements to the water and sewerage system. Simultaneous with the issuance of the Series 2005 bonds, the Water Authority and the County amended their intergovernmental contract requiring the County to make payments to the Authority sufficient to cover the debt service on the Series 2005 bonds. The obligations of the County are secured by a pledge of the Water and Sewer System's net revenues and by a pledge of the County's full faith and credit and taxing power.

NOTE 8. LONG-TERM OBLIGATIONS (CONTINUED)

Annual debt service requirements for the Series 2005 Revenue Bonds outstanding at December 31, 2011 are as follows:

Fiscal Year Payable	Principal	Interest	Total
2012	$ 3,100,000	$ 5,075,500	$ 8,175,500
2013	3,225,000	4,951,500	8,176,500
2014	3,390,000	4,790,250	8,180,250
2015	3,560,000	4,620,750	8,180,750
2016	3,735,000	4,442,750	8,177,750
2017 - 2021	26,135,000	18,856,500	44,991,500
2022 - 2026	34,130,000	11,500,000	45,630,000
2027 - 2029	24,855,000	2,525,750	27,380,750
	$ 102,130,000	$ 56,763,000	$ 158,893,000

2. Note Payable

In October 2003, the County acquired a generator from Snapping Shoals Electric Membership Corporation (SSEMC) in exchange for a $190,000 promissory note. The terms of the note are disclosed below.

Issue Date	Purpose	Interest Rate %	Interest Dates	Maturity Date	Authorized and Issued	Retired	Balance at December 31, 2011
10/24/2003	Equipment purchase	6.00	Monthly	2013	$ 190,000	$ 146,160	$ 43,840

Annual debt service requirements for the SSEMC note are as follows:

Fiscal Year Payable	Principal	Interest	Total
2012	$ 23,316	$ 1,996	$ 25,312
2013	20,524	569	21,093
	$ 43,840	$ 2,565	$ 46,405

3. Other obligations

(a) Compensated absences - Earned and vested paid time off is recorded as a liability in the proprietary fund statement of net assets. The amount $292,278 of the compensated absences are payable by the Water and Sewer Fund and $8,009 are payable by the Stormwater Fund.

(b) Other Post Employment Benefits, (OPEB) – The County provides OPEB through a single-employer defined benefit post employment plan. The plan and related liability are discussed in detail in Note 15. The OPEB obligation affects the actuarial calculation of future annual required contributions and thus does not represent a liability with a current portion. Accordingly, all of the liability is reported as long-term. The amount $847,724 of the liability is expected to be paid from the Water and Sewer Fund and $64,659 is expected to be paid by the Stormwater Fund.

NOTE 8. LONG-TERM OBLIGATIONS (CONTINUED)

C. Advance Refundings – Prior Years

In prior years, the County advance refunded governmental activities debt, which includes certain jailhouse construction bonds (Series 1984), jailhouse refunding bonds (Series 1986), certificates of participation (Series 1997), and certificates of participation (series 1999) and business activities debt, which includes a portion of the Water and Sewer Authority Series 1996 and 1999A revenue bonds. The proceeds of new bonds and certificates of participation were deposited in an irrevocable trust to provide for all future debt service payments on the refunded debt. At year-end, the aggregate principal amount of all such refunded debt outstanding was $7,340,000 from governmental activities and $53,900,000 from business activities. For financial accounting and reporting purposes, all of the refunded debt is considered retired, and along with the funds held in trust, are not included in the accompanying financial statements.

NOTE 9. COMMITMENTS AND CONTIGENCIES

A. Grant Contingencies

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, County management believes such disallowances, if any, will not be significant.

B. Litigation

Various claims and legal proceedings arising in the course of providing general governmental services are pending against the County seeking monetary damages and other relief. The amount of liability from all claims and actions cannot be determined with certainty, but in the opinion of management and legal council, the ultimate liability from such claims in excess of the accrued general liability claims amount should not materially affect the financial position of the County at December 31, 2011.

NOTE 10. RETIREMENT PLANS

A. ACCG Defined Benefit Pension Plan

Effective January 1, 2005, the County began sponsoring the Association County Commissioners of Georgia Restated Pension Plan, (the Plan). The Plan is a defined benefit pension plan that covers the majority of Rockdale County Employees. Employees covered by other plans are discussed in Note 10, C.

NOTE 10. RETIREMENT PLANS (CONTINUED)

(1). Plan Description

The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The Plan, through execution of the adoption agreement, is affiliated with the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (The ACCG Plan), an agent multiple-employer pension plan, administered by the Government Employee Benefits Corporation of Georgia, (GEBCorp). The ACCG, in its role as the 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, through its Board of Commissioners, 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. A separately issued financial report for the ACCG Plan may be obtained by writing to GEBCorp at 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339.

Plan membership as of January 1, 2011 (the most recent actuarial valuation date) is as follows.

Retirees and beneficiaries receiving benefits	67
Terminated plan members entitled to, but not receiving, benefits	64
Active plan members	770
Total	901

(2). Funding Policy

The County is required to contribute an actuarially determined amount annually to the Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and must satisfy the minimum contribution requirement contained in the State of Georgia statutes. The County's required contribution for the 2011 Plan year is $1,715,874 or 6.00% of covered payroll. Plan members other than Public Safety members are required to contribute 3% of compensation and Public Safety members contribute 7% of compensation.

(3). Annual Pension Cost

The County's annual pension cost and net pension asset for the current year are as follows:

Annual Required Contribution	$ 1,715,874
Interest on Net Pension Obligation	(309,283)
Adjustment to Annual Required Contributions	330,926
Annual Pension Cost	1,737,517
Actual Contribution Made	2,085,435
Increase in Net Pension Asset	347,918
Net Pension Asset, Beginning of the Year	3,990,743
Net Pension Asset, End of the Year	$ 4,338,661

NOTE 10. RETIREMENT PLANS (CONTINUED)

The net pension asset has been included in other assets in the statement of net assets. The annual required contribution was based on the actuarial methods and significant assumptions below.

(4). Basis of Valuation and Funding Status

Valuation Date:	January 1, 2011
Actuarial Cost Method:	Projected Unit Credit
Asset Valuation Method:	Market Value
Amortization Method Unfunded Actuarial Accrued Liability:	
Remaining Amortization Period:	Level Percent of Pay (Closed)
Actuarial Assumptions:	
Assumed Rate of Return on Assets	7.75%
Expected Future Salary Increases	4.0% - 6.5% based on age
Expected Inflation	3.0%
Post Retirement Benefit Increases	None

The funded status of the plan as of the most recent actuarial date, January 1, 2011 was as follows:

Actuarial Value of Assets (AVA)	$ 31,540,955
Actuarial Accrued Liability (AAL)	$ 43,590,078
Unfunded Actuarial Accrued Liability (UAL)	$ 12,049,123
Percentage of AVA to AAL	72.4%
Annual Covered Payroll	$ 30,163,269
Percentage of UAL to Annual Covered Payroll	39.9%

The schedule of funding progress, presented as required supplementary information immediately following the notes to the financial statements, presents multiyear trend information that shows 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.

(5). Five Year Trend Information

Fiscal Year Ending	Annual Pension Cost (APC)	Amount Contributed	Percentage Contributed	Net Pension Asset
12/31/2007	$ 1,325,985	$ 1,920,367	144.8 %	$ 2,511,404
12/31/2008	1,346,830	2,029,367	150.7	3,194,211
12/31/2009	1,678,914	2,191,472	130.5	3,706,769
12/31/2010	1,778,769	2,062,743	116.0	3,990,743
12/31/2011	1,737,517	2,085,435	120.0	4,338,661

NOTE 10. RETIREMENT PLANS (CONTINUED)

B. Defined Contribution Plan

The County, through December 31, 2004, provided benefits for the majority of its full-time employees through a defined contribution plan (the "Plan") which was administered by GEB Corp. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees were eligible to participate after six months from the date of employment. The Plan as established by the Rockdale County Board of Commissioners required that the County contribute an amount equal to 5% of the employee's salary each month. Plan members were not required to make contributions. The County's contributions for each employee (and interest allocated to the employee's account) were fully vested after five years of continuous service. Benefit provisions and contribution requirements were established and may be amended by the Board of Commissioners. There were no contributions made by the County in fiscal year 2011.

Effective January 1, 2005, the County adopted the ACCG Defined Benefit Pension Plan as noted above. Each participant in the defined contribution plan was given an option to use his/her account balance under the existing defined contribution plan to purchase 100% of past service credit. As noted in the statement of fiduciary net assets, as of December 31, 2011, there was $920,129 of net assets remaining in the plan.

C. Other Retirement Plans

In addition to the pension plans described above, the following pension plans are in effect, but are not under the control of the County, but are provided for by the Constitution of the State of Georgia:

1. Agricultural Extension Supplemental Teachers Retirement Fund

The County agent and designated employees in this office are partially paid by the County and are covered under a pension plan which requires that certain sums be contributed by the County to a state administered plan.

2. Probates Judges' Retirement Fund of Georgia

The Probate Judge is eligible, but elects not to be covered under a pension plan which requires that certain sums from marriage licenses be remitted to the pension plan before the payment of any costs or other claims.

3. Clerk of Superior Court Retirement Fund

The Clerk of the 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.

NOTE 10. RETIREMENT PLANS (CONTINUED)

4. Sheriff's Retirement Fund/Peace Officer's Annuity and Benefit Fund

The Sheriff and Sheriff Deputies are covered under separate pension plans which require that certain sums from fees, fines or bond forfeitures be remitted to the pension plans before the payment of any costs or other claims.

5. State Court Judges' Retirement Fund

The State Court Judge is covered under a pension plan which requires that certain sums be contributed by the County to a state administered plan.

6. Clerk of State Court Retirement Fund

The Clerk of State 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.

7. Convers-Rockdale Library System (Discretely Presented Component Unit) Pension Plan

Substantially all Librarians and clerical personnel employed by regional and county libraries are covered by the Teachers Retirement System of Georgia (TRS), which is a cost-sharing multiple employer public employee retirement system (PERS).

The Library's payroll for employees covered by TRS for the year ended June 30, 2011 was $560,199; total payroll was $745,814.

Total contributions made during fiscal year 2011 amounted to $88,567, of which $57,588 was made by the Library and $30,979 was made by employees. These contributions represented 10.28% (Library) and 5.53% (employees) of covered payroll.

Total contributions from all employers to TRS for fiscal year ended June 30, 2011 were approximately $1,089,911,244. The Library's contribution for the year ended June 30, 2011 of $57,588 was actuarially determined and represented .005% of total contributions made by all participating employers.

Complete financial statements for the TRS can be obtained at the following address:

Two Northside 75, Suite 400
Atlanta, Georgia 30318

8. Rockdale County Health Department (Discretely Presented Component Unit) Retirement Plan

All of the health department's eligible employees are covered by 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. The Health department contributes 10.41% of the eligible employees' gross earnings. During its fiscal year 2011, the Health Department contributed $65,299 on behalf of eligible employees.

NOTE 11. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County is a member of the Georgia Interlocal Risk Management Agency (GIRMA). This membership allows the County to share liability, crime, motor vehicle and property damage risks.

Coverages are as follows:

Coverage Description - Property:		
Building and Contents (Blanket)	$	155,879,603
Automobile Physical Damage	$	11,155,495
Inland Marine for Movable Equipment	$	2,696,632
Coverage Description - Casualty:		
General Liability and Police Professional Liability	$	1,000,000
Automobile Liability	$	1,000,000
Public Officials Liability	$	1,000,000
Coverage Description - Crime:		
Employee Dishonesty	$	50,000
Depositor's Forgery	$	150,000
Money and Securities - Loss Inside the Premises	$	150,000
Money and Securities - Loss Outside the Premises	$	150,000
Computer Theft and Funds Transfer Fraud	$	150,000
Money Orders and Counterfeit Currency	$	150,000
Deductible:		
All coverages are subject to a per occurrence deductible of	$	25,000
Coverage Exceptions:		
Coverages Subject to a Retroactive Date:		
Coverages shown as Coverage Exceptions only are subject to a retroactive date of:		7/1/1991

Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorized Georgia municipalities to form interlocal risk management agencies. The ACCG Interlocal Risk Management Agency (IRMA) is a County interlocal risk management agency to function as an unincorporated nonprofit instrumentality of its member counties. IRMA provides risk management and safety and loss control services to prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of county government. IRMA is to defend and protect in accordance with the Coverage Agreement and related coverage descriptions any member of IRMA against liability or loss.

NOTE 11. RISK MANAGEMENT (CONTINUED)

Rockdale County's responsibilities as a member of IRMA are as follows:

- To pay all contributions, assessments or other sums due to IRMA at such times and in such amounts as shall be established by IRMA.
- To select a person to serve as a Member representative.
- To allow IRMA and its agent's reasonable access to all facilities of the County and all records, including but not limited to financial records, which relate to the purposes of IRMA.
- To allow attorneys appointed by IRMA to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss prevention furnished by the Fund or Funds established by IRMA.
- To assist and cooperate in the defense and settlement of claims against the County.
- To furnish full cooperation to IRMA's attorneys, claims adjusters, Service Company, and any agent, employee, officer or independent contractor of IRMA relating to the purposes of IRMA.
- To follow all loss reduction and prevention procedures established by IRMA.
- To furnish to IRMA such budget, operating and underwriting information as may be requested.
- To report as promptly as possible, and in accordance with any Coverage Descriptions issued, all incidents which could result in IRMA or any Fund established by IRMA being required to pay claims for loss or injuries to municipal property or injuries to persons or property when such loss or injury is within the scope of the protection of IMRA.

Rockdale County retains the first $25,000 of each risk of loss in the form of a deductible. The County files all claims with IRMA. IRMA bills the County for any risk of loss up to the $25,000 deductible. During the year ended December 31, 2011, the County paid 48 claims. The County has included $174,325 in the government-wide statement of net assets as an estimate of the amount (up to $25,000 per claim) to be subsequently paid for unpaid claims existing at December 31, 2011. The estimate of the liability was based on historical trends for reported claims and the amount of per claim pay outs.

Pursuant to Title 34, Chapter 9, Article 5 of the Official Code of Georgia Annotated, the County became a member of the Association County Commissioners of Georgia – Group Self Insurance Workers' Compensation Fund (ACCG-GSIWCF). The liability of the fund to the employees of any employer (Rockdale County) is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and/or employer's liability. The Fund is to defend, in the name of and in behalf of the members, any suits or other proceedings which may at any time be instituted against them on account of injuries or death within the preview of the Workers' Compensation Law of Georgia, or on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding compensation although such suits, other proceedings, allegations or demands be wholly groundless, false or fraudulent. The Fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

NOTE 11. RISK MANAGEMENT (CONTINUED)

Rockdale County's responsibilities as a member of the ACCG-GSIWCF are as follows:

- To pay all contributions, assessments or other sums due to ACCG-GSIWCF at such times and in such amounts as established by ACCG-GSIWCF.
- To select a person to serve as a contact person and safety representative.
- To allow ACCG-GSIWCF and its agents reasonable access to all facilities of the County and all records, including, but not limited to, financial records, which relate to the purposes of ACCG-GSIWCF.
- To allow attorneys appointed by ACCG-GSIWCF to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss prevention furnished by ACCG-GSIWCF.
- To assist and cooperate in the defense and settlement of claims against the County.
- To furnish full cooperation to ACCG-GSIWCF attorneys, claims adjusters, Service Company, and any agent, employee, officer or independent contractor of ACCG-GSIWCF relating to the purposes of ACCG-GSIWCF.
- To furnish to ACCG-GSIWCF such remuneration and underwriting information as may be requested.
- To report as promptly as possible, all incidents which could result in ACCG-GSIWCF being required to pay workers' compensation on behalf of the County.

NOTE 12. CITY OF CONYERS - SOLID WASTE CONTRACT

Operating Agreement – The City of Conyers and Rockdale County have mutually agreed to a certain operating contract for the operation of a joint sanitary landfill project.

The original term of the Operating Contract commenced March 12, 1991, and continued until midnight, January 2, 2004. The County and the City have agreed to renew the Operating Contract by mutual acquiescence on a year-to-year basis commencing on the Termination Date. The operating Contract sets forth the terms and conditions under which the Project, as currently located and as expanded on contiguous property for the benefit of the citizens of the City and of the County, shall be operated. Pursuant to the Operating Contract, the City is responsible for the day-to-day operations of the Project. The budgetary requirements for the operation of the Project shall be mutually determined by the City and the County and shall include day-to-day operation costs, capital improvements and various other items more fully described in the Contract.

The landfill was permanently closed on September 1, 1993. Pursuant to the Contract, the County is responsible for a portion of the expenses incurred in connection with the post closure costs. The County's agreed upon portion is 70%. Total anticipated post closure care costs for the County as of December 31, 2011, are estimated to be $840,000. During fiscal year 2011, the County paid $30,576 of landfill operating cost.

NOTE 13. JOINT VENTURE

Rockdale County, in conjunction with cities and counties in the 10-county Atlanta Region are members of the Atlanta Regional Commission (ARC). Membership in the ARC 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 organization structure of the ARC. Each county and municipality in the state is required by law to pay minimum annual dues to the ARC. The ARC Board membership includes the chief elected official of each county and the chief elected official of each municipality. The county board members and the 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 non-public Board member from a county.

O.C.G.A. 50-8-39.1 provides that the member governments are liable for any debts or obligations of a regional commission beyond its resources. During the year ended December 31, 2011, the County paid $92,110 in dues to the ARC.

Complete financial statements of the ARC can be obtained directly from their administrative office at the following address.

Atlanta Regional Commission, Inc.
40 Courtland Street, NE
Atlanta, Georgia 30303

NOTE 14. RELATED ORGANIZATIONS

The County is also responsible for appointing the members of the Rockdale Development Authority and the Rockdale County Hospital Authority, but the County's accountability for these Authorities does not extend beyond making the appointments.

NOTE 15. OTHER POST EMPLOYMENT BENEFITS

The County provides other postemployment benefits, (OPEB), through a single-employer defined benefit postemployment plan (the "OPEB Plan").

(1). Plan Description

The name of the plan is the Rockdale County Post Retirement Benefits Plan. The OPEB Plan was established to provide medical benefits for all of its retirees and beneficiaries of retirees who are eligible for such benefits pursuant to the policies of the County. Benefit provisions and contribution requirements are established and may be amended by approval of the Commissioners. Information about the OPEB Plan is provided below. There are no other reports issued by this OPEB Plan.

NOTE 15. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

Plan membership as of January 1, 2010 (the most recent measurement date) is as follows:

Retirees receiving benefits	40
Covered spouses receiving benefits	14
Active plan members	699
Total	753

(2) Funding policy

Medical benefits are available to all retirees with 10 years of credited service and the attained age of 50. The County pays a portion of the insurance premium cost at rates ranging from 20% to 100% depending on the sum of the employee's age at retirement and years of service. The retiree is required to pay the full insurance premium cost for the spouse. Premium rates for employee only coverage range from $356 to $483 and family coverage rates range from $925 to $1,255. The annual required contribution of the County is determined using actuarial methods and assumptions approved by the Commissioners. The Commissioners establish and may amend the funding policy for the OPEB Plan.

(3) Annual OPEB cost

The County's annual OPEB cost and net OPEB liability for the current year are as follows:

Annual Required Contribution	$ 2,141,482
Interest on Net OPEB Obligation	272,783
Adjustment to Annual Required Contributions	216,710
Annual OPEB Cost	2,630,975
Actual Contribution Made	231,124
Increase in Net OPEB Obligation	2,399,851
Net OPEB Obligation, Beginning of the Year	5,455,668
Net OPEB Obligation, End of the Year	$ 7,855,519

The net OPEB obligation has been included in the non current liabilities due in more than one year, in the statement of net assets.

NOTE 15. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

(4). Basis of Valuation

Actuarial valuations 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 immediately following the notes to the financial statements, presents trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. The actuarial methods and assumptions described below are designed to reflect a long-term perspective. Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and the plan members to that point. In addition, the projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. The initial unfunded accrued liability was amortized over 30 years on a level dollar and closed group basis.

The measurement date of the calculations is January 1, 2010 based on the OPEB Plan in effect on that date.

Actuarial Cost Method:	Projected Unit Credit
Asset Valuation Method:	N/A
Assumed Rate of Return on Investments	4.5%
Healthcare Cost Initital Trend Rate	9.0%
Ultimate Healtchare Trend Rate	5.0%
Year of Ultimate Trend Rate	2016
Amortization of Initital UAL	30 years - closed
Payroll Inflation Rate	N/A

(5) Funded Status

The funded status of the OPEB Plan as of January 1, 2010, the most recent valuation date, was as follows.

Actuarial Accrued Liability	$ 18,652,488
Actuarial Value of Plan Assets	$ -
Unfunded Actuarial Accrued Liability	$ 18,652,488
Funded Ratio	0.0%
Annual Covered Payroll	$ 27,628,081
Percentage of UAL to Annual Covered Payroll	67.5%

NOTE 15. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

(6) Trend Information

Fiscal Year Ending	Annual Required Contribution	Amount Contributed	Percentage Contributed	Net OPEB Obligation
12/31/2008	$ 1,878,000	$ 163,000	8.7 %	$ 1,715,000
12/31/2009	2,009,000	203,000	10.1	3,521,000
12/31/2010	2,121,754	187,086	8.8	5,455,668
12/31/2011	2,630,975	231,124	8.8	7,855,519

NOTE 16. HOTEL/MOTEL LODGING TAX

Rockdale County has levied a 5% lodging tax, which is accounted for in the Hotel/Motel Tax Special Revenue Fund. The use of lodging taxes collected is restricted to expenditures for the promotion of tourism and convention trade within the County. Hotel/Motel taxes received by the County have been paid to the Rockdale County Chamber of Commerce. During fiscal year 2011, the County collected $54,973 and expended 100% of such taxes. Expenditures by the Chamber of Commerce were for the promotion of tourism as required by O.C.G.A. 48-13-51.

NOTE 17. WATER AND SEWER CONTRACTS AND AGREEMENTS

Effective November 11, 1996, the County entered into a lease contract (the "Lease") with the Water and Sewer Authority (the "Authority") for a period expiring the later of July 2, 2022, or the date all bonds have been paid in full, but in no event in excess of 50 years from the effective date. The Lease requires the Authority to lease to the County all of its water and sewerage facilities. The County is obligated under the Lease to make certain payments to the Authority, including payments sufficient to enable the Authority to pay the principal and interest on all Bonds issued by the Authority and to comply with certain other funding requirements as defined in the Lease, the Series 1996 Bond Resolution, the Series 1999 A Bond Resolution, and the Series 2005 Bond Resolution. Upon expiration of the lease, the County has a bargain option to purchase the Water and Sewerage facilities from the Authority.

The County entered into an agreement with ESG Operations, Inc., ("ESG"), effective August 1, 2011, for the management of the County's waste water facilities. The initial term of this agreement is three years and may be renewed thereafter for two successive one-year terms. The contract requires a base fee which covers certain repairs and maintenance, chemicals, and sludge disposal. ESG is liable in any calendar year for fines or civil penalties to a maximum aggregate of $225,000 imposed for violations of certain effluent quality requirements that result from ESG's negligent operation, willful misconduct or material breach of the agreement. The contracted base fee for 2012 is $3,799,021. The base fee will be negotiated each year.

REQUIRED SUPPLEMENTARY INFORMATION

ROCKDALE COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF FUNDING PROGRESS

DEFINED BENEFIT RETIREMENT PLAN

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2007	$ 16,604,095	$ 23,644,835	$ 7,040,740	70.2 %	$ 23,851,091	29.5 %
January 1, 2008	20,898,967	30,354,777	9,455,810	68.8	26,235,865	36.0
January 1, 2009	23,329,728	34,617,603	11,287,875	67.4	27,437,695	41.1
January 1, 2010	27,247,596	39,239,518	11,991,922	69.4	28,760,536	41.7
January 1, 2011	31,540,955	43,590,078	12,049,123	72.4	30,163,269	39.9

The assumptions used in the preparation of the above schedule are disclosed in Note 7 to the financial statements.

OTHER POST EMPLOYMENT BENEFIT PLAN

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2008	$ -	$ 15,033,000	$ 15,033,000	- %	$ 23,596,412	63.7 %
January 1, 2009	-	16,779,000	16,779,000	-	26,180,858	64.1
January 1, 2010	-	18,652,488	18,652,488	-	27,628,081	67.5

The assumptions used in the preparation of the above schedule are disclosed in Note 16 to the financial statements.

COMBINING STATEMENTS AND SCHEDULES

ROCKDALE COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

The **Drug Abuse Treatment and Education Fund** accounts for monies collected under Georgia law related to additional penalties on controlled substances offenses. Such monies are restricted for drug abuse treatment and education programs relating to controlled substances and marijuana.

The **Supplemental Juvenile Services Fund** accounts for monies collected under Georgia law for probation services to juvenile offenders. Such monies are restricted to providing treatment to juvenile offenders.

The **Inmate Welfare Fund** accounts for monies collected from inmates for purchase of supplies. The profits from these sales are used for the benefit of the general inmate population.

The **Law Enforcement Confiscated Monies Fund** accounts for monies confiscated under Georgia law by Rockdale County law enforcement officers related to controlled substances offenses. Such monies are restricted to defray the cost of complex investigations and to purchase equipment relating to said investigations.

The **County Jail Fund** accounts for monies collected as a result of a 10% penalty on certain court cases. These funds are legally restricted for the construction, operation, and staffing of County detention facilities.

The **Emergency Telephone System Fund** accounts for monies collected under Georiga law by the telephone company on behalf of Rockdale County. These monies are remitted to the County and are restricted to providing emergency 911 services to residents of the County.

The **Tower Fund** accounts for monies resulting from the rental and operation of the County's radio transmission tower.

The **Victim Assistance Program Fund** accounts for monies collected from fines for the purpose of providing counseling services to victims of crime.

The **Law Library Fund** provides for the operation and maintenance of the County's Law Library.

The **Hotel / Motel Tax Fund** accounts for taxes collected by hotels and motels within the County. These funds are legally restricted for the promotion of tourism and convention trade within the County.

The **District Attorney EMDET Fund** accounts for monies received from the East Metro Drug Enforcement Task Force.

The **Grants Fund** accounts for funds, which are not used to finance general government operations, received under federal and state grant programs and the matching transfers from other funds.

ROCKDALE COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS (CONTINUED)

The **NSP Grant Fund** accounts for funds received under the federal American Reinvestment and Recovery Act of 2009 program to aid in the Neighborhood Stabilization Program.

DEBT SERVICE FUNDS

The **2010 SPLOST General Obligation Bonds Debt Service Fund** accounts for the special purpose local option sales taxes collected for the payment of the 2010 SPLOST general obligation bonds' principal and interest.

The **General Obligation Bonds Debt Service Fund** accounts for property taxes collected for the payment of general obligation bonds' principal and interest.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities for the County's governmental funds.

The **1996 Road and Recreation Sales Tax Fund** accounts for the collection of the 1996 special purpose sales tax and the specific expenditures which are limited to recreational facilities and road, street and bridge purposes.

The **GRTA Capital Projects Fund** accounts for the receipt and expenditure of proceeds received from the Georgia Regional Transportation Authority pursuant to an intergovernmental agreement with the Georgia Regional Transportation Authority, State of Georgia Road and Tollway Authority, and the Georgia Department of Transportation.

The **1999 Sales Tax Capital Projects Fund** accounts for the financial resources provided from the 1999 one percent special purpose local option sales tax and the proceeds of the series 1999B revenue bonds.

The **2004 Sales Tax Fund** accounts for the resources to be provided from the 2004 one percent Special Purpose Local Option Sales Tax which are required to be used for debt service payments on the sales tax general obligation bonds, certain County and City road improvements, construction of a new County jail facility, expansion of the Library, and various other County and City public safety and recreational projects.

The **Impact Fee Fund** accounts for the financial resources provided from the Rockdale County Development Impact Fee.

The **Other Capital Projects Fund** accounts for the financial resources to be used for the purchase and construction of major capital facilities, other than those accounted for in specific funds.

ROCKDALE COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2011

	Special Revenue Funds						
	Drug Abuse Treatment and Education	Supplemental Juvenile Services	Inmate Welfare Services	Law Enforcement Confiscated Monies	County Jail	Emergency Telephone	Tower Fund
ASSETS							
Cash and cash equivalents	$ 49,180	$ 199,487	$ 177,126	$ 90,663	$ 374,276	$ 1,801,269	$ 1,109,520
Taxes receivable	-	-	-	-	-	-	-
Accounts receivable, net	-	-	-	-	-	177,644	-
Due from other governments	2,638	-	-	-	10,852	-	-
Due from other funds	-	-	-	-	-	-	31,860
Total assets	$ 51,818	$ 199,487	$ 177,126	$ 90,663	$ 385,128	$ 1,978,913	$ 1,141,380
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ 5,822	$ -
Due to other funds	-	-	-	-	-	-	-
Deferred revenues	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	5,822	-
FUND BALANCES							
Restricted for:							
Public safety	51,818	199,487	177,126	90,663	385,128	1,973,091	-
Debt service	-	-	-	-	-	-	-
Other capital projects	-	-	-	-	-	-	1,141,380
Total fund balances	51,818	199,487	177,126	90,663	385,128	1,973,091	1,141,380
Total liabilities and fund balances	$ 51,818	$ 199,487	$ 177,126	$ 90,663	$ 385,128	$ 1,978,913	$ 1,141,380

(Continued)

Special Revenue Funds						Debt Service Funds		Capital Projects Funds
Victim Assistance Program	Law Library	Hotel / Motel Tax	District Attorney	General Grants	NSP Grant	2010 SPLOST G.O. Bonds Debt Service	G.O. Bonds Debt Service	1996 Road and Recreation Sales Tax
$ 67,518	$ 224,170	$ -	$ 22,050	$ 326,448	$ 568,696	$ 3,356,552	$ 994,586	$ 1,686,623
-	-	18,437	-	-	-	-	29,322	-
-	-	-	-	-	-	137	-	-
5,419	-	-	-	133,489	-	-	-	-
-	-	-	-	-	1,006	-	-	362
$ 72,937	$ 224,170	$ 18,437	$ 22,050	$ 459,937	$ 569,702	$ 3,356,689	$ 1,023,908	$ 1,686,985
$ -	$ 15,721	$ 18,437	$ -	$ -	$ 34,313	$ -	$ -	$ -
-	-	-	-	36,041	110,368	147	365,272	180,014
-	-	-	-	2,231	-	-	17,330	-
-	15,721	18,437	-	38,272	144,681	147	382,602	180,014
-	-	-	22,050	-	-	-	-	-
-	-	-	-	-	-	3,356,542	641,306	-
72,937	208,449	-	-	421,665	425,021	-	-	1,506,971
72,937	208,449	-	22,050	421,665	425,021	3,356,542	641,306	1,506,971
$ 72,937	$ 224,170	$ 18,437	$ 22,050	$ 459,937	$ 569,702	$ 3,356,689	$ 1,023,908	$ 1,686,985

(Continued)

ROCKDALE COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2011

	Capital Projects Funds					
	GRTA Capital Projects	1999 Sales Tax Capital Projects	2004 Sales Tax Capital Projects	Impact Fee	Other Capital Projects	Totals
ASSETS						
Cash and cash equivalents	$ -	$ 2,227,960	$ 5,193,731	$ 645,304	$ 26,782	$ 19,141,941
Taxes receivable	-	-	-	-	-	47,759
Accounts receivable, net	-	-	-	-	-	177,781
Due from other governments	3,436,335	-	-	-	-	3,588,733
Due from other funds	10,940	33,423	32,362	-	137,431	247,384
Total assets	$ 3,447,275	$ 2,261,383	$ 5,226,093	$ 645,304	$ 164,213	$ 23,203,598
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	$ -	$ -	$ 60,236	$ 3,449	$ -	$ 137,978
Due to other funds	2,655,984	73,631	389	-	-	3,421,846
Deferred revenues	-	-	-	-	-	19,561
Total liabilities	2,655,984	73,631	60,625	3,449	-	3,579,385
FUND BALANCES						
Restricted for:						
Public safety	-	-	-	-	-	2,899,363
Debt service	-	-	-	-	-	3,997,848
Other capital projects	791,291	2,187,752	5,165,468	641,855	164,213	12,727,002
Total fund balances	791,291	2,187,752	5,165,468	641,855	164,213	19,624,213
Total liabilities and fund balances	$ 3,447,275	$ 2,261,383	$ 5,226,093	$ 645,304	$ 164,213	$ 23,203,598

(Concluded)

ROCKDALE COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Special Revenue Funds						
	Drug Abuse Treatment and Education	Supplemental Juvenile Services	Inmate Welfare Services	Law Enforcement Confiscated Monies	County Jail	Emergency Telephone	Tower Fund
Revenues:							
Property taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sales taxes	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-
Charges for services	-	-	208,116	-	-	1,207,478	183,508
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	200,202	-	-	-
Fines and forfeitures	57,283	33,295	-	-	248,735	-	-
Interest revenue	-	162	337	154	4,639	2,121	1,035
Other revenues	-	-	-	-	-	-	-
Total revenues	57,283	33,457	208,453	200,356	253,374	1,209,599	184,543
Expenditures:							
Current:							
General government	-	-	-	-	-	-	-
Judicial	-	545	-	-	-	-	-
Public safety	44,478	-	-	167,454	243,657	933,929	58,843
Public works	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Health and welfare	-	-	123,495	-	-	-	-
Housing and development	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Total expenditures	44,478	545	123,495	167,454	243,657	933,929	58,843
Excess (deficiency) of revenues over (under) expenditures	12,805	32,912	84,958	32,902	9,717	275,670	125,700
Other financing sources							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-	-
Net change in fund balances	12,805	32,912	84,958	32,902	9,717	275,670	125,700
Fund balances, beginning of year	39,013	166,575	92,168	57,761	375,411	1,697,421	1,015,680
Fund balances, end of year	$ 51,818	$ 199,487	$ 177,126	$ 90,663	$ 385,128	$ 1,973,091	$ 1,141,380

(Continued)

Special Revenue Funds						Debt Service Funds		Capital Projects Funds
Victim Assistance Program	Law Library	Hotel / Motel Tax	District Attorney	General Grants	NSP Grant	2010 SPLOST G.O. Bonds Debt Service	G.O. Bonds Debt Service	1996 Road and Recreation Sales Tax
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 648,653	$ -
-	-	-	-	-	-	-	-	-
-	-	54,973	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	17,779	1,453,508	-	-	-	-
101,458	80,078	-	-	-	-	-	-	-
-	296	-	33	-	-	316	359	3,269
-	-	-	-	106,825	972,271	-	-	-
101,458	80,374	54,973	17,812	1,560,333	972,271	316	649,012	3,269
-	-	54,973	-	6,680	-	-	669	-
94,825	67,718	-	29,429	597,392	-	-	-	-
-	-	-	-	437,346	-	-	-	-
-	-	-	-	168,534	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	1,000	-	-	-	-
-	-	-	-	328,947	606,555	-	-	-
-	-	-	-	-	-	-	-	83
-	-	-	-	-	-	-	545,000	-
-	-	-	-	-	-	376,997	109,958	-
94,825	67,718	54,973	29,429	1,539,899	606,555	376,997	655,627	83
6,633	12,656	-	(11,617)	20,434	365,716	(376,681)	(6,615)	3,186
-	-	-	-	-	-	3,567,800	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	3,567,800	-	-
6,633	12,656	-	(11,617)	20,434	365,716	3,191,119	(6,615)	3,186
66,304	195,793	-	33,667	401,231	59,305	165,423	647,921	1,503,785
$ 72,937	$ 208,449	$ -	$ 22,050	$ 421,665	$ 425,021	$ 3,356,542	$ 641,306	$ 1,506,971

(Continued)

ROCKDALE COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Capital Projects Funds					
	GRTA Capital Projects	1999 Sales Tax Capital Projects	2004 Sales Tax Capital Projects	Impact Fee	Other Capital Projects	Totals
Revenues:						
Property taxes	$ -	$ -	$ -	$ -	$ -	$ 648,653
Sales taxes	-	-	3,099,770	-	-	3,099,770
Other taxes	-	-	-	-	-	54,973
Charges for services	-	-	-	-	-	1,599,102
Licenses and permits	-	-	-	14,920	-	14,920
Intergovernmental	1,158,996	-	-	-	60,743	2,891,228
Fines and forfeitures	-	-	-	-	-	520,849
Interest revenue	-	2,167	47,110	1,003	-	63,001
Other revenues	-	-	81	-	-	1,079,177
Total revenues	1,158,996	2,167	3,146,961	15,923	60,743	9,971,673
Expenditures:						
Current:						
General government	-	-	-	-	661,341	723,663
Judicial	-	-	-	-	45,204	835,113
Public safety	-	-	-	-	802,390	2,688,097
Public works	-	-	-	-	-	168,534
Culture and recreation	-	-	-	-	85,115	85,115
Health and welfare	-	-	-	-	-	124,495
Housing and development	-	-	-	-	-	935,502
Capital outlay	1,158,996	-	702,587	42,570	60,743	1,964,979
Debt service:						
Principal	-	-	-	-	-	545,000
Interest	-	-	-	-	-	486,955
Total expenditures	1,158,996	-	702,587	42,570	1,654,793	8,557,453
Excess (deficiency) of revenues over (under) expenditures	-	2,167	2,444,374	(26,647)	(1,594,050)	1,414,220
Other financing sources						
Transfers in	-	-	-	-	1,591,206	5,159,006
Transfers out	-	-	(850,869)	-	-	(850,869)
Total other financing sources	-	-	(850,869)	-	1,591,206	4,308,137
Net change in fund balances	-	2,167	1,593,505	(26,647)	(2,844)	5,722,357
Fund balances, beginning of year	791,291	2,185,585	3,571,963	668,502	167,057	13,901,856
Fund balances, end of year	$ 791,291	$ 2,187,752	$ 5,165,468	$ 641,855	$ 164,213	$ 19,624,213

(Concluded)

ROCKDALE COUNTY, GEORGIA
DRUG ABUSE TREATMENT AND EDUCATION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Fines and forfeitures	$ 60,000	$ 57,283	$ 57,283	$ -
Total revenues	60,000	57,283	57,283	-
EXPENDITURES				
Public safety	60,000	44,478	44,478	-
Total expenditures	60,000	44,478	44,478	-
Net change in fund balance	-	12,805	12,805	-
FUND BALANCES, beginning of year	39,013	39,013	39,013	-
FUND BALANCES, end of year	$ 39,013	$ 51,818	$ 51,818	$ -

ROCKDALE COUNTY, GEORGIA
SUPPLEMENTAL JUVENILE SERVICES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Fines and forfeitures	$ 40,000	$ 33,295	$ 33,295	$ -
Interest revenue	-	162	162	-
Total revenues	40,000	33,457	33,457	-
EXPENDITURES				
Judicial	40,000	545	545	-
Total expenditures	40,000	545	545	-
Net change in fund balance	-	32,912	32,912	-
FUND BALANCES, beginning of year	166,575	166,575	166,575	-
FUND BALANCES, end of year	$ 166,575	$ 199,487	$ 199,487	$ -

ROCKDALE COUNTY, GEORGIA
INMATE WELFARE SERVICES

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Charges for services	$ 150,000	$ 208,453	$ 208,116	$ (337)
Interest revenue	-	-	337	337
Total revenues	150,000	208,453	208,453	-
EXPENDITURES				
Health and welfare	150,000	123,495	123,495	-
Total expenditures	150,000	123,495	123,495	-
Net change in fund balance	-	84,958	84,958	-
FUND BALANCES, beginning of year	92,168	92,168	92,168	-
FUND BALANCES, end of year	$ 92,168	$ 177,126	$ 177,126	$ -

ROCKDALE COUNTY, GEORGIA
LAW ENFORCEMENT CONFISCATED MONIES

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Intergovernmental	$ 130,000	$ 200,202	$ 200,202	$ -
Interest revenue	-	154	154	-
Total revenues	130,000	200,356	200,356	-
EXPENDITURES				
Public safety	130,000	167,454	167,454	-
Total expenditures	130,000	167,454	167,454	-
Net change in fund balance	-	32,902	32,902	-
FUND BALANCES, beginning of year	57,761	57,761	57,761	-
FUND BALANCES, end of year	$ 57,761	$ 90,663	$ 90,663	$ -

ROCKDALE COUNTY, GEORGIA
COUNTY JAIL

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Fines and forfeitures	$ 324,000	$ 248,735	$ 248,735	$ -
Interest revenue	-	4,639	4,639	-
Total revenues	324,000	253,374	253,374	-
EXPENDITURES				
Public safety	324,000	243,657	243,657	-
Total expenditures	324,000	243,657	243,657	-
Net change in fund balance	-	9,717	9,717	-
FUND BALANCES, beginning of year	375,411	375,411	375,411	-
FUND BALANCES, end of year	$ 375,411	$ 385,128	$ 385,128	$ -

ROCKDALE COUNTY, GEORGIA
EMERGENCY TELEPHONE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Charges for services	$ 1,300,000	$ 1,207,478	$ 1,207,478	$ -
Interest revenue	-	2,121	2,121	-
Total revenues	1,300,000	1,209,599	1,209,599	-
EXPENDITURES				
Public safety	1,300,000	933,929	933,929	-
Total expenditures	1,300,000	933,929	933,929	-
Net change in fund balance	-	275,670	275,670	-
FUND BALANCES, beginning of year	1,697,421	1,697,421	1,697,421	-
FUND BALANCES, end of year	$ 1,697,421	$ 1,973,091	$ 1,973,091	$ -

ROCKDALE COUNTY, GEORGIA
TOWER FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Charges for services	$ 200,000	$ 183,508	$ 183,508	$ -
Interest revenue	-	1,035	1,035	-
Total revenues	200,000	184,543	184,543	-
EXPENDITURES				
Public safety	200,000	60,043	60,043	-
Total expenditures	200,000	60,043	60,043	-
Net change in fund balance	-	124,500	124,500	-
FUND BALANCES, beginning of year	1,015,680	1,015,680	1,015,680	-
FUND BALANCES, end of year	$ 1,015,680	$ 1,140,180	$ 1,140,180	$ -

ROCKDALE COUNTY, GEORGIA
VICTIM ASSISTANCE PROGRAM

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Fines and forfeitures	$ 128,000	$ 101,458	$ 101,458	$ -
	128,000	101,458	101,458	-
EXPENDITURES				
Judicial	128,000	94,825	94,825	-
Total expenditures	128,000	94,825	94,825	-
Net change in fund balance	-	6,633	6,633	-
FUND BALANCES, beginning of year	66,304	66,304	66,304	-
FUND BALANCES, end of year	$ 66,304	$ 72,937	$ 72,937	$ -

ROCKDALE COUNTY, GEORGIA
LAW LIBRARY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Fines and forfeitures	$ -	$ 80,178	$ 80,078	$ (100)
Interest revenue	-	196	296	100
Total revenues	-	80,374	80,374	-
EXPENDITURES				
Judicial	-	67,718	67,718	-
Total expenditures	-	67,718	67,718	-
Net change in fund balance	-	12,656	12,656	-
FUND BALANCES, beginning of year	195,793	195,793	195,793	-
FUND BALANCES, end of year	$ 195,793	$ 208,449	$ 208,449	$ -

ROCKDALE COUNTY, GEORGIA
HOTEL / MOTEL TAX

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Other taxes	$ 60,000	$ 54,973	$ 54,973	$ -
Total revenues	60,000	54,973	54,973	-
EXPENDITURES				
General government	60,000	54,973	54,973	-
Total expenditures	60,000	54,973	54,973	-
Net change in fund balance	-	-	-	-
FUND BALANCES, beginning of year	-	-	-	-
FUND BALANCES, end of year	$ -	$ -	$ -	$ -

ROCKDALE COUNTY, GEORGIA
DISTRICT ATTORNEY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Intergovernmental	$ 40,000	$ 17,779	$ 17,779	$ -
Interest revenue	-	33	33	-
Total revenues	40,000	17,812	17,812	-
EXPENDITURES				
Judicial	40,000	29,429	29,429	-
Total expenditures	40,000	29,429	29,429	-
Net change in fund balance	-	(11,617)	(11,617)	-
FUND BALANCES, beginning of year	33,667	33,667	33,667	-
FUND BALANCES, end of year	$ 33,667	$ 22,050	$ 22,050	$ -

ROCKDALE COUNTY, GEORGIA
GENERAL GRANTS

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Intergovernmental	$ -	$ 1,453,508	$ 1,453,508	$ -
Other revenues	-	106,825	106,825	-
Total revenues	-	1,560,333	1,560,333	-
EXPENDITURES				
Current:				
General government	-	5,575	5,575	-
Judicial	-	645,892	645,892	-
Public safety	-	471,942	471,942	-
Public works	-	208,040	208,040	-
Health and welfare	-	1,000	1,000	-
Housing and development	-	328,947	328,947	-
Total expenditures	-	1,661,396	1,661,396	-
Net change in fund balance	-	(101,063)	(101,063)	-
FUND BALANCES, beginning of year	401,231	401,231	401,231	-
FUND BALANCES, end of year	$ 401,231	$ 300,168	$ 300,168	$ -

ROCKDALE COUNTY, GEORGIA
NSP GRANT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Other revenues	$ -	$ 972,271	$ 972,271	$ -
Total revenues	-	972,271	972,271	-
EXPENDITURES				
Housing and development	-	606,555	606,555	-
Total expenditures	-	606,555	606,555	-
Net change in fund balance	-	365,716	365,716	-
FUND BALANCES, beginning of year	59,305	59,305	59,305	-
FUND BALANCES, end of year	$ 59,305	$ 425,021	$ 425,021	$ -

ROCKDALE COUNTY, GEORGIA
2004 SPLOST G.O. BONDS DEBT SERVICE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Interest revenue	$ -	$ 150	$ 150	-
Total revenues	-	150	150	-
EXPENDITURES				
Debt service				
Principal	-	11,585,000	11,585,000	-
Interest	-	231,700	231,700	-
Total expenditures	-	11,816,700	11,816,700	-
Deficiency of revenues over expenditures	-	(11,816,550)	(11,816,550)	-
Other financing sources				
Transfers in	-	850,869	850,869	-
Total other financing sources	-	850,869	850,869	-
Net change in fund balance	-	(10,965,681)	(10,965,681)	-
FUND BALANCES, beginning of year	10,965,681	10,965,681	10,965,681	-
FUND BALANCES, end of year	$ 10,965,681	$ -	$ -	$ -

ROCKDALE COUNTY, GEORGIA
2010 SPLOST G.O. BONDS DEBT SERVICE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Interest revenue	$ -	$ 316	$ 316	$ -
Total revenues	-	316	316	-
EXPENDITURES				
Debt service				
Interest	-	376,997	376,997	-
Total expenditures	-	376,997	376,997	-
Deficiency of revenues over expenditures	-	(376,681)	(376,681)	-
Other financing sources				
Transfers in	-	3,567,800	3,567,800	-
Total other financing sources	-	3,567,800	3,567,800	-
Net change in fund balance	-	3,191,119	3,191,119	-
FUND BALANCES, beginning of year	165,423	165,423	165,423	-
FUND BALANCES, end of year	$ 165,423	$ 3,356,542	$ 3,356,542	$ -

ROCKDALE COUNTY, GEORGIA
G.O. BONDS DEBT SERVICE

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Property taxes	$ 654,958	$ 648,653	$ 648,653	$ -
Interest revenue	-	359	359	-
Total revenues	654,958	649,012	649,012	-
EXPENDITURES				
Current:				
General government	-	669	669	-
Debt service:				
Principal	545,000	545,000	545,000	-
Interest	109,958	109,958	109,958	-
Total expenditures	654,958	655,627	655,627	-
Net change in fund balance	-	(6,615)	(6,615)	-
FUND BALANCES, beginning of year	647,921	647,921	647,921	-
FUND BALANCES, end of year	$ 647,921	$ 641,306	$ 641,306	$ -

ROCKDALE COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

Project Description Per SPLOST Referendum	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
1996 Road and Recreation Sales Tax:					
Gymnasium and pool	$ 2,500,000	$ 3,078,204	$ 3,077,491	$ -	$ 3,077,491
Roads, streets and bridges	32,500,000	37,659,257	36,956,236	83	36,956,319
	35,000,000	40,737,461	40,033,727	83	40,033,810
1999 Special Purpose Sales Tax:					
Water treatment plant and related infrastructure	59,508,571	55,368,638	55,379,648	-	55,379,648
Water line extensions	7,203,086	11,203,338	7,949,921	-	7,949,921
Debt reduction	1,288,343	9,361,142	9,361,142	-	9,361,142
	68,000,000	75,933,118	72,690,711	-	72,690,711
2004 Special Purpose Sales Tax:					
Jail	25,926,918	25,926,918	23,988,259	170,324	24,158,583
Fire stations and equipment	3,877,958	3,877,958	3,759,822	-	3,759,822
Roads, streets and bridges	43,028,658	43,028,658	30,498,453	259,039	30,757,492
Library expansion - intergovernmental	5,665,000	7,665,000	7,591,877	73,123	7,665,000
Various recreation projects	4,487,351	4,487,351	4,023,481	200,101	4,223,582
Library books - intergovernmental	1,000,000	1,000,000	1,000,000	-	1,000,000
County health department	4,154,955	8,251,203	8,251,203	-	8,251,203
Senior center	882,512	1,226,425	1,226,425	-	1,226,425
Arbitrage	-	-	740,667	-	740,667
City of Conyers - intergovernmental	10,602,067	10,602,067	10,558,584	-	10,558,584
	99,625,419	106,065,580	91,638,771	702,587	92,341,358
2010 Special Purpose Sales Tax:					
Jail	5,000,000	5,000,000	-	528,350	528,350
Fire stations and equipment	10,000,000	10,000,000	-	-	-
Roads, streets and bridges	31,366,470	31,366,470	196,462	55,203	251,665
Water projects	12,000,000	12,000,000	58,938	249,840	308,778
Recreation projects	5,000,000	5,000,000	-	286,669	286,669
City of Conyers - intergovernmental	10,883,530	10,883,530	-	783,742	783,742
	74,250,000	74,250,000	255,400	1,903,804	2,159,204
Total	$ 276,875,419	$ 296,986,159	$ 204,618,609	$ 2,606,474	$ 207,225,083

Total per Combining Statement of Revenues, Expenditures and Changes in Fund Balance $ 2,606,474

ROCKDALE COUNTY, GEORGIA

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	December 31, 2010	Increases	Decreases	December 31, 2011
Tax Commissioner				
ASSETS				
Cash and cash equivalents	$ 2,807,936	$ 57,726,075	$ (57,826,004)	$ 2,708,007
Taxes receivable	4,453,440	2,381,081	(3,850,444)	2,984,077
Accounts receivable	6,758	4,287	(9,786)	1,259
Total assets	$ 7,268,134	$ 60,111,443	$ (61,686,234)	$ 5,693,343
LIABILITIES				
Due to others	$ 7,268,134	$ 60,111,443	(61,686,234)	$ 5,693,343
Total liabilities	$ 7,268,134	$ 60,111,443	$ (61,686,234)	$ 5,693,343
Clerk of Superior Court				
ASSETS				
Cash and cash equivalents	$ 303,229	$ 1,383,912	$ (1,515,519)	$ 171,622
Total assets	$ 303,229	$ 1,383,912	$ (1,515,519)	$ 171,622
LIABILITIES				
Due to others	$ 303,229	$ 1,383,912	$ (1,515,519)	$ 171,622
Total liabilities	$ 303,229	$ 1,383,912	$ (1,515,519)	$ 171,622
Clerk of State Court				
ASSETS				
Cash and cash equivalents	$ 408,091	$ 1,114,120	$ (1,160,151)	$ 362,060
Total assets	$ 408,091	$ 1,114,120	$ (1,160,151)	$ 362,060
LIABILITIES				
Due to others	$ 408,091	$ 1,114,120	$ (1,160,151)	$ 362,060
Total liabilities	$ 408,091	$ 1,114,120	$ (1,160,151)	$ 362,060
Sheriff				
ASSETS				
Cash and cash equivalents	$ 78,281	$ 914,661	$ (949,308)	$ 43,634
Total assets	$ 78,281	$ 914,661	$ (949,308)	$ 43,634
LIABILITIES				
Due to others	$ 78,281	$ 914,661	$ (949,308)	$ 43,634
Total liabilities	$ 78,281	$ 914,661	$ (949,308)	$ 43,634

(Continued)

ROCKDALE COUNTY, GEORGIA

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

	December 31, 2010	Increases	Decreases	December 31, 2011
Probate Court				
ASSETS				
Cash and cash equivalents	$ 6,408	$ 78,943	$ (80,346)	$ 5,005
Total assets	$ 6,408	$ 78,943	$ (80,346)	$ 5,005
LIABILITIES				
Due to others	$ 6,408	$ 78,943	$ (80,346)	$ 5,005
Total liabilities	$ 6,408	$ 78,943	$ (80,346)	$ 5,005
Juvenile Court				
ASSETS				
Cash and cash equivalents	$ 5,496	$ 23,020	$ (21,254)	$ 7,262
Total assets	$ 5,496	$ 23,020	$ (21,254)	$ 7,262
LIABILITIES				
Due to others	$ 5,496	$ 23,020	$ (21,254)	$ 7,262
Total liabilities	$ 5,496	$ 23,020	$ (21,254)	$ 7,262
Magistrate Court				
ASSETS				
Cash and cash equivalents	$ 5,590	$ 465,249	$ (470,243)	$ 596
Total assets	$ 5,590	$ 465,249	$ (470,243)	$ 596
LIABILITIES				
Due to others	$ 5,590	$ 465,249	$ (470,243)	$ 596
Total liabilities	$ 5,590	$ 465,249	$ (470,243)	$ 596
Totals				
ASSETS				
Cash and cash equivalents	$ 3,615,031	$ 61,705,980	$ (62,022,825)	$ 3,298,186
Taxes receivable	4,453,440	2,381,081	(3,850,444)	2,984,077
Accounts receivable	6,758	4,287	(9,786)	1,259
Total assets	$ 8,075,229	$ 64,091,348	$ (65,883,055)	$ 6,283,522
LIABILITIES				
Due to others	$ 8,075,229	$ 64,091,348	$ (65,883,055)	$ 6,283,522
Total liabilities	$ 8,075,229	$ 64,091,348	$ (65,883,055)	$ 6,283,522

(Concluded)

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, required supplementary information, and supplementary information says about the County's overall financial health.

Contents **Page**

Financial Trends ..... 95 - 100
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity ..... 101 - 104
These schedules contain information to help the reader assess the County's most significant local revenue sources.

Debt Capacity ..... 105 - 107
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information ..... 108 and 109
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information ..... 110 - 114
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the County's financial reports for the relevant year. The County implemented GASB 34 in 2003; schedules presenting government-wide information (unless otherwise indicated) include information beginning in that year.

ROCKDALE COUNTY, GEORGIA

NET ASSETS BY ACTIVITY
LAST NINE FISCAL YEARS

	Fiscal Year								
	2003	2004	2005	2006	2007 [1]	2008	2009	2010	2011
Governmental activities									
Invested in capital assets, net of related debt	$ (1,049,649)	$ 24,447,253	$ 33,288,851	$ 52,481,961	$ 251,240,934	$ 261,360,437	$ 273,980,956	$ 278,260,202	$ 297,076,620
Restricted	22,159,814	12,678,429	26,238,737	49,006,961	66,923,233	48,506,614	39,285,315	49,231,290	40,731,982
Unrestricted	5,971,886	6,964,139	9,388,410	13,407,913	1,655,651	23,401,129	22,949,147	12,977,135	6,392,169
Total governmental activities net assets	$ 27,082,051	$ 44,089,821	$ 68,915,998	$ 114,896,835	$ 319,819,818	$ 333,268,180	$ 336,215,418	$ 340,468,627	$ 344,200,771
Business-type activities									
Invested in capital assets, net of related debt	$ 96,441,805	$ 106,640,263	$ 109,779,926	$ 111,776,373	$ 114,314,628	$ 113,154,794	$ 111,400,460	$ 109,368,867	$ 106,164,918
Restricted	569,989	1,672,146	3,216,970	3,096,114	9,710,703	12,035,733	2,335,194	1,835,946	1,550,015
Unrestricted	3,249,417	4,726,632	3,216,239	12,359,832	9,713,788	6,152,378	15,830,420	17,888,120	20,833,028
Total business-type activities net assets	$ 100,261,211	$ 113,039,041	$ 116,213,135	$ 127,232,319	$ 133,739,119	$ 131,342,905	$ 129,566,074	$ 129,092,933	$ 128,547,961
Primary government									
Invested in capital assets, net of related debt	$ 95,392,156	$ 131,087,516	$ 143,068,777	$ 164,258,334	$ 365,555,562	$ 374,515,231	$ 385,381,416	$ 387,629,069	$ 403,241,538
Restricted	22,729,803	14,350,575	29,455,707	52,103,075	76,633,936	60,542,347	41,620,509	51,067,236	42,281,997
Unrestricted	9,221,303	11,690,771	12,604,649	25,767,745	11,369,439	29,553,507	38,779,567	30,865,255	27,225,197
Total primary government net assets	$ 127,343,262	$ 157,128,862	$ 185,129,133	$ 242,129,154	$ 453,558,937	$ 464,611,085	$ 465,781,492	$ 469,561,560	$ 472,748,732

[1] Majority of increase in governmental activities resulted from the GASB 34 addition of retro infrastructure assets.

ROCKDALE COUNTY, GEORGIA

CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS
(In Thousands)

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses									
Primary government:									
Governmental activities:									
General government	$ 6,620	$ 6,490	$ 6,750	$ 7,306	$ 7,862	$ 8,532	$ 8,443	$ 7,977	$ 12,326
Judicial	4,220	4,423	4,328	4,722	5,231	5,630	5,740	5,716	6,189
Public safety	21,071	21,994	23,615	23,883	26,014	28,629	31,019	32,150	32,139
Public works	7,089	5,705	12,437	9,565	23,265	22,746	20,591	17,918	14,808
Culture and recreation	3,331	4,003	2,624	2,499	2,824	4,010	8,575	4,678	2,907
Health and welfare	2,302	1,544	1,517	1,630	2,647	1,634	1,908	1,642	1,605
Housing and development	122	47	144	308	312	324	1,302	2,234	1,251
Interest and fiscal changes	2,792	2,010	3,032	3,001	2,885	2,509	2,002	1,792	1,487
Total governmental activities expenses	47,547	46,216	54,447	52,914	71,040	74,014	79,580	74,107	72,712
Business-type activities:									
Water and Sewer	23,683	23,935	25,152	25,192	25,307	26,880	26,472	27,548	26,033
Stormwater	-	-	302	493	896	1,159	1,250	1,643	1,316
Total business-type activities expenses	23,683	23,935	25,454	25,685	26,203	28,039	27,722	29,191	27,349
Total primary government expenses	71,230	70,151	79,901	78,599	97,243	102,053	107,302	103,298	100,061
Program revenues									
Primary government:									
Governmental activities:									
Charges for services	7,883	7,787	8,088	10,636	9,179	8,672	8,942	(1)	
General government								1,065	1,975
Judicial								3,011	-
Public safety								3,371	6,983
Other								1,123	1,122
Operating grants and contributions	1,908	950	737	754	1,760	586	1,597	2,844	2,005
Capital grants and contributions	11,296	12,745	12,670	18,295	28,567	14,215	9,682	4,873	1,337
Total governmental activities program revenues	21,087	21,482	21,495	29,685	39,506	23,473	20,221	16,287	13,422
Business-type activities:									
Charges for services	20,347	22,833	22,769	29,087	25,826	23,128	25,625		
Water and wastewater								25,795	26,006
Stormwater								2,114	1,706
Operating grants and contributions								3	-
Capital grants and contributions	2,638	4,524	5,210	6,767	6,081	2,620	188	-	63
Total business-type activities program revenues	22,985	27,357	27,979	35,854	31,907	25,748	25,813	27,912	27,775
Total primary government program revenues	44,072	48,839	49,474	65,539	71,413	49,221	46,034	44,199	41,197

(Continued)

ROCKDALE COUNTY, GEORGIA

CHANGES IN NET ASSETS
LAST NINE FISCAL YEARS
(In Thousands)

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Net (expense) revenue									
Governmental activities	$ (26,460)	$ (24,734)	$ (32,952)	$ (23,229)	$ (31,534)	$ (50,541)	$ (59,359)	$ (57,820)	$ (59,290)
Business-type activities	(698)	3,422	2,525	10,169	5,704	(2,291)	(1,909)	(1,279)	426
Total primary government	(27,158)	(21,312)	(30,427)	(13,060)	(25,830)	(52,832)	(61,268)	(59,099)	(58,864)
General revenues and other changes in net assets									
Primary government:									
Governmental activities:									
Property taxes	23,433	18,935	20,841	21,999	25,291	23,918	26,038	28,378	30,046
Sales taxes	28,437	22,563	26,622	33,429	31,637	28,886	24,882	25,673	26,849
Other taxes	7,569	8,249	8,426	9,219	9,337	8,956	10,332	7,809	4,942
Unrestricted investment earnings	862	795	1,993	3,801	3,532	1,362	376	161	183
Miscellaneous	185	320	197	159	123	97	325	449	-
Transfers	(1,722)	(9,120)	(301)	603	903	770	353	(397)	1,001
Total governmental activities general revenues and other changes in net assets	58,764	41,742	57,778	69,210	70,823	63,989	62,306	62,073	63,021
Business-type activities:									
Unrestricted investment earnings	137	130	333	1,431	1,703	598	124	58	31
Miscellaneous	18	106	15	22	3	67	361	350	-
Transfers	1,722	9,120	301	(603)	(903)	(770)	(353)	397	(1,001)
Total business type activities general revenues and other changes in net assets	1,877	9,356	649	850	803	(105)	132	805	(970)
Total primary government general revenues and other changes in net assets	$ 60,641	$ 51,098	$ 58,427	$ 70,060	$ 71,626	$ 63,884	$ 62,438	$ 62,878	$ 62,051
Change in net assets									
Governmental activities	32,304	17,008	24,826	45,981	39,289	13,448	2,947	4,253	3,731
Prior period adjustment	-	-	-	-	165,634	-	-	-	-
Business-type activities	1,179	12,778	3,174	11,019	6,507	(2,396)	(1,777)	(474)	(544)
Total primary government change in net assets	$ 33,483	$ 29,786	$ 28,000	$ 57,000	$ 211,430 [3]	$ 11,052 [2]	$ 1,170	$ 3,779	$ 3,187

[1] Adopted new recommendation per CAFR.

[2] Amounts were reclassified for comparative purposes with the current year.

[3] Changes in Net Assets from the Statement of Activities increased in this table due to the prior period adjustment.

ROCKDALE COUNTY, GEORGIA

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Fund										
Reserved	$ 3,039,028	$ 3,429,014	$ 3,971,875	$ 4,099,546	$ 4,139,974	$ 4,113,446	$ 3,927,008	$ 3,340,705	$ 3,389,030	
Unreserved	3,633,450	6,796,230	9,709,814	14,017,222	19,394,467	25,515,132	25,939,153	29,933,985	34,155,818	
Total General fund	$ 6,672,478	$ 10,225,244	$ 13,681,689	$ 18,116,768	$ 23,534,441	$ 29,628,578	$ 29,866,161	$ 33,274,690	$ 37,544,848	
All Other Governmental Funds										
Reserved	$ 24,644,127	$ 55,800	$ 49,097	$ -	$ -	$ 3,788	$ -	$ 2,592,690	$ 3,971,867	
Unreserved, reported in:										
Special revenue funds	228,752	2,239,840	2,556,192	2,794,099	3,364,113	3,160,606	3,754,138	4,269,002	4,124,402	
Debt service funds	-	8,315,435	643,856	1,545,206	4,359,303	10,970,901	14,654,276	12,087,416	11,779,025	
Capital projects funds	(2,379,499)	11,685,159	49,173,782	54,767,411	57,030,829	45,556,707	22,658,017	10,689,051	21,150,338	
Total all other governmental funds	$ 22,493,380	$ 22,296,234	$ 52,422,927	$ 59,106,716	$ 64,754,245	$ 59,692,002	$ 41,066,431	$ 29,638,159	$ 41,025,632	
Total all governmental funds	$ 29,165,858	$ 32,521,478	$ 66,104,616	$ 77,223,484	$ 88,288,686	$ 89,320,580	$ 70,932,592	$ 62,912,849	$ 78,570,480	
General Fund										
Nonspendable										$ 641,473
Restricted										-
Committed										-
Assigned										-
Unassigned										39,817,549
Total General fund										40,459,022
All Other Governmental Funds										
Restricted, reported in:										
Special revenue funds										$ 5,168,815
Debt service funds										3,997,848
Capital projects funds										31,565,319
Total all other governmental funds										$ 40,731,982
Total all governmental funds										$ 81,191,004

Note: GASB 54 was implemented during fiscal year 2011.

ROCKDALE COUNTY, GEORGIA

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Revenues:										
Taxes	$ 49,236,023	$ 59,381,426	$ 50,023,132	$ 55,511,361	$ 64,246,604	$ 66,285,548	$ 61,224,502	$ 58,943,523	$ 61,860,488	$ 62,176,220
Licenses and permits	1,333,419	1,196,527	963,602	958,279	1,859,181	1,562,130	600,845	335,710	298,702	5,621,006
Intergovernmental	3,000,742	3,018,949	2,966,389	1,771,460	2,739,756	3,472,279	3,325,946	11,762,984	7,467,852	135,647
Charges for services	2,890,998	2,582,566	3,436,502	4,555,155	5,031,528	4,947,321	5,033,498	5,528,830	5,613,516	3,342,044
Fines and forfeitures	2,995,678	3,051,722	3,253,881	2,650,736	3,132,820	3,168,473	3,330,139	3,340,748	3,211,045	3,060,033
Investment earnings	1,579,718	862,156	795,379	1,992,853	3,801,253	4,070,643	1,799,920	375,632	161,868	183,300
Miscellaneous	936,651	1,734,550	916,163	501,138	126,429	147,467	152,642	327,671	1,303,848	1,263,592
Total revenues	61,973,229	71,827,896	62,355,048	67,940,982	80,937,571	83,653,861	75,467,492	80,615,098	79,917,319	75,781,842
Expenditures:										
Current:										
General government	7,711,105	6,888,169	6,986,274	6,925,813	8,001,170	8,352,218	9,219,487	8,492,378	8,537,643	8,429,229
Judicial	14,998,340	3,992,403	4,294,909	4,185,511	4,790,688	5,142,962	5,384,246	5,535,027	5,517,869	6,002,082
Public safety	7,215,165	19,670,608	21,885,409	22,189,275	24,581,678	25,223,515	26,045,061	28,161,449	29,175,068	30,084,202
Public works	6,317,640	6,706,903	4,759,345	5,870,949	5,665,418	11,363,599	5,503,676	5,481,087	5,837,270	4,915,502
Culture and recreation	6,856,983	3,074,077	3,716,053	2,260,865	2,112,892	2,534,506	3,211,760	2,369,941	2,156,589	2,199,329
Health and welfare	1,695,735	2,292,188	1,521,763	1,521,625	1,655,953	2,631,978	1,565,334	1,804,320	1,526,024	1,478,843
Housing and development	-	121,872	329,490	143,551	312,571	298,359	310,817	1,285,905	2,215,588	1,256,962
Capital outlay	7,269,644	4,727,974	2,777,991	6,583,887	15,528,697	19,022,890	26,690,021	14,892,666	6,784,706	3,084,216
Debt service:										
Principal	14,332,054	16,185,457	13,430,483	2,410,194	3,238,887	5,840,780	11,428,289	12,183,847	13,148,876	14,162,534
Interest and fiscal charges	3,977,472	3,090,577	2,558,764	3,031,875	3,001,113	2,885,069	3,149,804	2,393,105	2,271,999	1,772,993
Intergovernmental	-	-	4,200,000	1,449,320	1,848,034	1,105,167	2,324,997	6,414,870	1,953,695	783,742
Total expenditures	70,374,138	66,750,228	66,460,481	56,572,865	70,737,101	84,401,043	94,833,492	89,014,595	79,125,327	74,169,634
Excess (deficiency) of revenues over (under) expenditures	(8,400,909)	5,077,668	(4,105,433)	11,368,117	10,200,470	(747,182)	(19,366,000)	(8,399,497)	791,992	1,612,208
Other financing sources (uses)										
Refunding bond proceeds	-	-	-	-	8,155,000	-	10,000,000	-	13,000,000	-
Proceeds from loan	-	-	-	-	-	861,000	-	-	-	-
Bond premium	-	-	2,508,623	-	96,265	-	186,143	-	836,881	-
Bond issuance	-	-	44,300,000	-	-	-	-	-	-	-
Payments to escrow account	-	-	-	-	(8,021,850)	-	(10,000,000)	-	-	-
Transfers in	20,647,776	20,120,081	22,972,053	14,776,399	18,857,000	25,018,325	28,862,322	21,418,548	24,226,295	20,352,385
Transfers out	(20,935,546)	(21,842,129)	(32,092,105)	(15,077,216)	(18,253,793)	(24,115,684)	(28,092,192)	(21,065,066)	(23,207,020)	(19,351,110)
Proceeds from the sale of capital assets	-	-	-	51,568	32,110	15,435	21,739	26,272	9,483	7,041
Total other financing sources (uses)	(287,770)	(1,722,048)	37,688,571	(249,249)	864,732	1,779,076	978,012	379,754	14,865,639	1,008,316
Net change in fund balances	$ (8,688,679)	$ 3,355,620	$ 33,583,138	$ 11,118,868	$ 11,065,202	$ 1,031,894	$ (18,387,988)	$ (8,019,743)	$ 15,657,631	$ 2,620,524
Debt Service as a Percentage of Noncapital Expenditures	47.20%	45.09%	34.37%	11.28%	12.86%	13.52% [1]	20.34% [1]	18.83% [1]	20.91% [1]	22.60%

[1] Calculation has been revised as discussed with GFOA representative.

ROCKDALE COUNTY, GEORGIA

GROSS DIGEST BY REVENUE SOURCE
LAST TEN FISCAL YEARS
(in thousands)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Residential	$ 1,074,712	$ 1,163,978	$ 1,308,955	$ 1,433,822	$ 1,618,753	$ 1,910,546	$ 2,001,404	$ 1,998,418	$ 1,747,525	$ 1,569,465
Commercial	430,929	480,721	511,234	540,582	574,877	603,771	625,075	621,672	646,893	620,688
Industrial	313,461	296,687	284,506	294,976	294,680	301,057	295,136	294,300	293,403	281,649
Utilities	62,326	62,193	64,740	67,888	59,022	73,105	71,237	71,497	65,235	64,262
Vehicles	205,152	207,779	204,757	201,104	195,275	212,272	218,009	221,978	189,746	185,649
Other	36,189	42,174	49,846	50,850	55,906	61,376	66,680	67,199	63,483	62,794
	$ 2,122,769	$ 2,253,532	$ 2,424,038	$ 2,589,222	$ 2,798,513	$ 3,162,127	$ 3,277,541	$ 3,275,064	$ 3,006,285	$ 2,784,507
	% of tax digest									
Residential	50.63%	51.65%	54.00%	55.38%	57.84%	60.42%	61.06%	61.02%	58.13%	56.36%
Commercial	20.30%	21.33%	21.09%	20.88%	20.54%	19.09%	19.07%	18.98%	21.52%	22.29%
Industrial	14.77%	13.17%	11.74%	11.39%	10.53%	9.52%	9.00%	8.99%	9.76%	10.11%
Utilities	2.94%	2.76%	2.67%	2.62%	2.11%	2.31%	2.17%	2.18%	2.17%	2.31%
Vehicles	9.66%	9.22%	8.45%	7.77%	6.98%	6.71%	6.65%	6.78%	6.31%	6.67%
Other	1.70%	1.87%	2.06%	1.96%	2.00%	1.94%	2.03%	2.05%	2.11%	2.26%
	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Rockdale County Tax Commissioner

ROCKDALE COUNTY, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

	2011				2002				
Rank	Taxpayer	Assessed Valuation	% of County Gross Assessed Valuation	Actual Tax Dollars	Rank	Taxpayer	Assessed Valuation	% of County Gross Assessed Valuation	Actual Tax Dollars
1	Visy Paper & Industrial Pkg	$ 56,402,456	2.03%	$ 1,371,082	1	Visy Board Industrial	$ 48,010,998	2.26%	$ 1,357,251
2	Rockdale Hospital LLC	29,541,771	1.06%	1,237,530	2	L & C Lighting Group Inc	30,246,962	1.42%	680,141
3	Bio Lab Inc	25,889,549	0.93%	682,604	3	Bio Lab Inc	21,034,196	0.99%	352,419
4	Acuity Lighting Group	22,342,769	0.80%	662,390	4	Maryland Cup Corporation	20,619,816	0.97%	479,982
5	Golden State Foods	13,160,018	0.47%	343,292	5	A T & T Communications	20,348,158	0.96%	708,320
6	Snapping Shoals	13,102,682	0.47%	549,002	6	Bellsouth Telecommunications	13,653,924	0.64%	475,293
7	A T & T Communications	12,153,634	0.44%	509,222	7	Golden State Foods Corp	13,058,062	0.62%	340,362
8	Lake St James TIC	11,772,641	0.42%	493,273	8	C & D Technologies	8,285,668	0.39%	232,316
9	NP/I&G Conyers Crossroads	11,564,520	0.42%	484,553	9	Deere and Company	7,479,865	0.35%	154,490
10	Diversitech Corporation	11,283,012	0.41%	206,136	10	Conyers Crossroads LLC	7,393,200	0.35%	257,357
		$ 207,213,052	7.44%	$ 6,539,084			$ 190,130,849	8.96%	$ 5,037,931
	Total Gross Digest Assessment	$ 2,784,507,000				Total Gross Digest Assessment	$ 2,122,769,000		

Source: Rockdale County Tax Commissioner

ROCKDALE COUNTY, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

	TAXABLE PROPERTY (In Thousands)											
	Residential		Commercial		Industrial		Other					
Year	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Total Assessed Value	Total Estimated Actual Value	Total Direct Tax Rate Applied	Assessed Value to Estimated Value
2002	$ 1,074,712	$ 2,686,780	$ 430,929	$ 1,077,323	$ 313,461	$ 783,653	$ 303,667	$ 759,168	$ 2,122,769	$ 5,306,923	11.68	40%
2003	1,163,978	2,909,945	480,721	1,201,803	296,687	741,718	312,146	780,365	2,253,532	5,633,830	13.64	40%
2004	1,308,955	3,272,388	511,234	1,278,085	284,506	711,265	319,343	798,358	2,424,038	6,060,095	14.69	40%
2005	1,433,822	3,584,555	540,582	1,351,455	294,976	737,440	319,842	799,605	2,589,222	6,473,055	14.86	40%
2006	1,618,753	4,046,883	574,877	1,437,193	294,680	736,700	310,203	775,508	2,798,513	6,996,283	14.83	40%
2007	1,910,546	4,776,365	603,771	1,509,428	301,057	752,643	346,753	866,883	3,162,127	7,905,318	14.83	40%
2008	2,001,404	5,003,510	625,075	1,562,688	295,136	737,840	355,926	889,815	3,277,541	8,193,853	14.73	40%
2009	1,998,418	4,996,045	621,672	1,554,180	294,300	735,750	360,674	901,685	3,275,064	8,187,660	14.73	40%
2010	1,747,525	4,368,813	646,893	1,617,233	293,403	733,508	318,464	796,160	3,006,285	7,515,713	15.75	40%
2011	1,569,465	3,923,663	620,688	1,551,720	281,649	704,123	312,705	781,763	2,784,507	6,961,269	17.15	40%

Source: Rockdale County Tax Commissioner

ROCKDALE COUNTY, GEORGIA

DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per $1,000 of assessed value)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Rockdale County:										
Maintenance and operations	11.31	13.31	14.40	14.61	14.61	14.61	14.53	14.53	15.53	16.91
Debt service	0.37	0.33	0.29	0.25	0.22	0.22	0.20	0.20	0.22	0.24
Total Rockdale County	11.68	13.64	14.69	14.86	14.83	14.83	14.73	14.73	15.75	17.15
City of Conyers maintenance and operations	7.40	7.40	9.90	9.90	9.90	9.52	9.41	9.41	9.41	9.90
Rockdale County Board of Education										
Maintenance and operations	21.48	21.80	21.48	21.44	21.00	21.00	21.00	21.00	22.99	24.50
Debt service	1.40	-	-	-	-	-	-	-	-	-
Total Rockdale County Board of Education	22.88	21.80	21.48	21.44	21.00	21.00	21.00	21.00	22.99	24.50
State of Georgia	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Total	42.21	43.09	46.32	46.45	45.98	45.60	45.39	45.39	48.40	51.80

Source: Rockdale County Tax Commissioner

ROCKDALE COUNTY, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended [a]	Taxes Levied for the Fiscal Year [b]	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years [d]	Total Collections to Date	
		Amount [c]	Percentage of Levy		Amount	Percentage of Levy
2002	$ 49,244,809	$ 45,882,638	93.17%	$ 3,361,516	$ 49,244,154	100.00%
2003	54,437,291	49,861,761	91.59%	4,546,250	54,408,011	99.95%
2004	52,855,590	49,806,796	94.23%	3,047,972	52,854,768	100.00%
2005	57,011,966	54,005,377	94.73%	3,003,760	57,009,137	100.00%
2006	62,804,631	58,407,867	93.00%	4,387,791	62,795,658	99.99%
2007	71,896,944	67,015,729	93.21%	4,847,166	71,862,895	99.95%
2008	75,146,783	69,099,892	91.95%	5,887,885	74,987,777	99.79%
2009	80,281,237	73,648,913	91.74%	6,415,157	80,064,070	99.73%
2010	81,529,391	75,168,086	92.20%	6,047,630	81,215,716	99.62%
2011	77,693,396	74,009,147	95.26%	-	74,009,147	95.26%

[a] Fiscal year, January through December 31

[b] Includes net taxes levied for the State of Georgia; County M&O and Bond; School M&O and Bond; and Street Lights net of credit for HTRG and HOST.

[c] Collections as of December 31 of the year of the levy.

[d] Delinquent collections through December 31, 2011.

Sources: Rockdale County Tax Commissioner's Office and Rockdale County Department of Finance.

ROCKDALE COUNTY, GEORGIA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Year	Population	Property Assessed Value (In Thousands)[a]	General Bonded Debt Outstanding			Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
			Gross Bonded Debt [b]	Restricted Debt Service Funds [b]	Net Bonded Debt		
2002	73,053	$ 2,122,769	$ 5,835,000	$ 480,034	$ 5,354,966	0.25%	$ 73.30
2003	74,656	2,253,532	5,475,000	587,707	4,887,293	0.22%	65.46
2004	76,330	2,424,038	49,395,000	643,856	48,751,144	2.01%	638.69
2005	77,810	2,589,222	49,000,000	1,545,206	47,454,794	1.83%	609.88
2006	79,911	2,798,513	48,585,000	4,359,303	44,225,697	1.58%	553.44
2007	82,146	3,162,127	45,365,000	10,970,901	34,394,099	1.09%	418.69
2008	83,558	3,277,541	35,610,000	14,654,276	20,955,724	0.64%	250.79
2009	84,600	3,275,064	25,175,000	13,247,640	11,927,360	0.36%	140.99
2010	85,215	3,006,285	26,960,000	16,044,108	10,915,892	0.36%	128.10
2011	85,600	2,784,507	14,830,000	3,997,848	10,832,152	0.39%	126.54

Source:
[a] Rockdale County Tax Commissioner
[b] Rockdale County Audited Financial Statements

ROCKDALE COUNTY, GEORGIA

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(In thousands)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Assessed Value of Taxable Property	$ 2,122,769	$ 2,253,532	$ 2,424,038	$ 2,589,222	$ 2,798,513	$ 3,162,127	$ 3,277,541	$ 3,275,064	$ 3,006,285	$ 2,784,507
Less: Bond Exemptions	94,134	85,258	93,733	100,044	97,797	102,250	99,891	100,104	96,666	95,284
Net Tax Digest for Bond Purposes	2,028,635	2,168,274	2,330,305	2,489,178	2,700,716	3,059,877	3,177,650	3,174,960	2,909,619	2,689,223
Legal Debt Limit	$ 202,864	$ 216,827	$ 233,031	$ 248,918	$ 270,072	$ 305,988	$ 317,765	$ 317,496	$ 290,962	$ 268,922
Net Debt Applicable to Limit	5,355	4,887	48,751	47,455	44,226	34,394	20,956	13,248	16,044	11,386
Legal debt margin	$ 197,509	$ 211,940	$ 184,280	$ 201,463	$ 225,846	$ 271,594	$ 296,809	$ 304,248	$ 274,918	$ 257,536
Total net debt applicable to the limit as a percentage of debt limit	2.64%	2.25%	20.92%	19.06%	16.38%	11.24%	6.59%	4.17%	5.51%	4.23%

Note: Under state finance law, the County's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

ROCKDALE COUNTY, GEORGIA

OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities:										
General obligation bonds	$ 5,835,000	$ 5,475,000	$ 51,903,623	$ 50,923,899	$ 49,924,175	$ 46,171,941	$ 36,023,586	$ 25,335,056	$ 27,823,133	$ 15,383,609
Certificates of Participation	23,475,000	22,410,000	21,300,000	20,130,000	19,052,016	17,870,782	17,086,996	16,267,181	15,406,655	13,921,875
Revenue bonds	37,855,000	23,545,000	12,000,000	11,500,000	11,000,000	10,500,000	10,186,143	9,645,336	9,016,779	8,394,126
Notes Payable	2,749,550	2,625,137	2,475,083	2,298,134	2,081,847	2,698,172	2,349,881	1,961,035	1,527,159	1,044,625
Total Governmental Activities	$ 69,914,550	$ 54,055,137	$ 87,678,706	$ 84,852,033	$ 82,058,038	$ 77,240,895	$ 65,646,606	$ 53,208,608	$ 53,773,725	$ 38,744,235
Business-type Activities										
Revenue bonds	$ 109,119,222	$ 107,625,266	$ 106,048,877	$ 114,923,273	$ 113,032,433	$ 111,027,827	$ 108,860,492	$ 106,398,746	$ 103,811,163	$ 101,103,185
Notes payable	9,728,616	9,387,198	173,230	157,891	141,612	124,326	105,973	86,488	65,803	43,841
Total Business-type Activities	$ 118,847,838	$ 117,012,464	$ 106,222,107	$ 115,081,164	$ 113,174,045	$ 111,152,153	$ 108,966,465	$ 106,485,234	$ 103,876,966	$ 101,147,026
Total Primary Government	$ 188,762,388	$ 171,067,601	$ 193,900,813	$ 199,933,197	$ 195,232,083	$ 188,393,048	$ 174,613,071	$ 159,693,842	$ 157,650,691	$ 139,891,261
Personal Income	$ 2,081,346,000	$ 2,219,705,000	$ 2,292,864,000	$ 2,405,225,000	$ 2,536,123,000	$ 2,682,750,000	$ 2,733,356,000	$ 2,695,660,000	2,734,213,000	N/A
Outstanding Debt to Personal Income	9.07%	7.71%	8.46%	8.31%	7.70%	7.02%	6.39%	5.92%	5.77%	N/A
Population	73,053	74,656	76,330	77,810	79,911	82,146	83,558	84,625	85,215	85,600
Outstanding Debt Per Capita	$ 2,584	$ 2,291	$ 2,540	$ 2,570	$ 2,443	$ 2,293	$ 2,090	$ 1,887	$ 1,850	$ 1,634

N/A - Not available

ROCKDALE COUNTY, GEORGIA

DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population [a]	Personal Income [b]	Per Capital Personal Income	School Enrollment [c]	County Unemployment Rate [d]	State Unemployment Rate [e]	National Unemployment Rate [e]
2002	73,053	$ 2,081,346,000	$ 28,491	13,327	4.70%	4.80%	5.80%
2003	74,656	2,219,705,000	29,732	14,094	4.90%	4.80%	6.00%
2004	76,330	2,292,864,000	30,039	14,719	4.90%	4.70%	5.50%
2005	77,810	2,405,225,000	30,912	15,049	5.70%	5.20%	5.10%
2006	79,911	2,536,123,000	31,737	15,426	5.00%	4.70%	4.60%
2007	82,146	2,682,750,000	32,658	15,701	5.10%	4.70%	4.60%
2008	83,558	2,742,664,000	32,823	15,763	6.90%	6.30%	5.80%
2009	84,625	2,669,965,000	31,551	15,891	10.90%	9.70%	9.30%
2010	85,215	2,734,213,000	32,086	15,974	11.60%	10.20%	9.60%
2011	85,600	N/A	N/A	15,746	9.50%	9.80%	8.90%

[a] Bureau of Economic Analysis; estimates for 2011 from ACCG
[b] Bureau of Economic Analysis
[c] Rockdale County Board of Education
[d] Georgia Department of Labor; Not Seasonally Adjusted Annual Averages
[e] U.S. Department of Labor; Not Seasonally Adjusted Annual Averages

N/A - Not available

ROCKDALE COUNTY, GEORGIA

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

2011				2002			
Rank	Employer	Number of Employees	% of Employed	Rank	Employer	Number of Employees	% of Employed
1	Rockdale County Public Schools	2,640	8.94%	1	Rockdale County Public Schools	1,945	5.65%
2	Rockdale Medical Center	1,200	4.06%	2	Lithonia Lighting	1,500	4.36%
3	AT&T	1,085	3.67%	3	AT&T	1,300	3.78%
4	Acuity Brands Lighting	880	2.98%	4	Pratt Industries	1,000	2.91%
5	Hill-Phoenix	835	2.83%	5	Rockdale Hospital	850	2.47%
6	Rockdale County Government	805	2.73%	6	Hill-Phoenix	800	2.33%
7	Pratt Industries	800	2.71%	7	Rockdale County Government	621	1.81%
8	Golden State Foods	480	1.63%	8	Solo Cup / Sweetheart	525	1.53%
9	Solo Cup Company	440	1.49%	9	Wal-Mart	500	1.45%
10	Wal-Mart	400	1.35%	10	Bio-Lab	400	1.16%
	Total Employed in Rockdale County	29,536 *			Total Employed in Rockdale County	34,396 **	

* Preliminary numbers from the US Department of Labor, Bureau of Labor Statistics
** US Department of Labor, Bureau of Labor Statistics

Source of 2011 Top Employers: Conyers-Rockdale Chamber of Commerce
Source of 2002 Top Employers: Local bond documentation

ROCKDALE COUNTY, GEORGIA

FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES
BY FUNCTION
LAST TEN FISCAL YEARS

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental Activities										
General Administration										
Board of Commissioners	7	7	7	7	7	4	4	5	6	6
Finance	9	9	9	9	9	9	10	10	11	11
Human Resources	4	8	8	8	9	8	8	6	3	5
Tax Assessors	14	13	12	12	12	14	14	14	14	14
Tax Commissioners	15	15	15	15	15	17	17	17	17	16
MIS	4	4	5	5	5	7	7	7	7	8
Elections	5	5	5	4	4	3	4	4	4	4
Capital and Community	-	-	-	3	3	3	3	-	1	1
Public Buildings	5	7	11	12	13	15	17	18	14	15
Legal	1	1	1	1	2	3	3	-	-	-
Public Affairs	2	3	3	3	4	4	4	3	2	1
Total General Administration	66	72	76	79	83	87	91	84	79	81
Judicial										
Clerk of Superior Court	18	17	17	17	17	18	20	19	18	19
Clerk of State Court	8	8	8	8	8	8	8	9	9	9
Juvenile Court	6	6	6	6	7	9	9	9	9	9
Superior Court	2	2	2	2	2	2	2	3	3	3
Magistrate	10	9	9	9	10	8	8	8	7	8
State Court	3	3	3	3	2	2	2	3	3	3
District Attorney	23	23	23	23	23	24	27	27	28	28
Probate Court	5	5	5	5	5	5	6	6	6	6
Public Defender	6	6	6	5	5	5	7	7	7	6
Total Judicial	81	79	79	78	79	81	89	91	90	91
Public Safety										
Fire	102	104	94	94	109	127	121	132	122	135
Sheriff/Jail	175	185	185	185	198	213	250	263	276	286
Animal Control	5	5	5	5	6	5	5	7	5	4
Coroner	2	2	2	2	2	2	2	2	2	2
Communications	24	24	24	24	22	22	23	21	22	18
Total Public Safety	308	320	310	310	337	369	401	425	427	445

(Continued)

ROCKDALE COUNTY, GEORGIA

FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES
BY FUNCTION
LAST TEN FISCAL YEARS

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental Activities (Continued)										
Public Works										
Planning and Development	18	17	14	14	14	16	17	15	8	10
Fleet	13	13	13	13	13	12	11	10	9	9
Public Works	1	1	1	15	15	18	21	18	17	17
GIS	-	-	-	-	-	1	1	1	1	1
Code Enforcement	-	-	-	-	-	3	3	4	4	4
PS&E	3	3	3	3	3	4	4	3	3	2
Roads	14	25	25	25	28	24	25	25	26	27
Total Public Works	49	59	56	70	73	78	82	76	68	70
Parks	15	15	15	15	10	10	10	8	6	5
Senior Services	14	14	12	11	11	12	11	15	15	16
Cooperative Extension	4	4	4	4	5	3	4	4	4	3
Total Governmental Activities	537	563	552	567	598	640	688	703	689	711
Business-Type Activities										
Stormwater	-	-	-	4	4	4	6	6	8	7
Water	84	83	79	75	82	84	81	86	85	87
Total Business-Type Activities	84	83	79	79	86	88	87	92	93	94
Total Primary Government	621	646	631	646	684	728	775	795	782	805

** Headcounts estimated using budgeted headcounts and derivatives of dollars spent.
Source: Rockdale County Payroll Data

ROCKDALE COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General government										
Tax Commissioners										
Vehicle Tags Issued	75,549	76,081	81,087	82,906	84,511	87,242	86,662	83,261	83,370	79,598
Public Safety										
E-911 - Calls for service	90,142	90,879	94,194	99,268	98,944	107,445	117,726	116,868	155,625	130,671
Number of Fire Stations	7	7	7	7	7	7	8	8	8	9
Public Services and Public Works										
New Construction Building Permits (Residential and Commercial)	884	917	676	874	732	508	121	56	146	138
Culture and recreation										
Programs	**	**	**	**	**	**	**	**	**	8,274
Facility events	**	**	**	**	**	**	**	**	**	1,361
Therapeutic recreation	**	**	**	**	**	**	**	**	**	227
Senior Services										
Wellness Programs per year	144	468	492	540	552	516	711	887	896	946
Center Activities per year	1,440	1,500	1,992	1,884	1,896	1,992	2,354	2,326	2,304	2,238
Library										
Computer Use Per Year	29,273	36,489	41,941	50,146	51,788	58,209	64,861	62,393	75,502	93,838

** Data not available
Source: County Department manager within each function.

ROCKDALE COUNTY, GEORGIA

CAPITAL ASSETS BY TYPE
LAST NINE FISCAL YEARS

	Fiscal Year								
	2003	2004	2005	2006 [1]	2007	2008	2009	2010	2011
Governmental activities:									
Capital assets, not being depreciated:									
Land	$ 6,057,687	$ 6,204,291	$ 6,421,792	$ 50,858,391	$ 56,088,159	$ 58,415,309	$ 58,719,553	$ 59,019,553	$ 59,074,210
Construction in Progress	3,889,296	2,497,014	3,207,169	5,193,855	21,382,516	36,433,079	10,867,071	12,171,769	13,846,792
Total capital assets, not being depreciated	9,946,983	8,701,305	9,628,961	56,052,246	77,470,675	94,848,388	69,586,624	71,191,322	72,921,002
Capital assets, being depreciated:									
Buildings and improvements	38,133,897	38,172,345	38,172,345	38,172,345	38,948,030	40,065,549	76,367,267	77,660,845	78,073,580
Infrastructure	10,343,880	22,928,066	33,880,066	326,345,650	349,334,761	359,732,979	361,563,657	361,563,657	359,961,907
Improvements (other than buildings)	648,715	2,113,538	3,592,418	3,796,331	4,117,165	7,939,186	8,045,188	8,096,025	8,307,075
Machinery and equipment	14,107,294	15,835,460	17,063,400	19,087,116	20,062,510	21,732,267	22,282,139	23,567,338	24,644,846
Total capital assets, being depreciated	63,233,786	79,049,409	92,708,229	387,401,442	412,462,466	429,469,981	468,258,251	470,887,865	470,987,408
Less accumulated depreciation for:									
Buildings and improvements	8,003,961	8,777,572	9,551,292	10,324,898	11,117,864	11,979,664	13,467,375	15,035,082	16,574,036
Infrastructure	258,597	1,090,396	2,510,599	147,366,544	157,712,794	167,487,321	177,163,640	186,542,653	195,389,184
Improvements (other than buildings)	403,130	455,334	649,365	847,459	1,062,158	1,790,791	2,304,061	2,974,051	3,467,343
Machinery and equipment	11,192,904	12,110,073	13,274,261	13,919,058	15,299,554	16,447,268	18,014,988	19,416,649	20,748,410
Total accumulated depreciation	19,858,592	22,433,375	25,985,517	172,457,959	185,192,370	197,705,044	210,950,064	223,968,435	236,178,973
Total capital assets, being depreciated, net	43,375,194	56,616,034	66,722,712	214,943,483	227,270,096	231,764,937	257,308,187	246,919,430	234,808,435
Governmental activities capital assets, net	$ 53,322,177	$ 65,317,339	$ 76,351,673	$ 270,995,729	$ 304,740,771	$ 326,613,325	$ 326,894,811	$ 318,110,752	$ 307,729,437
Business-type activities:									
Capital assets, not being depreciated:									
Land	$ 11,214,263	$ 11,214,263	$ 11,214,263	$ 11,214,263	$ 11,214,263	$ 11,214,263	$ 11,214,263	$ 13,878,120	$ 13,923,120
Construction in Progress	7,196,006	3,212,057	1,087,383	383,886	6,390,811	8,722,713	9,534,313	8,984,461	9,304,704
Total capital assets, not being depreciated	18,410,269	14,426,320	12,301,646	11,598,149	17,605,074	19,936,976	20,748,576	22,862,581	23,227,824
Capital assets, being depreciated:									
Buildings and improvements	7,366,505	7,366,505	7,366,505	7,366,505	7,366,505	7,366,505	7,374,105	7,374,105	7,374,105
Infrastructure	203,261,796	213,816,534	222,191,057	230,317,386	236,871,055	239,746,562	239,929,562	238,704,678	239,027,877
Machinery and equipment	5,255,093	5,393,680	5,557,386	5,673,446	6,116,514	6,271,062	6,550,535	8,302,603	8,513,523
Total capital assets, being depreciated	215,883,394	226,576,719	235,114,948	243,357,337	250,354,074	253,384,129	253,854,202	254,381,386	254,915,505
Less accumulated depreciation for:									
Buildings and improvements	2,278,841	2,647,166	3,015,491	3,383,816	3,752,142	4,120,467	4,489,109	4,857,815	5,226,522
Infrastructure	16,614,667	21,628,132	27,110,492	32,776,329	38,705,350	44,795,454	50,948,408	56,586,075	62,697,548
Machinery and equipment	3,264,937	3,865,372	4,461,513	4,994,984	5,206,655	5,390,087	5,539,645	5,817,698	6,205,884
Total accumulated depreciation	22,158,445	28,140,670	34,587,496	41,155,129	47,664,147	54,306,008	60,977,162	67,261,588	74,129,954
Total capital assets, being depreciated, net	193,724,949	198,436,049	200,527,452	202,202,208	202,689,927	199,078,121	192,877,040	187,119,798	180,785,551
Business-type activities capital assets, net	$ 212,135,218	$ 212,862,369	$ 212,829,098	$ 213,800,357	$ 220,295,001	$ 219,015,097	$ 213,625,616	$ 209,982,379	$ 204,013,375

[1] Restated to reflect addition of GASB 34 infrastructure

Note: Fiscal Year 2002 data was not available

ROCKDALE COUNTY, GEORGIA

GOVERNMENTAL CAPITAL ASSETS BY FUNCTION
LAST TEN FISCAL YEARS
(In Thousands)

	Fiscal Year									
FUNCTION & ACTIVITY	2002 [1]	2003	2004	2005	2006 [2]	2007	2008	2009	2010	2011
General Governmental										
Board of Commissioners / Finance	$ 131	$ 84	$ 84	$ 97	$ 97	$ 97	$ 70	$ 86	$ 86	$ 86
Personnel	40	31	31	31	31	31	31	31	31	31
Information systems	1,408	1,319	1,342	1,356	1,356	1,413	2,071	2,227	2,264	2,264
Public Affairs	122	76	76	76	76	76	76	76	100	120
Legal / Code Enforcement	-	-	-	-	57	57	57	57	57	36
Tax assessor	112	60	52	67	67	88	88	83	83	72
Tax commissioner	44	27	27	21	21	21	9	-	-	-
Public Buildings	6,026	6,454	6,463	6,082	6,082	6,087	6,087	6,115	6,115	6,126
Other	97	46	38	38	38	31	31	38	38	79
Total General Governmental	7,980	8,097	8,112	7,767	7,824	7,900	8,519	8,712	8,774	8,814
Judicial										
District Attorney	190	153	138	103	142	142	142	121	148	152
Clerk of Superior Court	514	430	747	747	747	747	747	747	747	732
Clerk of State Court	223	212	212	212	212	10	10	10	10	10
Other Judicial	386	422	435	435	435	435	411	392	392	398
Courthouse Complex	4,613	4,672	5,048	5,242	5,286	5,881	5,881	5,881	5,881	5,881
Total Judical	5,926	5,890	6,580	6,740	6,822	7,215	7,192	7,152	7,178	7,173
Public Safety										
Sheriff	13,438	13,288	14,798	15,212	16,028	16,311	16,674	16,952	17,593	18,494
Jail	7,423	7,419	7,419	7,551	9,400	19,497	31,408	33,239	33,279	33,960
Fire Department	4,955	4,814	4,935	5,427	6,197	6,417	7,728	8,715	9,452	9,460
Communication	2,216	2,113	2,082	2,104	2,170	2,593	2,593	2,593	3,187	3,217
Animal Control	834	827	850	850	865	875	875	875	875	877
Other Public Safety	4	-	-	-	-	-	-	-	-	23
Total Public Safety	28,869	28,461	30,082	31,144	34,662	45,693	59,279	62,375	64,386	66,031
Other										
Public Works	3,574	16,368	27,756	39,323	376,276	405,007	418,841	424,513	426,461	424,882
Parks & Recreation	12,148	13,073	13,873	15,479	15,896	19,454	25,095	29,706	29,893	31,594
Health & Social Serv	1,128	1,121	1,139	1,614	1,650	3,829	3,829	3,829	3,829	3,829
Aging Program	157	132	170	200	252	765	1,488	1,483	1,483	1,510
Cooperative Extension	47	38	38	71	71	71	75	75	75	75
Total Other	17,053	30,732	42,976	56,687	394,146	429,125	449,329	459,606	461,741	461,890
Total of All Functions	$ 59,829	$ 73,181	$ 87,751	$ 102,337	$ 443,454	$ 489,933	$ 524,318	$ 537,845	$ 542,079	$ 543,908

Source: Rockdale County Audited Financial Statements and Fixed Asset Files

[1] Water Treatment Plant moved out of general fund in 2002.

[2] Addition of retroactive infrastructure assets.

COMPLIANCE SECTION

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

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

Board of Commissioners
of Rockdale County, Georgia
Conyers, 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 Rockdale County Georgia, as of and for the year ended December 31, 2011, which collectively comprise Rockdale County, Georgia's basic financial statements and have issued our report thereon dated June 19, 2012. As discussed in Note 1, Rockdale County, Georgia implemented Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as of January 1, 2011. 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 Conyers-Rockdale County Library System and the Rockdale County Health Department. 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 Rockdale County, Georgia is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Rockdale 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 Rockdale County, Georgia's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Rockdale County, Georgia'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 deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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 Rockdale 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 Rockdale County, Georgia, in a separate letter dated June 19, 2012.

This report is intended solely for the information and use of management, the Board of Commissioners, others within the entity, and 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.

Mauldin & Jenkins, LLC

Macon, Georgia
June 19, 2012

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Honorable Members
of the Board of Commissioners
Rockdale County, Georgia

Compliance

We have audited Rockdale County, Georgia's (the County) 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 the County's major federal programs for the year ended December 31, 2011. The County'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 the County's management. Our responsibility is to express an opinion on the County's compliance based on our audit.

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 the County'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 the County's compliance with those requirements.

In our opinion, Rockdale County, Georgia, complied, in all material respects, with the compliance 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 the County 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 the County'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 the County'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 was not designed to 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, and 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.

Mauldin & Jenkins, LLC

Macon, Georgia
June 19, 2012

ROCKDALE COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Grant Identification Number	Expenditures
U.S. Department of Health and Human Services			
(Passed through the Atlanta Regional Commission)			
Social Services Block Grant	93.667	AG1119.3	$ 27,157
Social Services Block Grant	93.667	AG1214	16,771
			43,928
Title III, Part B - Supportive Services (Cluster Program)	93.044	AG1119.3	23,163
Title III, Part B - Supportive Services (Cluster Program)	93.044	AG1214	14,011
			37,174
Title III, Part C1 - Nutrition Services (Cluster Program)	93.045	AG1119.3	68,031
Title III, Part C1 - Nutrition Services (Cluster Program)	93.045	AG1214	72,463
			140,494
Community Based Services	N/A	AG1119.3	7,858
Community Based Services	N/A	AG1214	12,162
			20,020
Title III, Part E - Family Caregiver Support	93.052	AG0410.1	7,319
Title III, Part E - Family Caregiver Support	93.052	AG1012	5,000
Kinship Care	93.052	AG0410.1	6,123
			18,442
(Passed through the Substance Abuse and Mental Health Services Administration)			
DUI Court	93.243	TI-023107-01	146,725
Total U.S. Department of Health and Human Services			406,783
U.S. Department of Justice			
Justice Asset Forfeiture Program - Equitable Sharing	16.922	GA1220000	125,211
(Passed through Office of Justice Program)			
Justice Assistance Grant (JAG) - Recovery Act	16.803	2009-SU-B9-0003	92,191
Justice Assistance Grant (JAG) - ARRA	16.738	2009-SB-B9-1001	76,380
Justice Assistance Grant (JAG)	16.738	2010-DJBX-0505	38,490
			207,061
Justice Assistance Grant (JAG)	16.753	2010-DD-BX-0485	72,261
(Passed through Community Oriented Policing Services)			
Methamphetamine Initiative	16.710	2008-CKWX-0078	62,228
Methamphetamine Initiative	16.710	2009-CKWX-0224	16,846
Methamphetamine Initiative	16.710	2010-CKWX-0341	133,910
			212,984
(Passed through the Bureau of Justice Assistance)			
Bulletproof Vest Program	16.607	1008592	6,175
DUI Court	16.585	2010-DC-BX-0036	109,867
(Passed through the Council of Juvenile Court Judges of Georgia)			
Purchase of Services for Juvenile Offenders' Program	16.523	JB-08ST-0002	8,495
Purchase of Services for Juvenile Offenders' Program	16.523	JB-09ST-0004	2,816
			11,311
Total U.S. Department of Justice			744,870

ROCKDALE COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Grant Identification Number	Expenditures
U.S. Department of Homeland Security			
(Passed through Georgia Emergency Management Agency)			
State Homeland Security	97.039	HMGP1858-0009	$ 241,025
Total U.S. Department of Homeland Security			241,025
U.S. Department of Transportation			
(Passed through Georgia Department of Transportation)			
Georgia Highway Safety Grant	20.601	GA-2011-000-00416	24,006
Georgia Highway Safety Grant	20.601	GA-2012-000-00331	5,446
Total U.S. Department of Transportation			29,452
U.S. Department of Housing and Urban Development			
Veterans' Memorial Park Grant	14.251	B-06-NO-GA-1130	60,743
(Passed through Georgia Department of Community Affairs)			
Neighborhood Stabilization Program	14.228	08-NS-5069	606,555
Total U.S. Department of Housing and Urban Development			667,298
U.S. Environmental Protection Agency			
Special Appropriations Water Infrastructure Grant	66.202	XP-96474207-1	62,591
Total U.S. Environmental Protection Agency			62,591
U.S. Department of Energy			
(Passed through the Georgia Environmental Finance Authority)			
Energy Efficiency and Conservation Block Grant - ARRA	81.128	DE-EE0000806	173,594
Total U.S. Department of Energy			173,594
Total Expenditures of Federal Awards			$ 2,325,613

ROCKDALE COUNTY, GEORGIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2011

NOTE I. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Rockdale County, Georgia (the "County"), and is presented on the modified accrual basis of accounting for governmental fund types and the accrual basis of accounting for the proprietary fund types. The County reporting entity is defined in Note 1.A. to the County's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audit of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE II. CLUSTER PROGRAMS

The programs included in the schedule of expenditures of federal awards with CFDA NO. 16.738 and 16.803 as well as 93.044 and 93.045 are considered cluster programs for purposes of performing internal control and compliance testing.

NOTE III. SUBRECIPIENTS

Rockdale County provided federal awards to subrecipients as follows:

Program Title	CFDA#	Amount
Veterans' Memorial Park	14.251	$60,743

NOTE IV. NONCASH ASSISTANCE AND LOANS

There were no federal awards expended in the form of noncash assistance during the fiscal year. There were also no loans or loan guarantees oustanding at year end.

ROCKDALE COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2011

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued	Unqualified
Internal control over financial reporting:	
Material weaknesses identified?	____ yes __X__ no
Significant deficiencies identified not considered to be material weaknesses?	____ yes __X__ none reported
Noncompliance material to financial statements noted?	____ yes __X__ no

Federal Awards

Internal Control over major programs:	
Material weaknesses identified?	____ yes __X__ no
Significant deficiencies identified not considered to be material weaknesses?	____ yes __X__ none reported
Type of auditor's report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section 510(a)?	____ yes __X__ no

Identification of major programs:

CFDA Number	Name of Federal Program or Cluster
16.738 and 16.803	U.S. Department of Justice Cluster - JAG Grant
16.753	U.S. Department of Justice - JAG Grant
16.710	U.S. Department of Justice - Community Oriented Policing Services Grant
16.585	U.S. Department of Justice - DUI Court
93.243	U.S. Department of Health & Human Services - DUI Court
97.039	Department of Homeland Security- State Homeland Security (GEMA) Agency Security
81.128	U.S. Department of Energy - EECBG (ARRA)

ROCKDALE COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2011

SECTION I
SUMMARY OF AUDIT RESULTS (Continued)

Dollar threshold used to distinguish between Type A and Type B programs: $300,000

Auditee qualified as low-risk auditee? ____ yes __X__ no

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

None reported.

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None reported.

ROCKDALE COUNTY, GEORGIA

SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2011

2010-1. Reporting

Federal Program Information:	CFDA No. 97.067 Department of Homeland Security- State Homeland Security (GEMA) Agency Security
Criteria:	As a recipient of the State Homeland Security Grant (GEMA), the County is required to periodically submit financial status reports and federal financial reports.
Condition:	The County did not submit financial status reports and federal financial reports in a timely manner.
Auditee Response/Status:	Resolved.