TELFAIR COUNTY, GEORGIA

FINANCIAL STATEMENTS
AS OF JUNE 30, 2009
TOGETHER WITH
AUDITOR'S REPORT

TELFAIR COUNTY, GEORGIA

Financial Statements
Table of Contents

June 30, 2009

Page(s)	
4-5	Independent Auditor's Report
	Government - Wide Financial Statements
6	Statement of Net Assets - Governmental Funds
7	Statements of Activities - Governmental Funds
	Fund Financial Statements
8	Balance Sheet - Governmental Funds
9	Statement of Revenues, Expenditures and Changes in Fund Balances
10	Statements of Net Assets - Proprietary Fund
11	Statement of Revenues, Expenses, and Changes in Fund Net Assets - Proprietary Fund
12	Statement of Cash Flows - Proprietary Fund
13	Statement of Fiduciary Net Assets
14-33	Notes to the Financial Statements
	Required Supplementary Information
34	Budgetary Comparison Schedule - All Governmental Fund Types
35	Balance Sheet Schedule - Fiduciary Funds
36	Schedule of Revenues and Expenditures - Transportation
37	Schedule of Changes in Governmental Fund Fixed Assets
38-39	Schedule of Changes in Assets and Liabilities All Agency Funds
40	Balance Sheet Schedule - Special Revenue Fund-Revolving Loan Fund
41	Schedule of Revenue, Expenditures and Changes In Fund Balance Special Revenue Fund Revolving Loan Fund
42	Hotel/Motel Special Revenue Fund-Schedule of Assets, Liabilities, and Fund Balances
43	Hotel/Motel Special Revenue Fund-Schedule of Revenue, Expenditures & changes in Fund Balance
44	Balance Sheet Schedule-Special Revenue Fund-Multiple Grant Fund

TELFAIR COUNTY, GEORGIA

Financial Statements
Table of Contents
Continued

Page(s)	
45	Schedule of Revenues, Expenditures, and Changes in Fund Balance-Special Revenue Funds Multiple Grant Fund
46	Balance Sheet Schedule - Special Revenue Fund-Expendable Trust Fund
47	Schedule of Revenues, Expenditures and Changes in Fund Balance-Special Revenue Funds Expendable Trust Fund
48	SPLOST Capital Projects Fund-Schedule of Assets, Liabilities, and Fund Balances
49	SPLOST Capital Projects Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances
50	Schedule of Revenues and Expenditures-Heart of Georgia Council on Aging
51	Combining Schedule of Net Assets – Component Units
52	Combining Schedule of Revenues, Expenses and Changes in Net Assets-Component Units
53	Combining Balance Sheet Schedules
54	Schedule of Revenues, Expenditures and Changes in Fund Balance- Component Units
55	Independent Auditor's Report on Special 1 Percent Sales and Use Tax
56	Schedule of Projects Constructed with Special Sales Tax Proceeds
57	Schedule of Expenditures of Federal Awards - CDBG
58	Statement of Program Loans - CDBG Program year 1994 No. 94Q-Y-134-000-9413
59	Independent Accountant's Report on State of Georgia Grant Certification Forms
60-62	State of Georgia Grant Certification Form
63-66	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

WANDA J. USSERY, CPA, P.C.

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER
GEORGIA SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Telfair County Board of Commissioners
Telfair County, Georgia
McRae, Georgia 31055

I have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely component units, each major fund, and the aggregate remaining fund information of Telfair County, Georgia, as of and for the year ended June 30, 2009, which collectively comprise the county's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Telfair County, Georgia, management. My responsibility is to express opinions on these financial statements based on my audit. I did not audit the financial statements of Telfair County Hospital Authority, Telfair County Board of Health and Telfair County Development Authority. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Hospital Authority, Board of Health and Development Authority is based on the reports of the other auditors.

Except as discussed in the next paragraph, I conducted my 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 I 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. I believe that my audit provides a reasonable basis for my opinions.

The County has not consistently applied accounting principles for the period audited. Accounting principles generally accepted in the United States of America require that accounting principles be consistently applied from year to year. Property tax revenues and capital assets have not been recognized correctly. The amount by which these departures would affect the assets, fund balances, revenues, and cash flows, where applicable, of the general funds cannot be reasonably determined.

In my opinion, except for the effects of inadequate recognition of revenues and capital assets, 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 Telfair County, Georgia, as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

707 South Grant Street, P.O. Box 936, Fitzgerald, GA 31750, (229)423-9477, Fax (229)423-9358

The County has not presented Management's Discussion and Analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be a part of, the basic financial statements.

In accordance with *Government Auditing Standards*, I have also issued my report dated December 30, 2009, on my consideration of the County's internal control over financial reporting and on my test 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 my 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 considering in assessing the results of my audit.

The budgetary comparison schedule identified as Exhibit I in the Required Supplementary Information section of the accompanying table of contents is not part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

The accompanying schedule of expenditures of special purpose local option sales tax proceeds has been subjected to the auditing procedure applied in the audit of the basic financial statements, and in my opinion is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Telfair County, Georgia's basic financial statements. The non-required supplementary information listed in the table of contents is presented for the purposes of additional analysis and are not a required part of the basic financial statements. The information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly I express no opinion on it.

Ward J. Usseny, CPA, P.C.

Fitzgerald, Georgia
December 30, 2009

Telfair County, Georgia
Statement of Net Assets – Governmental Funds
June 30, 2009

	Primary Government			Component
	Governmental Activities	Business-type Activities	Total	Units
Assets				
Cash	$ 5,259,009	$ 40,879	$ 5,299,888	$ 989,307
Taxes receivable (net of allowance for uncollectible accounts)	71,917	-	71,917	-
Receivables	-	-	-	-
Other receivables (net of allowance for uncollectible accounts)	2,527,999	1,377,164	3,905,163	19,800
Prepaid items	113,588	-	113,588	-
Investments	-	-	-	848,803
Deferred capital loss	-	-	-	-
Note receivables				
Due within one year	-	-	-	-
Due in more than one year	-	-	-	-
Total note receivables	-	-	-	-
Capital assets				
Land	217,535	707,670	925,205	235,780
Other capital assets, net of depreciation	4,761,352	2,481,399	7,242,751	1,387,699
Total capital assets	4,978,887	3,189,069	8,167,956	1,623,479
Total assets	12,951,400	4,607,112	17,558,512	3,481,389
Liabilities				
Accounts payable	196,776	46,209	175,762	47,099
Accrued expenses	64,446	-	64,446	32,143
Notes payable	-	-	-	621,122
Interfund Payable/Rec	1,353,219	(1,353,219)	-	-
Other liabilities	13,125	-	13,125	-
Landfill Closure/Postclosure	-	1,347,004	1,347,004	-
Total liabilities	1,627,566	39,994	1,600,337	700,364
Net Assets				
Investment in capital assets, net of related debt	4,978,887	3,189,069	8,167,956	1,002,359
Restricted For Special Revenue	4,112,107	-	4,112,107	-
Restricted For Component Units	-	-	-	23,811
Unrestricted	2,232,840	1,378,049	3,678,116	1,754,855
Total net assets	$ 11,323,834	$ 4,567,118	$ 15,958,179	$ 2,781,025

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

Telfair County, Georgia
Statement of Activities – Governmental Funds
For the Year Ended June 30, 2009

Functions:	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units
Governmental Activities								
General Government	$ 1,503,133	$ 2,338	$ 0	$ 0	$ (1,500,795)	$ 0	$ (1,500,795)	$ 0
Judicial	557,769	239,600	0	0	(318,169)	0	(318,169)	0
Public Safety	2,206,788	834,485	0	0	(1,372,303)	0	(1,372,303)	0
Public Works	799,980	0	0	0	(799,980)	0	(799,980)	0
Health & Welfare	148,976	0	0	0	(148,976)	0	(148,976)	0
Economic Development	69,197	0	0	25,065	(44,132)	0	(44,132)	0
Community Services	397,762	49,757	0	0	(348,005)	0	(348,005)	0
Conservation	84,606	0	0	0	(84,606)	0	(84,606)	0
Total Governmental Activities	$ 5,768,211	$ 1,126,180	0	$ 25,065	$ (4,616,966)	$ 0	$ (4,616,966)	0
Business Type Activities								
Landfill	499,925	239,329	0	0	0	(260,596)	(260,596)	0
Total Business-Type Activities	499,925	239,329	0	0	0	(260,596)	(260,596)	0
Total Primary Government	6,268,135	1,365,509	0	0	0	0	(4,877,562)	0
Component units								
Governmental-type	626,010	536,205	0	0	0	0	0	
Total component units	626,010	536,205	0	0	0	0	0	(89,805)
General Revenues								
Property taxes					3,428,995	0	3,428,995	0
Timber taxes					45,160	0	45,160	0
Sales taxes					1,514,845	0	1,514,845	0
Hotel and motel taxes					13,799	0	13,799	0
Beer and wine taxes					2,450	0	2,450	
Insurance premium taxes					228,971	0	228,971	
Interest income					119,077	0	119,077	58,427
Intergovernmental income								181,812
Gain on sales of securities								39
Dividend Income								350
Miscellaneous Income					288,768	787	289,555	0
Total general revenues					5,642,065	787	5,642,852	240,628
Loss on abandonment of Property & Bad Debt Expense								-
Total general revenues and transfers					5,642,065	787	5,642,852	240,628
Change in net assets					1,025,099	(259,809)	765,290	150,823
Beginning net assets-Restated					10,298,735	3,519,917	13,818,652	2,630,202
Ending Net Assets					11,323,834	3,260,108	14,583,942	2,781,025

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

Telfair County, Georgia
Balance Sheet – Governmental Funds
June 30, 2009

	General Fund	Revolving Loan Funds	SPLOST	Other Governmental Funds	Total Governmental Fund Assets
Cash	$ 1,146,902	$ 460,523	$ 3,594,184	$ 57,400	$ 5,259,009
Taxes receivable (net of allowance for uncollectible accounts)	71,917	-	-	-	71,917
Other receivables (net of allowances for uncollectible accounts)	1,909,306	400,965	216,853	875	2,527,999
Prepaid items	113,588	-	-	-	113,588
Total assets	3,241,713	861,488	$ 3,811,037	58,275	7,972,513
Liabilities					
Accounts payable	$ 129,553	$ -	$ 67,223	$ -	$ 196,776
Accrued expenses	64,446	-	-	-	64,446
Deferred revenue	1,732,642	-	-	-	1,732,642
Interfund Payables	1,353,219	-	-	-	1,353,219
Other liabilities	13,125	-	-	-	13,125
Total Liabilities	3,292,985	-	67,223	-	3,360,208
Fund Equity					
Fund balance:					
Reserved Special Revenue Fund	-	-	3,743,814	58,275	3,802,089
Unreserved Special Revenue Fund	-	861,488	-	-	861,488
Unreserved General Fund	$ (51,272)	-	$ -	$ -	$ (51,272)
Total fund balance	(51,272)	861,488	3,743,814	58,275	4,612,305
Total liabilities and fund balance	$ 3,241,713	$ 861,488	$ 3,811,037	58,275	7,972,513
Adjustments to statement of net assets:					
Fund balance					$ 4,612,305
Capital assets - net					4,978,887
Deferred tax revenues					1,732,642
Net assets of governmental activities					$ 11,323,834

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

Telfair County, Georgia
Statement of Revenues, Expenditures, and Changes in Fund Net Assets
June 30, 2009

	General	Revolving Loan Fund	SPLOST	Other Governmental Funds	Total
Revenues:					
Taxes	$ 3,465,831	-	1,125,370	13,799	4,605,000
State Government	-	-	-	-	-
Fines and forfeitures	924,829	-	-	-	924,829
Charges for Services	-	-	-	-	-
Other	498,541	18,213	95,104	35,605	647,463
Total revenues	4,889,201	18,213	1,220,474	49,404	6,177,292
Current Expenditures:					
General government	1,131,497	-	322,920	31,614	1,486,031
Judicial	557,769	-	-	-	557,769
Public Safety	2,104,896	-	-	-	2,104,896
Public Works	640,705	-	-	-	640,705
Health & Welfare	148,976	-	-	-	148,976
Economic Development	69,197	-	-	-	69,197
Community Services	369,836	-	-	-	369,836
Conservation	84,606	-	-	-	84,606
Total Current Expenditures	5,107,482	-	322,920	31,246	5,462,016
Capital Outlay:					
Courthouse – Construction In Progress			234,909		234,909
Roads & Bridges			143,721		143,721
Law Enforcement	30,819	-	-	-	30,819
Total capital outlay	30,819	-	378,630	-	409,449
Total expenditures	5,138,301	-	701,550	31,614	5,871,465
Excess of revenues over (under) Expenditures	(249,100)	18,213	518,924	17,790	305,827
Other Financing Sources (Uses)					
Transfer Out	-			9,072	9,072
Debt Services	-	-	-	-	-
Total other financing sources (Uses)	-	-	-	9,072	9,072
Net change in fund balance	(249,100)	18,213	518,924	8,718	296,755
Fund balance - Beginning of year	316,945	843,276	3,224,890	49,557	4,434,668
Fund balance - End of year	67,845	861,489	3,743,814	58,275	4,731,423
Net change in fund balance					296,755
Increase (decrease) in deferred tax revenue					616,020
Transfer within Governmental Funds					9,072
Capital Outlay					409,449
Depreciation					(306,197)
Change in net assets of governmental activities					1,025,099

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

Telfair County, Georgia
Statement of Net Assets
Proprietary Fund
June 30, 2009

	Enterprise Fund Landfill
Assets	
Current assets:	
Cash	$ 40,879
Receivables (net, were applicable of allowances for uncollectible)	23,945
Due from other funds	1,353,219
Interest receivable	
Total Current assets	1,418,043
Non-Current assets:	
Restricted assets:	
Long-Term fixed assets, net	3,189,069
Other assets	-
Total assets	$ 4,607,112
Liabilities and Net Assets	
Current liabilities:	
Accounts payable	$ 46,209
Noncurrent liabilities:	
Closure/Post closure accrued liability	1,300,795
Total liabilities	1,347,004
Net Assets	
Investment in capital assets, net of related debt	3,189,069
Unreserved	71,039
Total net assets	3,260,108
Total liabilities and net assets	$ 4,607,112

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

Telfair County, Georgia
Statement of Net Assets
Proprietary Fund
June 30, 2009

	Actual
Operating revenues:	
Landfill use fees	$ 239,329
	239,329
Operating expenses:	
Depreciation expense	101,276
Regular employees	88,322
Group insurance	40,376
Social Security (FICA) contributions	5,261
Medicare	1,266
Professional services	54,166
Repairs and maintenance	25,262
Communications services	2,769
Other purchased services	12,448
General supplies	12,955
Electricity	4,042
Gasoline / diesel	35,954
Small equipment	240
Uniforms	1,943
Miscellaneous expenses	3,394
Closure / post closure	110,251
Total operating expenses	499,925
Operating Income	(260,596)
Nonoperating revenues	
Misc. Income	787
Net (loss)	(259,809)
Change in net assets	(259,809)
Net assets - beginning of year	3,519,917
Net assets - end of year	$ 3,260,108

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

Telfair County, Georgia
Statement of Cash Flow
Proprietary Fund
June 30, 2009

Cash flows from operating activities:	
Cash received from customers	$ 247,140
Cash paid to suppliers for goods and services	(115,690)
Cash paid to employees for services	(88,322)
Cash paid for employee taxes and benefits	(46,903)
Net cash provided (used) by operating activities	(3,775)
Cash flows from noncapital financing activities:	
Decrease in due from general fund	0
Transfers out	0
Net cash provided (used) by noncapital activities	0
Cash flows from capital and related financing activities:	
Purchase of capital assets	(29,230)
Net cash provided for capital and related financing activities	(29,230)
Cash flows from investing activities:	
Interest income on investments	787
Net decrease in cash	(32,218)
Cash at beginning of year	73,097
Cash at end of year	40,879
Classified as:	
Current assets	40,879
Restricted assets	-
	$ 40,879
Operating Income (Loss)	$ (260,596)
Adjustments to reconcile operating income to net cash provided	
Operating activities:	
Depreciation	101,276
Change in assets and liabilities:	
Decrease(increase) in other/accounts receivable	7,812
(Decrease)Increase in accounts payable and accrued liabilities	37,482
(Decrease)Increase in accrued closure/postclosure costs	110,251
Total Adjustments	155,545
Net cash provided (used) by operating activities	$ (3,775)

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

Telfair County, Georgia
Statement of Fiduciary Assets and Liabilities
June 30, 2009

	Agency Funds
Assets	
Cash	$ 312,301
Taxes receivables (net of allowances for uncollectible accounts)	3,367,356
Other Receivables	-
Total assets	3,679,657
Liabilities	
Other liabilities	3,679,657
Total liabilities	3,679,657
Net Assets	
Fund balance	-
Total liabilities & net assets	$ 3,679,657

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

1. Summary of Significant Accounting Policies, continued:

The financial statements of Telfair county, Georgia have been prepared in conformity with generally accepted accounting principles as applied to government units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County applies all applicable FASB pronouncements issued before November 30, 1989 in accounting and reporting its proprietary operations. The more significant of the government's accounting policies are described below.

a) Reporting entity:

a) Primary Government

Telfair County was incorporated December 10, 1807, under provision of the laws of the State of Georgia. The County is governed by a five-member elected board of commissioners and provides the following services in addition to general administrative responsibilities: public safety, roads and bridges, health, recreation activities and sanitation. The County's financial statements include the accounts of all County operations. Certain potential component units might be considered for inclusion in the financial report because of the significance of the County's influence over their operations or finances. Significant influence or accountability is based primarily on operational or financial relationships with the County (as distinct from legal relationships). Based upon the above criteria for component units, the County has four component units that should be discretely presented. As required by generally accepted accounting principles, the financial reporting entity consists of (1) the primary government, (2) organizations for which the Government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

b) Discretely Presented Component Units

The component unit column in the government-wide financial statements includes the financial data of other units. It is reported in a separate column to emphasize that they are legally separate from the County. The Telfair County Department of Leisure Services, Telfair County Hospital Authority, Telfair County Development Authority and Telfair County Board of Health are all component units of Telfair County, Georgia. The County appoints the majority of the board of directors of each of these component units or has a significant relationship with the component unit. Separate financial statements may be obtained from Telfair County Board of Commissioners, 713 Telfair Avenue, McRae, Georgia 31055.

b) Basic Financial Statements - GASB Statement No. 34

The basic financial statements include both government-wide (based on the County as a whole) and fund financial statements. While the previous model emphasized fund types (the total of all funds of a particular type), in the new reporting model the focus is on either the County as a whole or major individual funds (within the fund financial statements). Both the government-wide and fund financial statements categorize activities as governmental activities. In the government-wide Statement of Net Assets, both the governmental and business type activities columns (a) are presented on a consolidated basis by column, and (b) are reflected, on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities reflects both the gross and net cost per functional category (public safety, general government, etc.), which are otherwise being supported by general government revenues (property and other taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. The program revenues must be directly associated with the function. Program revenues include revenues from fines and forfeitures, licenses and permits fees, service assessments, and charges for services. The operating grants include operating specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

1. Summary of Significant Accounting Policies, continued:

The net costs (by function or business-type activity) are normally covered by general revenue (property or other taxes, intergovernmental revenues, interest income, etc.). Historically, the previous model did not summarize or present net cost by function or activity.

The government-wide focus is more on the substantiality of the County as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

The fund financial statements are, in substance, very similar to the financial statements presented in the previous model. Emphasis here is on the major funds in the governmental categories.

The governmental funds statements in the fund financial statements are presented on a current financial resource and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. The presentation is deemed most appropriate to (a) demonstrate legal and covenant compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the County's actual experience conforms to the budget or fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the "government-wide statements" governmental column, a reconciliation is presented which briefly explains the adjustment necessary to transform the fund based financial statements into the governmental column of the government-wide presentation.

The County's fiduciary fund is presented in the fund financial statements. Since by definition these assets are being held for the benefit of a third party and cannot be used to finance activities or obligations of the government, these funds are not incorporated in the government-wide statements.

The focus of the current model is on the County as a whole and fund financial statements, including major individual funds of the governmental and business-type categories, as well as the fiduciary funds (by category), and the component units. Each presentation provides valuable information that can be analyzed and compared to enhance the usefulness of the information.

c) Fund Accounting:

The accounts of Telfair County are organized and operated on a fund basis. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts comprised of its assets, liabilities, fund equity, revenues, expenditures or expenses, as appropriate, and transfers. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are summarized by type in the financial statements. Major funds included in the basic financial statements include the General Fund which accounts for the general operations of the county, the Revolving Loan Fund which accounts for issuance and payment of principle and interest on revolving loans, and the SPLOST Fund which accounts for Special Local Option Sales tax receipts and disbursements. Also included is The Telfair County Landfill, a major enterprise fund, which accounts for operations of the landfill similar to a private business enterprise. The following fund types and account groups are used by the County:

GOVERNMENTAL FUND TYPES

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

Special Revenue Funds - Special Revenue Funds are generally used to account for certain specific revenue sources, including special service districts, grants and similar funds that are legally restricted to expenditures for specified purposes. The County has three Special Revenue Funds. They include Multiple Grant Fund, Hotel/Motel Tax Fund and Revolving Loan Fund.

1. Summary of Significant Accounting Policies, continued:

Special Projects Fund- Special Project Funds are used to account for Revenue and Expenditures from specific revenue sources which are to be restricted to expenditures for specified purposes. The County has two Special Projects Fund, The SPLOST Fund, and a CDBG Capital Projects Fund.

PROPRIETARY FUND

Enterprise Fund - The Enterprise Fund is used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges: or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The county's proprietary fund employs the economic resources measurement focus.

Telfair County has one Enterprise Fund, the Landfill. The County maintains certain debt service cash funds to account for the accumulation or resources, and the payment of related cost of the Landfill Fund. These funds have been consolidated into the Landfill Fund for reporting purposes.

FIDUCIARY FUNDS

Trust and Agency Funds - Trust and Agency Funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. These include Expendable Trust, Unexpendable Trust and Agency Funds. Unexpendable Trust Funds are accounted for using the full accrual method of accounting for assets since maintenance of capital is critical. Expendable Trust Funds are accounted for in essentially the same manner as governmental funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

d) Basis of Accounting:

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements, proprietary and fiduciary financial statements are presented on an accrual basis of accounting. The governmental funds in the fund financial statements are presented on a modified accrual basis.

Accrual - Revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual - All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

The County defined the length of time used for "available" for purposes of revenue recognition in the governmental fund financial statements to be 60 days.

Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any is recognized when due.

1. Summary of Significant Account Policies, continued:

In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to GASB Statement No. 33, Accounting and Financial Reporting for Nonexchange Transactions the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenue when the applicable eligibility requirements including time requirements, are met. Resources transmitted before the eligibility requirements are met should, under most circumstances, be reported as advances by the provider and as deferred revenue by the recipient.

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

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

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.

e) Budgets and Budgetary Accounting:

The County's procedures is establishing, maintaining and revising budgetary data reflected in the financial statements are as follows: Prior to July 1, the Board of Commissioners (the Board) prepares a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and expected means of financing. Public hearings are conducted in the Board's Office to obtain taxpayer comments. Prior to July 1, the budget is legally enacted through approval by the Board. The Board is authorized to transfer budgeted amounts between departments within any fund. Formal budgetary integration is employed as a management control device during the year for the General and Special Revenue Funds. Budgets for the General Fund and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles. All appropriations lapse at the end of the fiscal year on June 30th.

f) Capital Assets:

Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized in the government-wide financial statements to the extent the County' capitalization threshold of $5,000 is met. Other costs incurred for repairs and maintenance are expenses as incurred. Depreciation on capital assets is calculated on the straight-line basis over the estimated useful lives of the respective assets as follows:

Buildings and plant	40 years
Machinery and equipment	5 - 20 years

g) Encumbrances:

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is not utilized by the County because it is, at present, not considered necessary to assure effective budgetary control or to facilitate effective cash planning and control.

1. Summary of Significant Accounting Policies, continued:

h) Investments:

Georgia law authorizes local governments to invest in the following types of obligations;

1. Obligations of the State of Georgia or of any other states;
2. Obligations issued by the United States;
3. Obligations fully insured or guaranteed by the United States government or governmental agency;
4. Obligations of any corporation of the United States government;
5. Prime banker's acceptances;
6. Georgia Fund 1 state investment pool;
7. Repurchase agreements; and
8. Obligations of other political subdivisions of the State of Georgia.

The investments of the County consist of bank certificates of deposit and are stated at cost, which is equal to market. Accrued interest receivable on these investments is shown separately.

SPLOST	$ 20,726

The investments of the Hospital Authority consist of Marketable Debit Securities with a cost of $848,803 and a Market Value of $844,773.

The Telfair County Board of Health Certificate of Deposits balance at 6/30/2009 was $378,777.

i) Allowance for Uncollectible Accounts;

An allowance for uncollectible taxes receivable has been provided for taxes receivable in the General and Tax Commissioner (Fiduciary) Funds, which, in the opinion of the Commissioners, are doubtful of collection at June 30, 2009 The allowance consists of a percentage of total taxes receivable, based upon actual historical losses.

j) Cash and Cash Equivalents:

For purposes of the statement of cash flows, the proprietary fund type considers all highly liquid investments to be cash equivalents.

k) Prepaid Expense:

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

2. Summary of Significant Accounting Policies, continued:

Cash:

Deposits

At June 30, 2009, the carrying amount of the County' deposits was $5,478,761 and the bank balance was $5,355,848. Of the bank balance, $750,000 was covered by federal depository insurance and $4,605,848 was covered by collateral for Telfair County pledged in the County's name, thru Citizens Bank & Trust and Bank of Lumber City.

The County's deposits are categorized to give an indication of the level of risk assumed by the County at year-end. Category 1 includes deposits that are insured or collateralized with securities held by the County or its agent in the County's name. Category 2 includes deposits collateralized with securities held by the pledging financial institution's trust department or agent in the County's name. Category 3 includes collateralized bank accounts including any bank balance that is collateralized with securities held by the pledging institution's trust department or agent but not in the County's name.

The County's deposits are classified as follows at June 30, 2009:

Category		
1	2	3
750,000	4,605,848	-

3. Taxes Receivable and Allowances for Uncollectible Accounts:

Taxes receivable and allowances for uncollectible accounts at June 30, 2009 are as follows:

	Receivable	Allowance	Net
General fund:			
Taxes receivable	$ 71,917	$	$ 71,917
Fiduciary fund:			
Taxes receivable	2,286,484	(383,697)	1,902,787
Total	$ 2,358,401	$ (383,697)	$ 1,974,704

Property taxes for 2008-2009 were levied on and due May 20, 2009 on property valued as of March 06, 2009. The tax rate to finance general governmental services for the fiscal year ended June 30, 2009 was $13.179 per $1,000 of assessed taxable property value for the unincorporated areas of Telfair County, and $13.179 per $1,000 of assessed taxable property value for the incorporated areas. Property tax revenues are recognized when they have become available. Available means when due, or past due and receivable within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Taxes relating to the current budget and collected within 60 days after the fiscal year end are recognized as revenue currently.

4. Interfund Receivables and Payables:

Transactions between funds are representative of lending/borrowing arrangements outstanding at the end of the fiscal year and are referred to as inter fund receivables/payables. These inter fund transactions are eliminated on consolidation of the basic financial statements.

A summary of Inter fund Receivables and Payables at June 30, 2009 follows:

Receivable Fund	Payable Fund	Amount
SPLOST	General Fund	$ 13,125
Landfill	General Fund	$1,353,219
Total		$1,366,344

5. Capital Assets and Long-Term Debt:

A summary of changes in Capital Assets follows:

	Balance 6/30/2008	Additions	Deletions	Balance 6/30/2009
Primary Government:				
Capital assets, not being depreciated:				
Land	$ 217,535	$ -	$ -	$ 217,535
Construction in progress	1,201,651	336,333	(679,646)	858,338
Total capital asset, not being depreciated	1,419,186	336,333	(679,646)	1,075,873
Capital assets, being depreciated				
Equipment	3,648,384	184,303	85,000	$3,917,687
Buildings and improvements	1,665,763	14,221	594,646	2,274,630
Total capital assets being depreciated	5,314,147	198,524	679,646	6,192,317
Accumulated depreciation for:				
Equipment	1,797,868	242,094	-	2,039,962
Building and improvements	185,238	64,103	-	249,341
Total accumulated depreciation	1,983,106	306,197	-	2,289,303
Total capital assets being depreciated	3,331,041	(107,673)	679,646	3,903,014
Invested in capital assets Net of related debt	$4,750,227	$ 228,660		$4,978,887

5. Capital Assets and Long-Term Debt, continued:

Business-type activities:	Balance 06/30/2008	Addition	Deletions	Balance 06/30/2009
Capital assets, not being depreciated:				
Land	$ 707,670			$ 707,670
Total capital assets, not being depreciated:	707,670			707,670
Capital assets, being depreciated				
Equipment	$ 3,961,925	29,230		$ 3,991,155
Buildings and improvements:	40,257	-		40,257
Total capital assets being depreciated:	4,002,182	29,230		4,031,412
Accumulated depreciations for:				
Equipment	$ 1,435,279	100,270		$ 1,535,549
Buildings and improvements	13,458	1,006		14,464
Total accumulated depreciation	1,448,737	101,276		1,550,013
Total capital assets, being depreciated net:	2,553,445	72,046		2,481,399
Invested in capital assets Net of related debt	$ 3,261,115	$ 72,046		$ 3,189,069

Component units:

	Balance 06/30/2008	Addition	Deletions	Balance 06/30/2009
Capital assets, not being depreciated	$ 235,780	$	$	$ 235,780
Total capital assets, not being depreciated	235,780			235,780
Capital assets, being depreciated				
Equipment	$ 250,710	$ -	$ (173,236)	$ 77,474
Buildings and improvements	1,527,636	6,335	-	1,533,971
Total capital assets being depreciated	1,778,346	6,335	(173,236)	1,611,445
Accumulated depreciation for:				
Equipment	88,593	868	(17,503)	71,958
Buildings and improvements	113,504	38,284	-	151,788
Total accumulated depreciation	202,097	39,152	(17,503)	223,746
Total capital assets, being depreciated Net	1,576,249			1,387,699
Invested in capital assets net of related debt	$ 949,000			$ 1,002,608

5. Capital Assets and Long-Term Debt, continued:

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
EMS Operations	$ 53,247
Fire	2,753
General administrative	1,666
Law Enforcement Administration	40,521
Highways and Streets	139,129
Solid waste collection	20,146
Recreation Complex	27,927
Tax Assessor	904
Jail Operations	5,371
General Gov't Bldgs	14,532
Total depreciation – Governmental activities	$ 306,196
Business-type activities:	
Landfill	$ 101,276
Total depreciation – business Type activities	$ 101,276
Component units:	
Development Authority	$ 27,532
Health Department	76
Leisure Services	792
Hospital Authority	10,846
Total depreciation – Component Units	$ 39,246

Long-term debt:

Landfill - Closure/Post Closure Liability

Closure/Post Closure Liability 6/30/08	$1,190,544
Change in Liability	110,251
Total Closure/Post Closure Liability 6/30/09	$1,300,795

Component unit long-term debt - Development Authority of Telfair County

Changes in long-term debt for the Development Authority of Telfair County
The following is a summary of changes in long-term debt, as of June 30, 2009:

Description	Issue	Date	Rate	7-1-08	Issued	Retired	6-30-09
One Georgia Loan	$ 500,000	7-01-2023	0.00%	$ 375,000	$ -	-	375,000
M&C Bank - ACS Loan	$ 500,000	3-03-2007	5.00%	$ 17,421	$ -	17,421	-
Security State Bank-Land Loan	$ 500,000	5-06-2006	3.75%	$ 40,200	$ -	14,950	25,250
EIP Note -Due to Telfair County	$ 500,000	5-27-2012	3.00%	$ 277,701	$ -	57,380	220,321
				$ 710,322	$ -	$ 89,751	$620,571

5. Long-term debt, continued:

The annual debt service requirements to maturity, principal and interest for long-term debt as of June 30, 2009 are as follows:

Year ending June30	One Georgia Loan		Security Land Loan		EIP Note Telfair Co.		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2010	$ -0-	$ -	$ 25,250	$ 1,515	$ 49,147	$ 4,958	$ 74,397	$ 6,473
2011	-0-	-			60,619	4,307	60,619	4,307
2012	-0-	-	-		62,463	2,463	62,463	2,463
2013	25,000	-	-		48,093	603	73,093	603
2014	25,000	-	-		-	-	25,000	-
2015-2019	125,000	-	-		-	-	125,000	-
2020-2024	125,000	-	-				125,000	-
2025-2027	75,000	-	-		-	-	75,000	-
Total	$375,000	$ -	$ 25,250	$ 1,515	$220,322	$ 12,331	$ 620,572	$ 13,846

Component unit long-term - Department of Leisure Services

Description	Issue	Date	Rate	7/1/06	Issued	Retired	6/30/09
Note Payable	$ 7,920	08/08/06	10.5%	$ -	$ 7,920	$ 7,369	$ 551

The annual debt service requirements to maturity, principal and interest are short term debt as of June 30, 2009.

6. Retirement Commitments:

a) Probate Judge's Retirement fund of Georgia

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

b) Clerk of Superior Court Retirement Fund

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

c) Sheriff's Retirement Fund / Peace Officer's Annuity and Benefit Fund

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

7. Retirement Plan:

Plan Description:

The County contributes to the Association County Commissioners of Georgia (ACCG) Defined Benefit Plan (Plan), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia. The County has the right to establish and amend the benefit provisions of the plan. The County's payroll for employees covered by the Plan as of January 1, 2009 (the most recent actuarial valuation date) was $1,254,293 (based on covered earnings for the preceding year).

All full-time County employees are eligible to participate in the Plan after completing three years of service. Benefits vest after five years of service. Participants become eligible to retire at age 65 with 3 years of participation in the Plan. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of 1.0% of average annual compensation plus $36.00 for each year of service payable as a life annuity. Compensation is averaged over a five-year period prior to retirement or termination. The Plan also provides benefits in the event of death or disability. These benefit provisions were established by an adoption agreement executed by the County board of Commissioners.

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

The County's current year total payroll is $2,231,437 for the fiscal year ending June 30, 2009.

7. Retirement Plan, continued:

Summary of Plan Asset Matters and Accounting Policies

The Plan's financial statements are prepared as stand alone, on an accrual basis, modified to include unrealized gains or losses on marketable securities owned by the Plan and incremental changes in the cash value of pre-retirement life insurance policies owned by the trust. Copies of the Plan's financial statements may be obtained by contacting Telfair County.

Investments in securities are valued at current market prices. The trust fund is invested, approximately, in 60% equities and 40% fixed income securities on a cost basis.

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

Funded Status and Progress

The amount shown on the following pages as the pension benefit obligation is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funded status of the Plan on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the Plan.

The pension benefits obligation was computed as part of an actuarial valuation as of January 1, 2009. Significant actuarial assumptions used in the valuation include: a) a rate of return on the investment of present and future assets of 8 percent per year compounded annually, b) projected salary increases of 5.0 percent per year compounded annually,
c) no post-retirement benefit increases, and d) expected annual inflation of 3.0 percent.

Pension benefit obligation:	
Retirees and beneficiaries currently receiving benefits and Terminated employees not yet receiving benefits	$ 1,044,298
Current employees	
Accumulated employee contributions, (including investment earnings)	Not Applicable
Employer-financed vested	546,820
Employer-financed non-vested	72,354
Total present value of Accrued Benefits	1,663,472
Effective of future salary increases	129,761
Total present value of Accrued Benefits	1,793,233
Net assets available for benefits, at market (includes Expected receivables)	1,152,660
Net assets in excess of actuarial present value of accumulated benefits	$ (510,812)

7. Retirement Plan, continued:

Contributions Required and Contributions Made

ACCG Plan funding policy provided for making required actuarially determined periodic contributions under the Projected Unit Credit actuarial cost method. This cost method determines plan liabilities consistent with the standardized measure of pension obligation described by Statement No. 5 of the Governmental Accounting Standards Board (GASB #5). In addition, this cost method determines contributions at rates that, for individual employees, increase gradually as an employee gets older, and enables sufficient assets to accumulate when benefits become due. Any excess of the actuarial accrued liability (AAL) as of January 1, 1988 over the Plan's assets as of that date is amortized over closed periods on a two-tier basis as follows:

a) If the value of benefits accumulated as of January 1, 1988 (based on current salary history, not projected) exceeds the Plan's assets, that excess is amortized over ten years, beginning January 1, 1988; plus b) the additional unfunded AAL as of January 1, 1988 is amortized over 30 years, beginning January 1, 1988.

For January 1, 1989 and later valuations three additional amortization amounts may apply: c) the amortization of the change in AAL attribute to Plan amendments over 20 years, beginning on the effective date of the amendment; plus d) the amortization of the cumulative difference between the actual calculated unfunded AAL as of the valuation date and the expected unfunded AAL based on the actuarial assumptions used for funding purposes over 15 years; plus e) the amortization of the change in unfunded AAL resulting from changes in actuarial assumptions over 30 years.

The significant actuarial assumptions used to compute the actuarially determined contribution requirements are the same as those used to compute the pension benefit obligation as described in C above.

Contributions totaling $136,034 ($136,034 employer and $0 employee) were made in accordance with actuarially determined contribution requirements determined by an actuarial valuation performed as of January 1, 2008. Employer contributions attributable to the 2008 Plan year were made in 2009. These contributions consist of a) $68,243 of normal cost, b) $53,770 of amortization of unfunded AAL c) $8,899 in administrative expenses, and d) $5,122 of pre-retirement death benefit expense. The employer contributions represent 10.8 percent of payroll (using the prior year's earnings as a base). Prior year employer contributions expressed as percentages of annual covered payroll are as follows:

7. Retirement Plan, continued:

Fiscal Year	Annual Pension Cost	Actual County Contribution	Percentage of APC Contributed	Net Pension Obligation	Percentage Of Annual Covered Payroll
2009	119,890	N/A	N/A	(32,446)	-
2008	131,568	136,034	103%	(27,980)	10.8%
2007	93,958	96,596	103%	(25,342)	11%
2006	104,454	109,919	105%	(19,877)	10.1%
2005	105,281	115,079	109%	(10,079)	10.4%
2004	94,313	104,392	111%	-	9.9%
2003	96,646	96,646	100%	-	9.3%
2002	81,589	81,589	100%	-	7.9%
2001	60,134	60,134	100%	-	7.1%
2000	55,880	55,880	100%	-	7.2%
1999	55,645	55,645	100%	-	7.6%
1998	39,350	39,350	100%	-	7.3%
1997	N/A	37,773	N/A	N/A	9.2%
1996	N/A	49,191	N/A	N/A	10.8%
1995	N/A	N/A	N/A	N/A	9.8%

7. Retirement Plan, continued:
Historical Trend Information

Historical trend information, designed to provide information about a public employee retirement system' progress made in accumulation sufficient assets to pay benefits when due, is presented below:

Analysis of Funding Progress

Fiscal Year	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ration (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Annual Covered Payroll (prior year)	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
1997	448,511	477,615	93.9%	29,104	409,887	7.1%
1998	518,247	572,990	90.4%	54,743	535,497	10.2%
1999	594,694	693,540	85.7%	98,846	733,665	13.5%
2000	649,878	768,063	84.6%	118,185	780,904	15.1%
2001	669,624	866,832	77.2%	197,208	842,232	23.4%
2002	934,460	1,116,133	83.3%	181,673	1,031,178	17.7%
2003	828,358	1,214,853	68.2%	386,495	1,040,041	37.2%
2004	919,322	1,302,573	70.6%	383,251	977,075	39.2%
2005	1,071,531	1,438,652	74.5%	367,121	1,107,025	33.2%
2006	1,228,398	1,497,947	82.0%	269,549	1,088,505	24.8%
2007	1,358,874	1,595,588	85.2%	236,714	1,018,271	23.2%
2008	1,383,192	1,873,183	73.8%	489,991	1,254,293	39.1%

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

7. Retirement Plan, continued:

Required Supplementary Information
Revenues by Source and Expenses by Type

Revenues by Source

Fiscal Year	Employer Contributions	Employee Contributions	Investments Income	Recoveries	Total
1995	37,995	0	39,906	0	77,901
1996	42,147	0	29,832	496	72,475
1997	37,773	0	63,263	0	101,036
1998	39,350	0	54,255	0	93,605
1999	55,645	0	42,761	2,466	100,872
2000	55,880	0	21,983	0	77,863
2001	60,134	0	(2,489)	0	57,645
2002	81,589	0	(28,242)	0	53,347
2003	96,656	0	105,559	0	202,015
2004	104,392	0	41,242	0	145,634
2005	115,079	0	88,033	0	203,112
2006	109,919	0	119,556	0	229,675
2007	96,596	0	100,827	0	197,423
2008	136,034	0	(251,683)	0	(115,649)

7. Retirement Plan, continued:

Expenses by Type

Fiscal Year	Retirement Benefits	Administrative Expenses	Refunds	Total
1997	17,572	3,941	0	21,513
1998	18,932	4,937	0	23,869
1999	18,498	5,927	0	24,425
2000	18,309	6,164	(1,774)	22,699
2001	31,267	6,632	0	37,899
2002	33,422	7,672	0	41,094
2003	46,838	7,720	0	54,558
2004	47,296	7,374	0	54,670
2005	44,192	8,089	(1,378)	50,903
2006	64,821	7,987	0	72,808
2007	59,347	7,600	0	66,947
2008	59,536	8,899	0	68,435

1. Administrative expenses include fees associated with actuarial, accounting and administrative services. Contributions were made in accordance with actuarially determined contribution requirements. Contributions made during a particular year are attributable to the prior Plan year.

8. Vacation and Sick Pay:

National Council on Governmental Accounting (NCGA) Statement 4, effective for fiscal years beginning after December 31, 1982, requires that vacation and sick pay benefits be accrued when: 1) the employee's obligation to employees' right to receive compensation for future benefits is attributable to employee's service already rendered; 2) the obligation relates to rights that vest or accumulate; 3) payment of the compensation is probable; and 4) the amount can be reasonably estimated.

The County compensates all employees for unused vacation at the fiscal year end; therefore, no accrual for vacation is necessary at June 30, 2009.

Accumulated sick pay benefits have not been recorded as a liability because these benefits are paid only upon the illness of an employee, and the amount of such payments cannot be reasonably estimated.

9. Contingencies:

The County has received grant monies for various purposes. All grant monies received by the County are subject to examination and adjustment by the applicable governmental agency or their designee. However, in the opinion of County officials, any adjustments emanating as a result of such examination are not expected to differ materially from the amounts reflected in the accompanying financial statements.

There are several lawsuits pending in which the County is involved. The County Attorney has advised that potential claims against the County resulting from such litigation are such that they would not materially affect the financial statements of the County.

10. Risk Management:

The County is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other municipalities in the state as part of the Georgia Interlocal risk Management Agency Property and Liability.

Insurance Fund and the Georgia Municipal Association Group Self-Insurance Worker's Compensation Fund is a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The County is also to allow the pool's agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

The funds are to defend, in the name of and on behalf of the members, any suits or other proceeding 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 or groundless, false of fraudulent. The Fund is to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

11. Jointly Governed Organization:

Telfair County, in conjunction with cities and counties in the sixteen (16) county Heart of Georgia area are members of the Heart of Georgia Altamaha Regional Development Center (RDC). Membership in an RDC is automatic for each municipality and county in the state. The official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the RDCs. Each county and municipality in the state is required by law to pay minimum annual dues to the RDC.

The County paid annual dues in the amount of $4,941 to the RDC for the year ended June 30, 2009. The RDC Board membership includes an elected or appointed official of each county and an elected or appointed municipal official from each county. The County board members and municipal board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as the nonpublic Board member from a County. Copies of the RDC's financial statements may be obtained from the Heart of Georgia Altamaha Regional Development Center.

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

12. Hotel / Motel Tax:

The County levies a hotel/motel tax under the provisions of O.C.G.A. 48-13-51. The code section provides that the County shall expend for the purpose of promoting tourism, conventions, and trade shows a percentage of the total taxes collected under this Code section which is not less than the percentage of such tax collections expended for such purposes during the immediately preceding fiscal year.

For the year ended June 30, 2009, the County has complied with the expenditure requirements of code section 48-13-51.

Lodging Tax Receipts	$ 13,799
Disbursements to Chamber of Commerce for the promotion of tourism	4,727
Balance of Lodging Funds on hand at end of year	$ 9,072

13. Note Receivable:

In September, 1997, The Development Authority of Telfair County (the Authority) issued a revenue bond in the amount of $500,000 (Development Authority of Telfair County Industrial Development Revenue Bond-Design Space, Inc. Project-Series 1997) through Merchants and Citizens Bank of McRae, for the purpose of acquiring, construction, and equipping certain manufacturing facilities in Telfair County. The bond shall bear interest from its date of issuance on the unpaid principal balance at a rate per annum of 7.5%. The proceeds of this issue were loaned to Design Space, Inc. for this purpose. Under the terms of the loan agreement, Design Space will make principal payments on the first of each month with interest at the rate of 7.5%. This is a mirror image of the bond agreements, and payments will be made directly to the Merchants and Citizens Bank of McRae, the bondholder. The security for this note is property and equipment purchased by Design Space, Inc. The Authority is not responsible for the payment of this debt except for the payments that are received on the underlying loan agreement.

In May 2004, the Development Authority of Telfair County(the Authority) borrowed $470,000 from the Revolving Loan Fund of Telfair County. The loan is being paid back to Telfair County in monthly installments of $5,410 through March 1, 2013. The note bears an interest rate of 3.0%.

In April 2008, the Development Authority of Telfair County borrowed $90,000 from the Revolving Loan Fund of Telfair County. The loan is being paid back to Telfair County in monthly installments of $954.59. The note bears an interest rate of 3.0%.

14. Landfill Closure and Postclosure Care Costs:

Under state and federal laws and regulations, the County is required to place a final cover upon closure and to continue to perform various maintenance and monitoring functions at the landfill site for a period of 30 years after closure. The expense and related liability are based on landfill capacity used to date. The estimated total cost of the landfill closure and postclosure care is estimated to be $2,710,807. This amount is based on equipment, facilities, and services necessary to close, monitor, and maintain the landfill. However, the actual cost may vary due to inflation or deflation, changes in technology, or changes in landfill laws and regulations. To date, the County has used 47% of the landfill capacity and the landfill has an estimated remaining life of thirty years.

15. Line of Credit

As of June 30, 2009, the county had an unsecured Tax Anticipation Line of Credit available through Merchants & Citizens Bank and The Telfair County Bank in the amount of $2,000,000. The Line of Credit carries a 6.25% interest rate and an expiration date of December 31, 2009.

16. Expenditures Exceed Appropriations:

During the year ended June 30, 2009, expenditures exceeded appropriations in the following departments:

Fund	Department	Expenditures Over Budget
General		
	Coroner	3,289
	Health Dept. Bld.	3,344
	Community Center	4,319
	Tax Commissioner	17,633
	E-911	15,788
	Highway & Street	96,893
	Senior Citizen Center	4,041
	Elections	14,748
	Law Enforcement	190,341
	Magistrate Court	10,684
	Gen Gov' Bldg	1,617
	Clerk of Court	9,859
	Dispatchers	586
	Probate Court	5,943
	Superior Court	1,820
	Transportation Services	2,566
	School Resources	371

17. Restatements

Beginning net assets on the Statement of Activities in the Governmental Activities Column were restated due to adding additional funds to the Other Governmental Funds column.

Space

Intentionally

Left

Blank.

Telfair County, Georgia
Budgetary Comparison Schedule
Schedule of Revenues, Expenditures, and Changes in Fund Balance
General Fund
Year Ended June 30, 2009

	Original Budget	Amended Budget	Total Governmental Funds	Variance
Revenues:				
Taxes	$ 3,937,477	$ 3,937,477	$ 3,465,831	$ (471,646)
Fines and Forfeitures	989,917	989,917	924,830	(65,087)
Other	300,200	300,200	498,541	198,341
Total revenues	5,227,594	5,227,594	4,889,202	(338,392)
Expenditures:				
Function:				
Highways & Streets	503,314	503,314	600,207	(96,893)
Emergency Mgmt Agency	18,589	18,589	-	18,589
EMS Operations	769,054	769,054	754,590	14,464
Law Enforcement	497,974	497,974	691,496	(193,522)
General Adm	565,613	565,613	412,769	152,844
Jail Operations	419,745	419,745	392,908	26,837
Tax Commissioners	212,075	212,075	229,708	(17,633)
Tax Assessors	217,962	217,962	180,774	37,188
Gen. Gov's Bldg	67,219	67,219	68,836	(1,617)
Clerk of Sup Court	154,991	154,991	164,850	(9,859)
Governing Body	165,216	165,216	132,574	32,642
Dispatchers	-	-	586	(586)
Probate Court	137,054	137,054	142,997	(5,943)
Superior Court	139,446	139,446	141,266	(1,820)
Transport Services	104,076	104,076	106,642	(2,566)
Senior Citizens Cnt	101,309	101,309	105,350	(4,401)
Magistrate Court	97,971	97,971	108,655	(10,684)
Elections	72,171	72,171	86,919	(14,748)
Economic Development	68,000	68,000	62,471	5,530
Solid Waste Collect	64,758	64,758	40,498	24,260
Public Health Admin	95,010	95,010	95,010	-
Cult/Recr Admin	50,000	50,000	50,000	-
Library Admin	47,400	47,400	46,940	460
Community Center	56,585	56,585	60,904	(4,319)
Agriculture Resources	43,883	43,883	43,725	158
Health Dept Bldg	46,545	46,545	49,889	(3,344)
Conservations Adm	20,650	20,650	18,920	1,730
Coroner/Med Examiner	28,024	28,024	31,313	(3,289)
Fire Admin	21,000	21,000	18,613	2,387
Airport	53,000	53,000	6,727	46,273
Forest Resources	22,000	22,000	21,961	39
Intergov Welfare Pmts	16,000	16,000	4,077	11,923
School Resources-Sherriff	41,194	41,194	41,565	(371)
E-911	158,037	158,037	173,825	(15,788)
Debt Service	-	-	19,918	(19,918)
Total current expenditures	5,075,865	5,075,865	5,107,482	(31,617)
Capital outlay:				
Tax Assessors	5,000	5,000	-	5,000
Law Enforcement	34,000	34,000	30,819	3,181
Jail Operations	9,000	9,000	-	9,000
Total Capital Outlay	48,000	48,000	30,819	17,181
Total Expenditures	5,123,865	5,123,865	5,138,301	(14,436)
Excess (Deficiency) of Rev Over (Under)	103,729	103,729	(249,099)	(352,828)
Net Change In Fund Balance	103,729	103,729	(249,099)	
Fund Balance – Beginning of Year			4,191,103	
Fund Balance – End of Year			3,942,004	

Telfair County, Georgia
Fiduciary Funds
Balance Sheet Schedule
June 30, 2009

	Clerk of Superior Court	Sheriff	Judge of Probate Court	Tax Commissioner	Magistrate Court	Total Fiduciary Funds
Assets						
Cash	$ 95,873	$ 15,390	$ 24,239	$ 157,152	$ 19,647	$ 312,301
Taxes receivable (net allowance for uncollectible accounts)	-	-	-	3,367,356	-	3,367,356
Total assets	$ 95,873	$ 15,390	$ 24,239	$ 3,524,508	$ 19,647	$ 3,679,657
Liabilities and Fund Balances						
Liabilities:						
Other Liabilities	$ 95,873	15,390	24,239	3,524,508	19,647	$ 3,679,657
Total liabilities	95,873	15,390	24,239	3,524,508	19,647	3,679,657
Total liabilities and fund balances	$ 95,873	$ 15,390	$ 24,239	$ 3,524,508	$ 19,647	$ 3,679,657

Telfair County, Georgia
Department of Transportation – Section 18
Schedule of Revenues and Expenditures
Year Ended June 30, 2009

	Budget	Actual	Variance
Revenues:			
Receipts	$ 21,000	$ 19,292	$ (1,708)
Expenditures			
Regular Employees	44,671	45,266	(595)
Payroll Taxes & Insurance	26,005	29,950	(3,945)
Heart of GA CAC Administration	28,000	26,866	1,134
Repairs and Maintenance Services	300	391	(91)
Communications Services	1,000	510	490
Travel	500	-	500
Other Purchased Services	500	39	461
Repair Parts	100	1,492	(1,392)
General Supplies & Materials	-	62	(62)
Gasoline/Diesel	3,000	-	3,000
Small Equipment	-	2,065	(2,065)
Total Expenditures	104,076	106,641	(2,565)
Excess of revenues over (under) expenditures	(83,076)	(87,350)	(4,274)

Telfair County, Georgia
Schedule of Changes in Governmental Fixed Assets
Year Ended June 30, 2009

Additions:	
Construction in Process	
Courthouse	$ 234,909
Building at HGTC	101,424
2007 Ford Crown Vic	20,582
EMS Computer & Software	9,366
Horse Creek VFD Equipment	14,618
Road Stripping	4,882
Crush Run	7,792
Paving	1,547
Motor Grader	129,500
(2) 1998, (1) 2000, (1) 2004 Ford Crown	7,500
Sonar Rescue Equipment	2,737
Total additions	534,857
Deletions	-
Total deletions	-
Net capital assets added	$534,857

Telfair County, Georgia
Schedule of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended June 30, 2009

	Balance June 30,2008	Additions	Deletions	Balance June 30, 2009
Tax Commissioner				
Assets				
Restricted assets:				
Cash and cash equivalents	$ 103,861	$ 8,482,350	$ 8,429,059	$ 157,152
Taxes receivable, net	2,854,121	6,939,024	6,425,790	3,367,355
Total assets	$ 2,957,982	$ 15,421,374	$ 14,854,849	$ 3,524,507
Liabilities				
Payable from restricted assets:				
Other Payables	$ 1,227,348	$ 7,612,162	$ 7,278,655	$ 1,560,855
Accounts Payable	1,730,634	870,188	637,170	1,963,652
Total liabilities and fund balance	$ 2,957,982	$ 8,482,350	$ 7,915,825	$ 3,524,507
Magistrate Court				
Assets				
Restricted assets:				
Cash and cash equivalent	$ 18,999	$ 244,802	$ 244,154	$ 19,647
Total assets	$ 18,999	$ 244,802	$ 244,154	$ 19,647
Liabilities				
Payable from restricted assets:				
Other Payables	$ 1,972	$ 21,162	$ 21,763	$ 1,371
Accounts Payable	17,027	223,640	222,391	18,276
Total liabilities and fund balance	$ 18,999	$ 244,802	$ 244,154	$ 19,647
Judge of Probate Court				
Assets				
Restricted assets:				
Cash and cash equivalents	$ 19,430	$ 167,207	$ 162,398	$ 24,239
Total assets	$ 19,430	$ 167,207	$ 162,398	$ 24,239
Liabilities				
Payable from restricted assets:				
Other Payables	$ 5,776	$ 69,412	$ 67,245	$ 7,943
Accounts Payable	13,654	97,795	95,153	16,296
Total liabilities and fund balance	$ 19,430	$ 167,207	$ 162,398	$ 24,239

Telfair County, Georgia
Schedule of Changes in Assets and Liabilities
All Agency Funds
For the Year Ended June 30, 2009

	Balance June 30, 2008	Additions	Deletions	Balance June 30,2009
Sheriff				
Assets				
Restricted assets:				
Cash and cash equivalents	$ 7,932	$ 89,058	$ 81,600	$ 15,390
Total assets	$ 7,932	$ 89,058	$ 81,600	$ 15,390
Liabilities				
Payable from restricted assets:				
Other Payables	$ 4,594	$ 86,912	$ 81,600	$ 9,906
Bonds Payable	3,338	2,146	-	5,484
Total liabilities and fund balance	$ 7,932	$ 89,058	81,600	$ 15,390
Clerk of Superior Court				
Assets				
Restricted assets:				
Cash and cash equivalents	$ 97,560	$ 345,849	$ 347,536	$ 95,873
Total assets	$ 97,560	$ 345,849	$ 347,536	95,873
Liabilities				
Payable from restricted assets:				
Other Payables	$ 15,267	$ 108,987	$ 111,412	$ 12,842
Accounts Payable	82,293	236,861	236,124	83,030
Total liabilities and fund balance	$ 97,560	$ 345,849	$ 347,536	$ 95,873

Telfair County, Georgia
Balance Sheet Schedule – Special Revenue Fund
June 30, 2009

Revolving Loan Fund

	CDBG
Assets	
Cash	$ 460,523
Due from State Government	-
Receivables	400,965
Total assets	$ 861,488
Liabilities and Fund Balances	
Liabilities	
Accounts Payable	$ -
Total liabilities	-
Fund balance	-
Total liabilities and fund balance	$ 861,488

Telfair County, Georgia
Schedule of Revenues, Expenditures and
Changes in Fund Balances
Special Revenue funds – Year Ended
For the Fiscal Year Ended June 30, 2009

Revolving Loan Fund

	CDBG
Revenues:	
Interest Income	$ 18,212
Total revenue	18,212
Expenditures:	
Total expenditures	-
Excess of revenues over Expenditures	18,212
Fund balance – beginning of year	843,276
Fund balance – end of year	$ 861,488

Telfair County, Georgia
Hotel/Motel Tax Special Revenue Fund
Schedule of Assets, Liabilities & Fund Balances
For the Fiscal Year Ended June 30, 2009

Assets	
Cash and Cash Equivalents	$ -
Total Assets	-
Liabilities and Fund Balances	
Liabilities	-
Total Liabilities	-
Fund Balance-Beginning	-
Fund Balance-Ending	-

Telfair County, Georgia
Hotel/Motel Tax Special Revenue Fund
Schedule of Revenue, Expenditures & Changes in Fund Balance
For the Fiscal Year Ended June 30, 2009

Revenues	Budget	Actual
Taxes Collected	$ 16,500	$ 13,799
Total Revenues	16,500	13,799
Expenditures		
Tourism and promotion	$ 6,000	$ 4,727
Miscellaneous	-	-
Total Expenditures	$ 6,000	$ 4,727
Total General Fund	10,500	9,072
Change in Fund Balance	$ -	$ -
Fund Balance-Beginning	$ -	$ -
Fund Balance-Ending	$ -	$ -

Telfair County, Georgia
Balance Sheet Schedule – Special Revenue Fund
June 30, 2009

Multiple Grant Fund

Assets		
Cash	$	7,268
Due from State Government		-
Receivables		-
Total assets	$	7,268
Liabilities and Fund Balances		
Liabilities		
Accounts Payable	$	-
Total liabilities		-
Fund balance		7,268
Total liabilities and fund balance	$	7,268

Telfair County, Georgia
Schedule of Revenues, Expenditures and
Changes in Fund Balances
Special Revenue funds – Year Ended
For the Fiscal Year Ended June 30, 2009

Multiple Grant Fund

Revenues:	
State Grants	$ 16,065
EMS Grant	9,000
Interest Income	$ 58
Total revenue	25,123
Expenditures:	
General Administration	14,618
Grant Expenditures	9,367
Total expenditures	23,985
Excess of revenues over Expenditures	1,138
Fund balance – beginning of year	6,130
Fund balance – end of year	$ 7,268

Telfair County, Georgia
Balance Sheet Schedule – Special Revenue Fund
June 30, 2009

Expendable Trust Fund

	Law Library
Assets	
Cash	$ 50,132
Due from State Government	-
Receivables	875
Total assets	$ 51,007
Liabilities and Fund Balances	
Liabilities	
Accounts Payable	$ -
Total liabilities	-
Fund balance	51,007
Total liabilities and fund balance	$ 51,007

Telfair County, Georgia
Balance Sheet Schedule – Special Revenue Fund
June 30, 2009

Expendable Trust Fund

	Law Library
Revenues:	
Law Library Receipts	$ 10,343
Interest Income	139
Total revenue	10,482
Expenditures:	
Telephone	875
Books & Subscriptions	1,968
Misc.	59
Total expenditures	2,902
Excess of revenues over Expenditures	7,580
Fund balance – beginning of year	43,427
Fund balance – end of year	$ 51,007

Telfair County, Georgia
Schedule of Revenue, Expenditures & Changes in Fund Balance
Special Revenue Fund
June 30, 2009

	SPLOST
Assets	
Cash	$ 3,594,184
Interest Receivable	20,726
Due from General Fund	13,125
Receivables	183,002
Total assets	$ 3,811,037
Liabilities and Fund Balances	
Liabilities	
Accounts Payable	$ 67,223
Total liabilities	67,223
Fund Balance	3,743,814
Total liabilities and fund balance	$ 3,811,037

Telfair County, Georgia
SPLOST Capital Projects Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances
For the Fiscal Year Ended June 30, 2009

Revenues:	
SPLOST revenue	$ 1,125,370
Other Income	95,104
Total Revenues	1,220,474
Expenditures:	
Roads & Bridges	143,721
Distribution to Cities	322,920
Court House	234,909
Recreation Facility	-
Total expenditures	701,550
Excess of revenues over Expenditures	518,924
Fund balance – beginning of year	3,224,890
Fund balance – end of year	$ 3,743,814

Telfair County, Georgia
Heart of Georgia – Council on Aging
Schedule of Revenues and Expenditures
Year Ended June 30, 2009

	Budget	Actual
Revenues:		
Receipts	$ 40,000	$ 38,466
Expenditures:		
Salaries	46,086	46,477
Group Insurance	119,122	33,486
Payroll tax	3,525	3,274
Retirement contributions	4,364	4,989
Repair and maintenance	2,250	4,329
Communication services	1,525	1,633
Travel	200	199
Dues & Fees	100	155
Small equipment	150	-
Repair Parts	100	244
Other purchased services	700	120
Vehicle operations	1,900	1,551
Other Supplies	600	169
Supplies	2,000	1,119
Utilities	7,900	7,605
Total expenditures	190,522	105,350
Excess of revenues over (Under) expenditures	$ (150,522)	$ (66,884)

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

Telfair County, Georgia
Component Units
Combining Schedule of Net Assets
Changes in Fund Balance
June 30, 2009

	Leisure Services	Hospital Authority	Development Authority	County Board of Health	Total
Assets					
Cash	$ 274	$ 385,972	$ 128,439	$ 474,622	$ 989,307
Deferred capital loss	-	-	-	-	-
Capital assets, net of depreciation	5,610	427,137	1,190,732	-	1,623,479
Other receivables	-	4,800	15,000	-	19,800
Investments	-	848,803	-	-	848,803
Notes receivable	-	-	-	-	-
Due within one year	-	-	-	-	-
Due in more than one year	-	-	-	-	-
Total assets	5,884	1,666,712	1,334,171	474,622	3,481,389
Liabilities					
Accounts payable	47,099	-	-	-	47,099
Accrued expenses	2,059	-	191	29,893	32,143
Notes payable	551	-	620,571	-	621,122
Liabilities	49,709	-	620,762	29,893	700,364
Investment in general fixed assets	5,059	427,137	570,161	-	1,002,357
Restricted				23,811	23,811
Unrestricted	(48,884)	1,239,575	143,248	420,918	1,754,857
Total Net Assets	(43,825)	1,666,712	713,409	444,729	2,781,025
Total Liabilities and Net Assets	$ 5,884	$ 1,666,712	$ 1,334,171	$ 474,622	$ 3,481,389

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

Telfair County, Georgia
Component Units
Combining Schedule of Revenues, Expenditures & Changes in Net Assets
Changes in Fund Balance
June 30, 2009

	Leisure Services	Hospital Authority	Development Authority	County Board of Health	Total
Program expenses					
Salaries	$ 31,996	$ -	$ -	$ 232,239	264,235
Professional fees	-	6,700	4,116	-	10,816
Interest expenses	472	-	10,524	-	10,996
Local support	-	-	21,733	-	21,733
Depreciation	792	10,846	27,532	-	39,170
Other expenses	117,382	4,083	14,147	143,448	279,060
Total program expenses	150,642	21,629	78,052	375,687	626,010
Program revenues					
Rental income	3,000	28,800	90,000	-	121,800
Other program revenues	49,833	-	-	364,572	414,405
Net program expenses	(97,809)	7,171	11,948	(11,115)	(89,805)
General revenues					
Intergovernmental income	78,200	-	67,775	35,837	181,812
Interest income	-	57,764	663	-	58,427
Dividend income	-	350	-	-	350
Bad debt expense	-	-		-	-
Loss on abandonment of property & equipment	-	-		-	-
Gain on sale of securities	-	39	-	-	39
Total revenues	78,200	58,153	68,438	35,837	240,628
Transfer of Assets					
Change in net assets	(19,609)	65,324	80,386	24,722	150,823
Net assets – beginning of the year	(24,216)	1,601,388	633,023	420,007	2,630,202
Net assets – end of the year	$ (43,825)	$ 1,666,712	$ 713,409	$ 444,729	$ 2,781,025

Telfair County, Georgia
Component Units
Balance Sheet Schedules
June 30, 2009

	Leisure Services	Hospital Authority	Development Authority	County Board of Health	Total
Assets					
Current assets:					
Cash	$ 274	$ 385,972	$ 128,439	$ 474,622	$ 989,307
Investments	-	848,803	-	-	848,803
Current portion of notes receivable	-	-	-	-	-
Deferred capital loss	-	-	-	-	-
Other receivables	-	4,800	15,000	-	19,800
Total current assets	274	1,239,575	143,439	474,622	1,857,910
Notes receivable, less current portion	-	-	-	-	-
Total assets	$ 274	$ 1,239,575	$ 143,439	$ 474,622	$ 1,857,910
Liabilities					
Current liabilities:					
Accounts payable	$ 47,099	$ -	$ -	$ -	$ 47,099
Accrued expenses	2,059	-	191	-	2,250
Current portion of long-term debt	-	-	-	-	-
Total current liabilities	49,158	-	191	-	49,349
Fund balances:					
Reserved:	-	-	-	23,811	23,811
Unreserved	(48,884)	1,239,575	143,248	450,811	1,784,750
Total liabilities and fund balance	$ 274	$1,239,575	$ 143,439	$ 474,622	$ 1,857,910
Adjustment to Statement of Net Assets					
Total Fund Balance	(48,884)	1,239,575	143,248	474,622	1,808,561
Capital Assets net of depreciation	5,610	427,137	1,190,732		1,623,479
Compensated absences				(29,893)	(29,893)
Long-term debt	(551)	-	(620,571)	-	(620,020)
Net assets of governmental activities	(43,825)	1,666,712	713,409	444,729	2,781,025

Telfair County, Georgia
Component Units
Combining of Revenues, Expenditures and Changes in Fund Balance
June 30, 2009

	Leisure Services	Hospital Authority	Development Authority	County Board of Health	Total
Revenues:					
Rental income	$ 3,000	$ 28,800	$ 90,000	$ -	$ 121,800
Intergovernmental income	78,200	-	67,775	35,837	181,812
Interest income	-	57,764	663	-	58,427
Dividend income	-	350	-	-	350
Other income	49,833	-	-	364,572	414,405
Total revenues	131,033	86,914	158,438	400,409	776,794
Expenditures:					
Salaries	$ 31,996	$ -	$ -	$ 232,239	$ 264,235
Professional fees	-	6,700	4,116	-	10,816
Interest expense	472	-	10,524	-	10,996
Local support	-	-	21,733	-	21,733
Other expenditures	120,227	4,083	103,898	142,937	371,145
Total expenditures	152,695	10,783	140,271	375,176	678,925
Excess revenues over (under) expenditures	(21,662)	76,131	18,167	25,233	97,870
Other income (expenses):					
Bad Debt Expenses		-	-	-	-
Loss on abandonment of property & equipment	-	-	-	-	-
Gain on sale of securities	-	38	-	-	38
Excess revenue and other income over expenditures and other expenses	(21,662)	76,169	18,167	25,233	97,908
Fund balance – beginning of year	(27,222)	1,163,405	125,081	449,389	1,710,653
Fund balance – end of year	$ (48,884)	$ 1,239,574	$ 143,248	$ 474,622	$ 1,808,561
Net change in fund balance	(21,662)	76,169	18,167	25,233	97,908
Depreciation	(792)	(10,846)	(27,532)	(76)	(39,246)
Capital outlays	-	-	-	-	-
Long term principal payments	2,845	-	89,751	-	92,596
Change in accrued expenses	-	-	-	(435)	(435)
Change in net assets of governmental activities	$ (19,609)	$ 65,323	$ 80,386	$ 24,722	$ 150,823

WANDA J. USSERY, CPA, P.C.

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER
GEORGIA SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON SPECIAL 1 PERCENT SALES AND USE TAX

Board of Commissioners
Telfair County, Georgia

I have audited the accompanying Schedule of Projects Constructed with Special Sales Tax Proceeds for Telfair County, Georgia for the year ended June 30, 2009. The schedule is the responsibility of Telfair County's management. My responsibility is to express an opinion on the Schedule of Projects Constructed with Special Sales Tax Proceeds based on my audit.

I conducted my 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 I plan and perform the audit to obtain reasonable assurance about whether the Schedule of Projects Constructed With Special Sales Tax Proceeds is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedule of Projects Constructed with Special Sales Tax Proceeds. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Schedule of Projects Constructed with Special Sales Tax Proceeds. I believe that my audit provides a reasonable basis for my opinion.

The accompanying Schedule of Projects Constructed with Special Sales Tax Proceeds was prepared for the purpose of complying with the Official Code of Georgia Annotated, 48-8-121 on the cash basis of accounting and is not intended to be a complete presentation for Telfair County's revenues and expenditures.

In my opinion, the Schedule of projects Constructed with Special Sales Tax Proceeds referred to above presents fairly, in all material respects, the original estimated cost, and the current and prior year expenditures for each project of Telfair County's resolution or ordinance calling or the tax for the year ended June 30, 2009, in conformity with accounting principles generally accepted in the United States of America.

Wanda J. Ussery, CPA, P.C.

Fitzgerald, GA
December 30, 2009

707 South Grant Street, P.O. Box 936, Fitzgerald, GA 31750, (229)423-9477, Fax (229)423-9358

Telfair County, Georgia
Year Ended June 30, 2009
Schedule of Projects
Constructed with Special Sales Tax Proceeds

2004 Special Purpose Sales Tax

Project	Original Estimated Cost	Expenditures Prior Year	Current Year	Total	Estimated Percentage Complete
Roads and Bridges	$ 2,250,000	$ 473,965	$ 143,721	$ 617,686	27%
Courthouse Renovation	1,000,000	533,825	234,909	768,734	76%
City of McRae	652,925	555,631	120,481	676,112	103%
City of Lumber City	303,625	258,380	56,027	314,407	103%
City of Helena	561,575	478,253	103,625	581,878	103%
City of Milan	140,700	119,734	25,963	145,697	103%
City of Scotland	62,475	52,166	11,528	63,694	101%
City of Jacksonville	28,700	24,423	5,296	29,719	103%
Recreation Facility	500,000	471,843	-	471,843	94%
	$ 5,500,000	$ 2,968,220	$ 701,550	$ 3,669,770	

2009 Special Purpose Sales Tax

Project	Original Estimated Cost	Expenditures Prior Year	Current Year	Total	Estimated Percentage Complete
Jail (Level I)	$ 2,000,000	$ -	$ -	$ -	0%
Roads and Bridges	912,000	-	-	-	0%
City of McRae	909,600	-	-	-	0%
City of Helena	782,400	-	-	-	0%
Landfill	500,000	-	-	-	0%
City of Lumber City	422,800	-	-	-	0%
City of Milan	196,000	-	-	-	0%
Recreation Department	150,000	-	-	-	0%
City of Scotland	87,200	-	-	-	0%
City of Jacksonville	40,000	-	-	-	0%
	$ 6,000,000	$ -	$ -	$ -	

Telfair County, Georgia
Community Development Block Grant
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2009

	Federal CFDA No. 14.219	Federal CFDA No. 14.219
Total Federal grant allocation	$ 200,000	$ 500,000
Grant Adjustment	0	0
Adjusted total Federal Grant Allocation	$ 200,000	$ 500,000
Less: Unadvanced fund	0	0
Prior year funds advanced	$ 200,000	$ 500,000
Current year funds advanced	0	0
Total Federal grant funds advanced to date	200,000	500,000
Local matching funds commitment	0	0
Less: Unadvanced funds	0	0
Prior year funds advanced	0	0
Current year funds advanced	0	0
Total local funds advanced to-date	0	0
Total funds advanced to-date	200,000	500,000
Prior year program expenditures	200,000	500,000
Current year program expenditures	0	0
Total program expenditures to-date	200,000	500,000
Funds available after expenditures	0	0
Prior years program income	127,441	47,796
Current year program income	2,509	7,821
Total program income to-date	129,950	55,617
Total transfers in to-date	0	0
Funds available for disposition	$ 129,950	$ 55,617

Telfair County, Georgia
Community Development Block Grant
Program Year 1994, CDBG No. 94Q-Y-134-000-9413
Schedule of Program Loans
Year Ended June 30, 2009

Program Activity and Related Projects:	Authorized Loans	Funds Advanced
Direct assistance to private for-profit entity: Direct loans to local industry for creation of area jobs	200,000	200,000
Prior years repayment of principle	96,898	96,898
Repayment of principle	7,608	7,608
Loan balance outstanding	89,290	89,290

WANDA J. USSERY, CPA, P.C.

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER
GEORGIA SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

Independent Accountant's Report

I have examined management's assertion included in the accompanying State of Georgia Grant Certification Forms about Telfair County's compliance during the fiscal year ended June 30, 2009 with the requirement to use grant proceeds solely for the purpose or purposes for which the grant was made for each of the following grant awards:

1. Grant #2004 GE-T4 0012 - GA Emergency Management - Domestic Preparedness
2. EMS Grant
3. USDA Economic Impact Initiative Grant

Management is responsible for Telfair County's compliance with this requirement. My responsibility is to express an opinion on management's assertion about the County's compliance based on examination.

My examination was made in accordance with the standards established by the American Institute of Certified Public Accountants and, accordingly, included examining on a test basis, evidence about the County's compliance with this requirement and performing such other procedures as we considered necessary in the circumstances. I believe that my examination provides a reasonable basis for my opinion. My examination does not provide a legal determination on Telfair County's compliance with the specified requirement.

In my opinion, management's assertion that Telfair County complied with the aforementioned requirement for the fiscal year ended June 30, 2009 is fairly stated, in all material respects.

Wanda J. Ussery, CPA, P.C.

Fitzgerald, GA
December 30, 2009

707 South Grant Street, P.O. Box 936, Fitzgerald, GA 31750, (229)423-9477, Fax (229)423-9358

State of Georgia Grant Certification Form
Local Government Recipient (with no subrecipient)

A	Local Government	Telfair County, Georgia
B	State Awarding Agency	GA Dept of Emergency Management Agency
C	Grant Identification Number	2004 GE - T4-0012
D	Grant Title	Domestic Preparedness Grant
E	Grant Award Date	07/25/03
F	Grant Amount	$173,648.00

		COLUMN 1 **Current Year Activity** For the Year Ended:	COLUMN 2 **Cumulative Grant Activity** Through the Year Ended:
G		06/30/2009	06/30/2009
H	Balance - Prior Year (Cash or Accrued or Deferred Revenue)	$0.00	
I	Grant Receipts or Revenue Recognized	$167,516	$167,516
J	Grant Disbursements or Expenditures EXCLUDING AUDIT FEES	$167,516	$167,516
K	Disbursements or Expenditures for Audit Fees	$0.00	$0.00
L	Balance - Current Year (Cash or Accrued or Deferred Revenue) [Line H (col 1 only) + Line I - Line J - Line K]	$6,132.00	$6,132.00

Certification of Local Government Officials

I have reviewed the information presented above and certify that it is accurate and correct. I further certify that the proceeds of the grant award identified above were used solely for the express purpose or purposes for which the grant was made.

Signature of Chief Elected Official _____ Date_____

Signature of County Clerk _____ Date_____

State of Georgia Grant Certification Form
Local Government Recipient (with no subrecipient)

A	Local Government	Telfair County, Georgia
B	State Awarding Agency	South Central Health
C	Grant Identification Number	
D	Grant Title	EMS Grant
E	Grant Award Date	
F	Grant Amount	

		COLUMN 1 **Current Year Activity** For the Year Ended:	COLUMN 2 **Cumulative Grant Activity** Through the Year Ended:
G		06/30/2009	06/30/2009
H	Balance - Prior Year (Cash or Accrued or Deferred Revenue)	$0.00	
I	Grant Receipts or Revenue Recognized	$9,000	$9,000
J	Grant Disbursements or Expenditures EXCLUDING AUDIT FEES	$9,366	$9,000
K	Disbursements or Expenditures for Audit Fees	$0.00	$0.00
L	Balance - Current Year (Cash or Accrued or Deferred Revenue) [Line H (col 1 only) + Line I - Line J - Line K]	$366	$366

Certification of Local Government Officials

I have reviewed the information presented above and certify that it is accurate and correct. I further certify that the proceeds of the grant award identified above were used solely for the express purpose or purposes for which the grant was made.

Signature of Chief Elected Official _____ Date_____

Signature of County Clerk _____ Date_____

State of Georgia Grant Certification Form
Local Government Recipient (with no subrecipient)

A	Local Government	Telfair County, Georgia
B	State Awarding Agency	USDA Rural Development
C	Grant Identification Number	0575-0173
D	Grant Title	Economic Impact Initiative Grant
E	Grant Award Date	11-07-08
F	Grant Amount	$37,000

		COLUMN 1 **Current Year Activity** For the Year Ended:	COLUMN 2 **Cumulative Grant Activity** Through the Year Ended:
G		06/30/2009	06/30/2009
H	Balance - Prior Year (Cash or Accrued or Deferred Revenue)	$0.00	
I	Grant Receipts or Revenue Recognized	$65	$565
J	Grant Disbursements or Expenditures EXCLUDING AUDIT FEES	$2,118	$2,118
K	Disbursements or Expenditures for Audit Fees	$0.00	$0.00
L	Balance - Current Year (Cash or Accrued or Deferred Revenue) [Line H (col 1 only) + Line I - Line J - Line K]	$2,118	$2,118

Certification of Local Government Officials

I have reviewed the information presented above and certify that it is accurate and correct. I further certify that the proceeds of the grant award identified above were used solely for the express purpose or purposes for which the grant was made.

Signature of Chief Elected Official _____ Date_____

Signature of County Clerk _____ Date_____

WANDA J. USSERY, CPA, P.C.

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MEMBER
GEORGIA SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Telfair County Board of Commissioners
Telfair County, Georgia
McRae, Georgia 31055

I have audited the financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of Telfair County, Georgia, as of and for the year ended June 30, 2009, and have issued my report thereon dated December 30, 2009. My report was modified to include a reference to other auditors. I conducted my 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 Telfair County Hospital Authority, Telfair County Board of Health and Telfair County Development Authority. This report does not include the results of the other auditors testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Telfair County, Georgia's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinions on the basic financial statements and not to provide assurance on the internal control over financial reporting. However, I noted certain matters involving internal control over financial reporting and its operation that I considered to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect the County's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The reportable conditions are shown on the accompany schedule of findings and questioned cost as items 2008-1 thru 2008-3.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amount that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, I believe none of the reportable conditions described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Telfair County, Georgia basic financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 my audit, and accordingly, I do not express such an opinion. The results of my test disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

However, I noted other matters that I have reported to management of Telfair County, Georgia in a separate letter dated December 30, 2009.

This report is intended for the information of the audit committee, management, others within the organization, 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.

Wade J. Henry, CPA, P.C.

Fitzgerald, GA
December 30, 2009

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Telfair County, Georgia
McRae, Georgia

Year Ended
June 30, 2009

FINANCIAL STATEMENT FINDINGS

2008 -1 Segregation of Duties

Criteria: Procedures should be in place to maintain the security of assets.

Condition: Due to the limited number of personnel, overlapping of duties exists in the County's operations, primarily in the areas of cash receipts and disbursements. This overlapping of duties presents a situation where unauthorized use of assets could occur and not be detected on a timely basis.

Context: Management agrees that close supervision needs to be continually exercised.

Effect: Misappropriation of assets has occurred in the Sheriff's office.

Recommendation: I recommend that each individual office be looked at to see if there is a way to segregate duties that will help to maintain the security of assets.

Views of Responsible officials: Management concurs with the finding, and will look at reviewing each area of government to help maintain the security of assets.

2008-2 Financial Statement Preparation

Criteria: Government auditing standards require that the government entity management be responsible for the financial statements.

Condition: County personnel are not capable of preparing the financial statements and lack of skill and competencies to prevent, detect, and correct a misstatement.

Context: During the audit information is provided by the outside accountants to the auditors, because the staff is not capable of providing the information.

Effect: Audit adjustments are made when necessary.

Recommendation: I recommend that the County continue to obtain outside technical assistance in drafting the financials statements.

Views of Responsible Officials and Planned Corrective Action:
Management agrees that they will retain outside technical assistance.

2008 – 3 Management of Capital Asset Accounts

Criteria: Generally accepted accounting principles generally require the reporting of all capital assets at their historical cost, which is written off periodically, or depreciated, in a systematic and rational manner.

Condition: There are assets on the depreciation schedule that cannot be located, others that are junked and others assets which we looked at that are not on the depreciation schedule.

Context: See above condition

Effect: This has caused the Statement of Net Assets to be misstated.
Recommendation: I recommend that the County use our findings and the depreciation schedule to correct all additions and deletions of capital assets.

View of Responsible Officials and Planned Corrective Action: Management agrees with the finding and will look into correcting this issue for the next audit period.