TWIGGS COUNTY, GEORGIA

FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010
AND
INDEPENDENT AUDITORS' REPORT

TWIGGS COUNTY, GEORGIA
Financial Statements
For the Fiscal Year Ended December 31, 2010

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INDEPENDENT AUDITORS' REPORT

To the Honorable Chairman and
Members of the Board of Commissioners
Twiggs County, Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit - Twiggs County Health Department, each major fund, and the aggregate remaining fund information of Twiggs County, Georgia, as of and for the year ended December 31, 2010, which collectively comprise Twiggs County, Georgia's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Twiggs County, Georgia's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Twiggs County Health Department, a component unit of the County, which statements reflect 100 percent each of the total assets, net assets and revenues of the discretely presented component units. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Twiggs County Health Department component unit, is based on the report of the other auditors.

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

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Twiggs County, Georgia, as of December 31, 2010, and the respective changes in the 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2011, on our consideration of Twiggs County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Twiggs County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and the schedule of special purpose local option sales tax expenditures and other grant schedules listed as supplementary information in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations,* and is also not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules, the schedule of expenditures of federal awards, the schedule of special purpose local option sales tax expenditures, and other grant schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

H. M. Vickers & Associates, P.C.

December 19, 2011

TWIGGS COUNTY, GEORGIA
Statement of Net Assets
December 31, 2010

	Primary Government			Component Unit
	Governmental Activities	Business Type Activities	Total	Twiggs County Health Department
ASSETS:				
Cash	$ 1,962,224	$ 34,030	$ 1,996,254	$ 219,491
Receivables, net of allowance for uncollectibles:				
Taxes...	1,089,480	-	1,089,480	-
Accounts	475,355	12,857	488,212	6,743
Intergovernmental	162,857	-	162,857	-
Prepaid items	81,654	-	81,654	-
Capital assets:				
Capital assets not being depreciated	4,586,847	900	4,587,747	-
Capital assets being depreciated, net of accumulated depreciation	7,020,210	3,064,932	10,085,142	132
TOTAL ASSETS	15,378,627	3,112,719	18,491,346	226,366
LIABILITIES:				
Accounts payable	288,904	459	289,363	11,946
Payroll withholdings	26,323	-	26,323	-
Capital leases due within one year	253,567	-	253,567	-
Capital leases due after one year	457,174	-	457,174	-
Notes payable due within one year	98,193	90,724	188,917	-
Notes payable due after one year	101,351	1,512,059	1,613,410	-
Landfill postclosure care costs	246,230	-	246,230	-
Compensated absences due within one year	154,530	-	154,530	3,367
Compensated absences due after one year	-	-	-	11,733
TOTAL LIABILITIES	1,626,272	1,603,242	3,229,514	27,046
NET ASSETS:				
Invested in capital assets, net of related debt	10,696,772	1,463,049	12,159,821	132
Restricted for -				
Capital improvements	1,763,940	-	1,763,940	-
Unrestricted	1,291,643	46,428	1,338,071	199,188
TOTAL NET ASSETS	$ 13,752,355	$ 1,509,477	$ 15,261,832	$ 199,320

The accompanying notes to financial statements are an integral part of this statement.

TWIGGS COUNTY, GEORGIA

Statement of Activities

For the Fiscal Year Ended December 31, 2010

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenue and Changes in Net Assets: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Unit: Twiggs County Health Department
PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES:								
General government	$ 2,512,249	$ 305,806	$ 1,500	$ 808,763	$(1,396,180)	$ -	$(1,396,180)	$ -
Public safety	2,845,200	879,230	106,222	23,711	(1,836,037)	-	(1,836,037)	-
Highways and streets	806,706	-	-	-	(806,706)	-	(806,706)	-
Sanitation	76,298	498,680	-	-	422,382	-	422,382	-
Public health and welfare	402,689	25,685	-	-	(377,004)	-	(377,004)	-
Culture and recreation	26,977	-	-	-	(26,977)	-	(26,977)	-
Economic development	261,946	-	-	-	(261,946)	-	(261,946)	-
Interest	38,836	-	-	-	(38,836)	-	(38,836)	-
Total Governmental Activities	6,970,901	1,709,401	107,722	832,474	(4,321,304)	-	(4,321,304)	-
BUSINESS-TYPE ACTIVITIES -								
Water system	129,777	84,347	-	-	-	(45,430)	(45,430)	-
Total Business-Type Activities	129,777	84,347	-	-	-	(45,430)	(45,430)	-
TOTAL PRIMARY GOVERNMENT	$ 7,100,678	$ 1,793,748	$ 107,722	$ 832,474	(4,321,304)	(45,430)	(4,366,734)	-
COMPONENT UNIT -								
Twiggs County Health Department	$ 263,761	$ 89,923	$ 182,462	-	-	-	-	8,624
Total Component Unit	$ 263,761	$ 89,923	$ 182,462	$ -	-	-	-	8,624
General Revenues:								
Property taxes					3,552,301	-	3,552,301	-
Alcoholic beverage taxes					41,546	-	41,546	-
Vehicle taxes					298,651	-	298,651	-
Sales taxes					1,238,242	-	1,238,242	-
Other taxes					449,007	-	449,007	-
Unrestricted interest earnings					482	135	617	3,719
Insurance recovery					577,508	-	577,508	-
Miscellaneous					263,926	-	263,926	-
Transfers					(43,063)	43,063	-	-
Total general revenues and transfers					6,378,600	43,198	6,421,798	3,719
Change in net assets					2,057,296	(2,232)	2,055,064	12,343
Net assets, beginning of year					11,695,059	1,511,709	13,206,768	186,977
Net assets, end of year					$ 13,752,355	$ 1,509,477	$ 15,261,832	$ 199,320

The accompanying notes to financial statements are an integral part of this statement.

TWIGGS COUNTY, GEORGIA
Balance Sheet
Governmental Funds
December 31, 2010

	General	Capital Projects SPLOST 09	Capital Projects SPLOST	Capital Projects Academy Project	Public Library Building Fund	Other Governmental Funds	Total Governmental Funds
ASSETS:							
Cash	$ 388,861	$ 679,817	$ 402,709	$ -	$ 250,169	$ 240,668	$ 1,962,224
Receivables, net of allowance for uncollectibles:							
Taxes	1,089,480	-	-	-	-	-	1,089,480
Accounts	139,002	-	-	-	327,374	8,979	475,355
Intergovernmental	76,068	61,160	-	-	-	25,629	162,857
Due from other funds	-	-	-	55,617	-	-	55,617
Prepaid Items	81,654				-		81,654
TOTAL ASSETS	$ 1,775,065	$ 740,977	$ 402,709	$ 55,617	$ 577,543	$ 275,276	$ 3,827,187
LIABILITIES AND FUND BALANCES							
LIABILITES:							
Accounts Payable	$ 213,639	$ -	$ 38,479	$ -	$ -	$ 36,786	$ 288,904
Payroll withholdings	26,323	-	-	-	-	-	26,323
Due to other funds....	-	-	55,617	-	-	-	55,617
Deferred Revenue	874,867	-	-	-	-	-	874,867
TOTAL LIABILTIES	1,114,829	-	94,096	-	-	36,786	1,245,711
FUND BALANCES:							
Reserved for:							
Prepaid Items	81,654	-	-	-	-	-	81,654
Capital Improvements	-	740,977	308,613	55,617	577,543	81,190	1,763,940
Unreserved:							
General Fund, undesignated	578,582	-	-	-	-	-	578,582
Special revenue funds, undesignated	-	-	-	-	-	157,300	157,300
TOTAL FUND BALANCES	660,236	740,977	308,613	55,617	577,543	238,490	2,581,476
TOTAL LIABILITIES AND FUND BALANCES	$ 1,775,065	$ 740,977	$ 402,709	$ 55,617	$ 577,543	$ 275,276	$ 3,827,187

The accompanying notes to financial statements are an integral part of this statement.

TWIGGS COUNTY, GEORGIA
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Assets
December 31, 2010

Difference in amounts reported for governmental activities in the statement of net assets:		
Fund balances - total governmental funds	$	2,581,476
Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds		11,607,057
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Liability for compensated absences	(	154,530)
Liability for landfill postclosure costs	(	246,230)
Long-term notes and leases payable are not due and payable in the current period and are therefore not reported in the funds	(	910,285)
Some governmental revenues will not be collected for several months after the year end and are deferred in the governmental funds		874,867
Net assets of governmental activities	$	13,752,355

The accompanying notes to financial statements are an integral part of this statement.

TWIGGS COUNTY, GEORGIA

Statement of Revenues, Expenditures and Changes
In Fund Balances
Governmental Funds
For the Fiscal Year Ended December 31, 2010

	General	Capital Projects SPLOST 09	Capital Projects SPLOST	Capital Projects Academy Project	Public Library Building Fund	Other Governmental Funds	Total Governmental Funds
REVENUES:							
Taxes	$ 4,748,188	$ 691,590	$ -	$ -	$ -	-	$ 5,439,778
Licenses and permits	33,486	-	-	-	-	-	33,486
Intergovernmental	123,542	-	-	808,763	-	23,711	956,016
Fines and forfeitures	618,396	-	-	-	-	196,657	815,053
Charges for services	768,176	-	-	-	-	51,941	820,117
Miscellaneous	298,033	1,065	454	-	35	5,057	304,644
Total Revenues	6,589,821	692,655	454	808,763	35	277,366	8,369,094
EXPENDITURES:							
Current:							
General government	2,361,656	-	-	-	-	20,041	2,381,697
Public safety	2,860,179	-	-	-	-	247,566	3,107,745
Highways and streets	808,283	-	-	-	-	-	808,283
Sanitation	159,406	-	-	-	-	-	159,406
Public health and welfare	402,069	-	-	-	-	-	402,069
Culture and recreation	14,476	-	-	-	-	-	14,476
Economic Development	59,999	-	-	-	-	-	59,999
Capital outlay	-	253,710	55,964	437,298	-	-	746,972
Debt service:							
Principal	106,620	33,213	3,650	497,255	-	-	640,738
Interest	21,290	10,833	6,713	-	-	-	38,836
Total Expenditures	6,793,978	297,756	66,327	934,553	-	267,607	8,360,221
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(204,157)	394,899	(65,873)	(125,790)	35	9,759	8,873

The accompanying notes to financial statements are an integral part of this statement.

TWIGGS COUNTY, GEORGIA

Statement of Revenues, Expenditures and Changes
In Fund Balances
Governmental Funds
For the Fiscal Year Ended December 31, 2010

	General	Capital Projects SPLOST 09	Capital Projects SPLOST	Capital Projects Academy Project	Public Library Building Fund	Other Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES):							
Transfers in	78,107	-	158,934	-	-	-	237,041
Transfers (out)	(121,170)	-	-	(158,934)	-	-	(280,104)
Issuance of capital leases	391,780	-	-	-	-	-	391,780
Issuance of notes payable	100,000	-	-	340,341	-	-	440,341
Insurance recovery	-	-	-	-	577,508	-	577,508
Total Other Financing Sources (Uses)	448,717	-	158,934	181,407	577,508	-	1,366,566
NET CHANGE IN FUND BALANCES	244,560	394,899	93,061	55,617	577,543	9,759	1,375,439
FUND BALANCES, BEGINNING OF YEAR	415,676	346,078	215,552	-	-	228,731	1,206,037
FUND BALANCES, END OF YEAR	$ 660,236	$ 740,977	$ 308,613	$ 55,617	$ 577,543	$ 238,490	$ 2,581,476

The accompanying notes to financial statements are an integral part of this statement.

TWIGGS COUNTY, GEORGIA

Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended December 31, 2010

Difference in amounts reported for governmental activities in the statement of activities:		
Net change in fund balances - total governmental funds	$	1,375,439
Capital outlay, reported as expenditures in governmental funds, are shown as capital assets in the statement of net assets		1,221,843
Depreciation expense on governmental capital assets included in the governmental activities in the statement of activities	(	534,081)
Repayment of long-term debt is reported as an expenditure in governmental funds, but a reduction of long-term liabilities in the statement of net assets		640,738
The issuance of long-term debt is reported as an other financing source in governmental funds, but as an increase in long-term liabilities in the statement of net assets	(	832,121)
Some governmental revenues will not be collected for several months after the year end and are deferred in the governmental funds:		
Deferred revenue balance at current fiscal year end		874,867
Deferred revenue balance at prior fiscal year end	(	750,209)
In the statement of activities, only the gain on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Therefore, the change in net assets differs from the change in fund balance by the cost basis of the capital assets sold	(	8,695)
Expenses for compensated absences are reported for governmental activities but do not require the use of current financial resources and therefore are not reported as expenditures for governmental funds:		
Liability balance at current fiscal year end	(	154,530)
Liability balance at prior fiscal year end		140,937
Landfill postclosure expenses are reported for governmental activities but do not require the use of current financial resources and therefore are not reported as expenditures for governmental funds:		
Liability balance at current fiscal year end	(	246,230)
Liability balance at prior fiscal year end		329,338
Changes in net assets of governmental activities	$	2,057,296

The accompanying notes to financial statements are an integral part of this statement.

TWIGGS COUNTY, GEORGIA
Statement of Fund Net Assets
Proprietary Fund
December 31, 2010

	Enterprise Water
ASSETS:	
Current Assets:	
Cash	$ 34,030
Receivables, net of allowance for uncollectibles	12,857
Total current assets	46,887
Noncurrent Assets:	
Capital assets, not being depreciated	900
Capital assets, being depreciated, net of accumulated depreciation	3,064,932
Total noncurrent assets	3,065,832
Total Assets	$ 3,112,719
LIABILITIES:	
Current Liabilities:	
Accounts payable	$ 459
Notes payable	90,724
Total Current Liabilities	91,183
Noncurrent Liabilities-	
Notes payable	1,512,059
Total Liabilities	1,603,242
NET ASSETS:	
Invested in capital assets, net of related debt	1,463,049
Unrestricted	46,428
Total Net Assets	$ 1,509,477

The accompanying notes to financial statements are an integral part of this statement.

TWIGGS COUNTY, GEORGIA

Statement of Revenues, Expenses and
Changes in Fund Net Assets
Proprietary Fund
For the Fiscal Year Ended December 31, 2010

	Enterprise Water
OPERATING REVENUES-	
Charges for services	$ 84,347
Total Operating Revenues	84,347
OPERATING EXPENSES:	
Salaries	31,980
Travel and meetings	609
Utilities	1,298
Service charges	31
Dues	645
Supplies and repairs	27,616
Testing fees	440
Miscellaneous	249
Postage	18
Depreciation	66,891
Total Operating Expenses	129,777
OPERATING INCOME (LOSS)	(45,430)
NON-OPERATING REVENUE (EXPENSE)-	
Interest income	135
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(45,295)
TRANSFERS:	
Transfers in	121,170
Transfers out	(78,107)
Total Transfers	43,063
Change in Net Assets	(2,232)
NET ASSETS, BEGINNING OF YEAR	1,511,709
NET ASSETS, END OF YEAR	$ 1,509,477

The accompanying notes to financial statements are an integral part of this statement.

TWIGGS COUNTY, GEORGIA
Statement of Cash Flows
Proprietary Fund
For the Fiscal Year Ended December 31, 2010

	Enterprise Water
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers and users	$ 83,894
Cash paid to suppliers	(30,898)
Cash paid to employees	(31,980)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	21,016
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Transfer from other funds	121,170
Transfer to other funds	(78,107)
NET CASH PROVIDED BY (USED IN) NONCAPITAL FINANCING ACTIVITIES	43,063
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES-	
Principal payments on notes	(90,723)
NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	(90,723)
CASH FLOWS FROM INVESTING ACTIVITIES-	
Interest income	135
NET CASH PROVIDED BY INVESTING ACTIVITIES	135
Net Increase (Decrease) in Cash	(26,509)
CASH, BEGINNING OF YEAR	60,539
CASH, END OF YEAR	$ 34,030
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES-	
Operating Income (Loss)	$(45,430)
ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:	
Depreciation	66,891
(Increase) in accounts receivable	(453)
Increase in accounts payable	8
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	$ 21,016

The accompanying notes to financial statements are an integral part of this statement.

TWIGGS COUNTY, GEORGIA
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
December 31, 2010

	Agency Funds
ASSETS:	
Cash	$ 702,461
Taxes receivable	2,216,111
Total Assets	$ 2,918,572
LIABILITIES -	
Accounts payable	$ 2,918,572
Total Liabilities	$ 2,918,572

The accompanying notes to financial statements are an integral part of this statement.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Twiggs County, Georgia have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The County applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

A. The Reporting Entity

The County operates under an elected Board of Commissioners form of government. In conformity with generally accepted accounting principles (GAAP), the financial statements of component units must be included either as blended or discretely presented component units. The criterion for including organizations within the reporting entity is financial accountability. Financial accountability is defined as appointment of a voting majority of the component unit's board and either the ability to impose will by the primary government or the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. Blended component units, although legally separate entities, are, in substance, part of the Government's operations. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the government. Based on the GASB criteria, Twiggs County Health Department is included in the government-wide financial statements as a discretely presented component unit.

B. Discretely Presented Component Unit

Twiggs County Public Health Department - The Twiggs County Health Department (the Department) provides various health services for citizens in Twiggs County under a contract with the Georgia Department of Human Resources (DHR). Under this contractual agreement DHR provides certain administrative and other services to the Department in addition to the grant-in-aid funding. These services are funded through other governmental entities or directly by DHR. Based on the contract with DHR, capital assets cannot be disposed of without approval of DHR. In the event the Department were to dissolve, all capital assets would return to DHR or to the donating agency. Substantially all of the Department's capital assets are titled to DHR.

It is the goal of Twiggs County Health Department to provide health services for the citizens of Twiggs County within the guidelines established by the Twiggs County Board of Public Health and the Georgia Department of Human Resources. The Department is responsible for health programs designed for prevention, early detection, treatment and referral.

The Department uses the flow of current financial resources measurement focus and the modified accrual basis of accounting. The amounts included in these financial statements are as of and for the fiscal year ended June 30, 2010.

The complete audited financial statements of the Twiggs County Health Department may be obtained from the office of Twiggs County Board of Commissioners.

C. Government-Wide Financial Statements

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

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

Separate financial statements are provided for governmental funds and proprietary funds.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Revenues considered susceptible to accrual are property taxes, interest, and charges for services. Other receipts and taxes become measurable and available when cash is received by the County and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The County reports the following major governmental funds:

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

The 2009 Special Purpose Local Option Sales Tax Capital Projects Fund (SPLOST 09) accounts for capital outlay and other transactions related to the additional one-percent local option sales tax currently in effect.

The Special Purpose Local Option Sales Tax Capital Projects Fund (SPLOST) accounts for capital outlay and other transactions related to the additional one-percent local option sales tax which was in effect under a referendum dated September 16, 2003.

The Academy Project Capital Projects Fund accounts for capital outlay and other transactions related to a construction project to serve the Twiggs County Industrial Park funded with a Community Development Block Grant, Employment Incentive Program Funds OneGeorgia Edge

Funds, and U. S. Department of Commerce Economic Development Administration Funds. The Development Authority of the City of Jeffersonville and Twiggs County owns the land on which the project is being constructed and passes through grant funds awarded to the Authority to Twiggs county. This is a joint project between Twiggs County and the Development Authority.

The Public Library Building Fund Capital Projects Fund was established to account for capital outlay and other transactions related to the construction of a new local public library building.

The County reports the following major proprietary fund in its financial statements:

The Water Fund is used to account for the provision of water services to residents of one small community within the County. All activities necessary to provide such services are accounted for in the fund, including but not limited to, administration, operation, and billing and collections.

The County also reports the following other fund types:

The Fiduciary Funds account for assets held by the County as an agent on behalf of others. Agency funds account for resources held by the County or its officials in a custodial capacity. The following are the agency funds: Superior Court, Probate Court, Tax Commissioner, Magistrate, Sheriff, Tax Assessor and Emergency Management.

The business-type activities financial statements of the County follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions and Accounting Research Bulletins, unless those pronouncements, known as private-sector guidance, conflict with GASB pronouncements. Governments also have the option of following subsequent private-sector guidance for their business type activities and enterprise funds, unless those pronouncements conflict with or contradict GASB pronouncements. The County has elected not to follow subsequent private sector guidance.

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

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as taxes, subsidies and investment activities result from non exchange transactions. The principal operating revenue of the County's proprietary fund is charges to customers for sales and services. Operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. Nonoperating expenses include interest on debt and all other expenses not meeting the definition of operating expenses. Amounts paid to acquire capital assets in the fund financial statements are reported as expenditures in the governmental funds and as increase in capital assets balances in the proprietary funds.

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. Fund Financial Statements

The accounts of the County's reporting entity are organized on the basis of separate funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. 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.

Governmental Funds
Governmental funds are those through which most governmental functions of the County are financed. The acquisition, use, and balances of the County's expendable financial resources and the related liabilities are accounted for through governmental funds. Governmental Funds are accounted for on a flow of current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The County's governmental funds include the general fund, capital projects funds, and special revenue funds.

Proprietary Funds
Proprietary funds are accounted for using a flow of economic resources measurement focus. All assets and liabilities are included on the balance sheet. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non exchange transactions, such as interest earnings and subsidies, are reported as non-operating revenues.

Amounts paid to acquire capital assets in the fund financial statements are reported as an increase in assets. Proceeds of long-term debt are recorded as a liability in the fund financial statements. Amounts paid to reduce long-term indebtedness are reported as a reduction of the related liability. Proprietary funds include enterprise funds and internal service funds. The County has one enterprise fund, the water fund.

Enterprise Funds - Enterprise Funds are 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 as appropriate for capital maintenance, public property, management control, accountability, or other purposes. The County's enterprise fund is the Water Fund.

Fiduciary Funds
Trust and Agency Funds - Trust and Agency Funds are used to account for assets held by the County in a trustee capacity for the County or as an agent for other governmental units or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

F. Concentrations of Credit Risk

The County's Water Fund and the General Fund garbage services serve customers within the County. The balance of receivables is composed mostly of residential and smaller commercial accounts. The County does not expect to incur significant losses as a result of these receivables. Management believes that the allowance for uncollectibles is adequate to cover all anticipated future losses on these receivables.

G. Cash Flows

For purposes of the statement of cash flows, the Primary Government Water Fund considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

H. Inventory

Inventory of the County's reporting entity is considered immaterial to financial position and, accordingly, is not recorded. Expendable supplies are recorded as expenditures or expenses at the time items are purchased.

I. Use of Estimates

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

J. Advertising Costs

Advertising costs are recorded as expenditures or expenses, as appropriate, in the period incurred. Advertising costs are not capitalized by the County.

K. Capital Assets

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

Prior to July 1, 2003, governmental funds' infrastructure assets were not capitalized. Infrastructure assets acquired prior to July 1, 2003, are not reported in the basic financial statements. General infrastructure assets include all roads and bridges and other infrastructure assets acquired subsequent to July 1, 2003.

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

Major outlays for capital and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government, as well as the component unit, is depreciated using the straight line method over the assets' estimated useful lives as follows:

Asset Class	Estimated Useful Lives In Years	Capitalization Threshold
Buildings	50	$ 15,000
Building Improvements	20	$ 5,000
Machinery and equipment	3-10	$ 1,000
Water system lines	30- 50	$ 1,500
Infrastructure	30	$ 10,000

L. Accumulated Unpaid Vacation, Sick Pay and Other Employee Benefits

Primary Government

Annual leave is awarded as follows:
- After one (1) year of service - five (5) working days
- After three (3) years of service - ten (10) working days
- After eight (8) years of service - fifteen (15) working days
- After fifteen (15) years of service - twenty (20) working days

Funeral leave is available at up to three (3) days for immediate family only. Military leave for military service is allowed but employee shall not be compensated for such absence. Civil leave is allowed with pay for service as a juror, or other duty required by law.

Sick leave shall be allowed to all eligible employees for employee sickness, disability, or for medical, dental, or eye examination and treatment that cannot be scheduled outside of normal working hours. Accrual shall be at the rate of one (1) full day (eight hours) per month, for a total of twelve such days per year. Sick leave can be carried over to a subsequent year at 50% of the total accumulated hours with no limitation. If an employee should retire with the County, the employee's total accrued sick leave may, at the employee's option, be credited to years of service in lieu of receiving a 50% cash payment.

Component Unit

Annual and sick leave costs are charged to operations at the time the expenditure is made.

Employees can earn annual leave at the rate of ten (10) hours per month during the first five (5) years of employment; twelve (12) hours per month after five (5) through ten (10) years of employment; and fourteen (14) hours per month after ten (10) years of employment. There is no requirement that annual leave be taken, but the maximum accumulation is forty-five (45) days. At termination, employees are paid for any accumulated annual leave. The liability for accumulated annual leave at June 30, 2010, has been recorded as a liability in the component unit financial statements.

Employees accumulate sick leave at the rate of ten (10) hours per month. The maximum permissible accumulation is ninety (90) days. Forfeited leave is accumulated and according to certain provisions can be utilized for extended major illnesses and retirement. No sick leave benefits are paid upon employee termination. Accumulated sick leave 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.

M. Prepaid Items

Prepaid items are recorded as expenditures in the governmental funds during the period benefitted.

N. Long-Term Obligations

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

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

O. Fund Equity

Government-wide Statements
Equity is classified as net assets and displayed in three components:

a. Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

b. Restricted net assets -Consists of net assets with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or 2) law through constitutional provisions or enabling legislation.

c. Unrestricted net assets - All other net assets that do not meet the definition of "invested in capital assets, net of related debt" or "Restricted".

Fund Statements
Governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated. Proprietary fund equity is classified the same as in the government-wide statements.

P. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly chargeable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Q. Allowance for Uncollectible Accounts

Allowances for uncollectible accounts are maintained for all types of receivables which historically experience uncollectible accounts.

R. Post-employment health care benefits

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the County provides healthcare benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured for the actual month covered. This program is offered for a duration of 18 months after the termination date. There is no associated cost to the County under this program.

2. CASH AND INVESTMENTS

Cash

Primary Government

Custodial credit risk for deposits is the risk that in the event of a bank failure, the Government may not be able to recover its deposits or recover collateral securities in the possession of an outside party. The County does not have a deposit policy for custodial credit risk. At year end, the County had deposits of $2,958,709 and the carrying amount for these deposits was $2,696,631. At December 31, 2010, 100% of the County's deposits were insured or collateralized with securities held by the County, an agent in the name of the County, or securities pledged by the financial institution in the name of the County. No amounts were uninsured and uncollateralized.

Component Unit

At year-end, the carrying amount of the component unit's deposits (checking and savings accounts) was $219,491 and the bank balance was $232,099. Of the bank balance $232,099 was covered by federal depository insurance and $-0- was collateralized with securities held by the pledging financial institution's trust department or agent in the Health Department's name. No amounts were uninsured and uncollateralized.

The carrying amount of the County's deposits is reconciled to the financial statements as follows:

Governmental Activities:	
Cash in Banks	$ 1,960,140
Cash on Hand	2,084
Total Governmental Activities	1,962,224
Business-Type Activities	34,030
Fiduciary Funds -	
Agency Funds	702,461
Total Primary Government	2,698,715
Component Unit -	
Health Department	219,491
Total Reporting Entity	$ 2,918,206

Investments

Investments are recorded at market value. Market value is based upon quoted market prices. The County currently holds no 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 bankers' acceptances;
6. Georgia Fund 1 state investment pool;
7. Repurchase agreements; and
8. Obligations of other political subdivisions of the State of Georgia.

3. PROPERTY TAXES

Primary Government

Taxes are levied on September 1st of each year. Due date for these taxes is December 20th, and the lien date is the following March 1st. Taxes are collected throughout the year.

Property taxes for the fiscal year ended December 31, 2010, were assessed at the rate of 14.60 mills on the dollar on a total gross assessed valuation of $312,640,672.

In the governmental fund financial statements, property taxes are recorded as receivables and deferred at the time the tax levy is billed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible within sixty days following the close of the fiscal year are therefore susceptible to accrual in accordance with GAAP and have been recognized as revenue.

In the government-wide financial statements, property taxes receivable and related revenue include all amounts due the County regardless of when cash is received. Over time, substantially all property taxes are collected.

4. ACCOUNTS RECEIVABLE

Receivables at year-end for the county's individual major funds and nonmajor funds in the aggregate and the related allowances for uncollectible accounts are as follows:

Primary Government

	General	Capital Projects SPLOST 09	Public Library Building Fund	Proprietary Water	Nonmajor Funds Other Governmental	Total
Taxes	$ 1,112,105	$ -	$ -	$ -	$ -	$ 1,112,105
Accounts	167,887	-	327,374	22,764	8,979	527,004
Intergovernmental	76,068	61,160	-	-	25,629	162,857
Gross receivables	1,356,060	61,160	327,374	22,764	34,608	1,801,966
Less - allowance for Uncollectibles	(51,510)	-	-	(9,907)	-	(61,417)
Net receivables	$ 1,304,550	$ 61,160	$ 327,374	$ 12,857	$ 34,608	$ 1,740,549

Intergovernmental receivables include amounts due from the Georgia Department of Revenue for local option and special purpose local option sales taxes.

Component Unit

Accounts	$ 6,743
Gross receivables	6,743
Less allowance for uncollectible	-
Net receivable	$ 6,743

5. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2010, was as follows:

Description	Balance Beginning As Adjusted	Additions	Retirements	Balance Ending
Primary Government				
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 499,696	$ 11,000	$ -	$ 510,696
Construction in progress	3,576,176	499,975	-	4,076,151
Total capital assets not being depreciated	4,075,872	510,975	-	4,586,847
Capital assets, being depreciated:				
Infrastructure	69,900	-	-	69,900
Buildings	6,500,432	99,107	-	6,599,539
Improvements	96,486	-	-	96,486
Machinery and equipment	4,808,387	611,761	141,746	5,278,402
Total capital assets, being depreciated	11,475,205	710,868	141,746	12,044,327
Less accumulated depreciation for:				
Infrastructure	2,610	2,330	-	4,940
Buildings	1,762,075	154,387	-	1,916,462
Improvements	19,723	2,400	-	22,123
Machinery and equipment	2,838,679	374,964	133,051	3,080,592
Total accumulated depreciation	4,623,087	534,081	133,051	5,024,117
Governmental activities capital assets, net of accumulated depreciation:				
Capital assets not being depreciated:				
Land	499,696	11,000	-	510,696
Construction in progress	3,576,176	499,975	-	4,076,151
Total capital assets not being depreciated	4,075,872	510,975	-	4,586,847
Capital assets being depreciated, net of accumulated depreciation:				
Infrastructure	67,290	(2,330)	-	64,960
Buildings	4,738,357	(55,280)	-	4,683,077
Improvements	76,763	(2,400)	-	74,363
Machinery and equipment	1,969,708	236,797	8,695	2,197,810
Total capital assets being depreciated, net of accumulated depreciation	6,852,118	176,787	8,695	7,020,210
Total governmental activities capital assets, net of accumulated depreciation	$ 10,927,990	$ 687,762	$ 8,695	$ 11,607,057

Description	Balance Beginning As Adjusted	Additions	Retirements	Balance Ending
Business-type activities:				
Capital assets, not being depreciated -				
Land	$ 900	$ -	$ -	$ 900
Capital assets, being depreciated -				
Improvements-water system	3,344,567	-	-	3,344,567
Total capital assets being depreciated	3,344,567	-	-	3,344,567
Less accumulated depreciation for:				
Improvements-water system	212,744	66,891	-	279,635
Total accumulated depreciation	212,744	66,891	-	279,635
Business type activities capital assets, net of accumulated depreciation:				
Capital assets not being depreciated -				
Land	900	-	-	900
Capital assets being depreciated, net of accumulated depreciation -				
Improvements-water system	3,131,823	(66,891)	-	3,064,932
Total capital assets being depreciated, net of accumulated depreciation	3,131,823	(66,891)	-	3,064,932
Total business type activities capital assets, net of accumulated depreciation	$ 3,132,723	$(66,891)	$ -	$ 3,065,832
Component Unit				
Health Department:				
Capital assets not being depreciated -				
Land	$ -	$ -	$ -	$ -
Capital assets being depreciated -				
Machinery and equipment	103,071	-	-	103,071
Total capital assets being depreciated	103,071	-	-	103,071
Less accumulated depreciation for:				
Machinery and equipment	102,675	264	-	102,939
Total accumulated depreciation	102,675	264	-	102,939
Health department capital assets, net of accumulated depreciation:				
Capital assets not being depreciated -				
Land	-	-	-	-
Capital assets being depreciated, net of accumulated depreciation:				
Machinery and equipment	396	(264)	-	132
Total capital assets being depreciated, net of accumulated depreciation	396	(264)	-	132
Total health department capital assets, net of accumulated depreciation	$ 396	$(264)	$ -	$ 132

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

Governmental activities:	
General government	$ 160,415
Public safety	266,815
Highways and Streets	78,130
Sanitation	-
Public health and welfare	16,220
Culture and recreation	12,501
Total depreciation expense - governmental activities	$ 534,081
Business-type activities -	
Water system	$ 66,891
Total depreciation expense - business-type activities	$ 66,891
Component Unit	
Health Department -	
Governmental activities - Health.....	$ 264
Total depreciation expense - component unit activities	$ 264

6. JOINT VENTURES

Primary Government

Middle Georgia Regional Commission

Under Georgia law, the County, in conjunction with municipalities and counties in the eleven (11) county Middle Georgia area are members of the Middle Georgia Regional Commission (MGRC). Membership in the MGRC is required for each municipality and county in the Middle Georgia region. The Official Code of Georgia Section 50-8-34 provides for the organizational structure of the Regional Commissions. The MGRC Board membership includes the chief elected official of each county and the chief elected official of each municipality. The County board members and municipal board members from the same county elect one Member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as a nonpublic member and a minority member who must be an elected official to serve as board members from a County. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a Regional Commission. Separate financial statements for the MGRC are available from:

Middle Georgia Regional Commission
175 Emery Highway, Suite C
Macon, Georgia 31217

7. TWIGGS COUNTY HEALTH DEPARTMENT

The Twiggs County Board of Health is reported as a discretely presented component unit in the county's financial statements because the entity is legally separate, the primary government appoints a voting majority of the entity's board, the primary government is able to impose its will on the entity, the entity does not provide services entirely or almost entirely to the primary government, and in most cases, the entity and the primary government do not have boards that are substantively the same.

The following is a condensed statement of net assets of the Twiggs County Health Department as of June 30, 2010:

	Total
Assets:	
Cash	$ 219,491
Accounts receivable	6,743
Capital assets, net of accumulated depreciation	132
Total Assets	$ 226,366
Liabilities:	
Accounts payable	$ 11,946
Compensated Absences:	
Due within one year	3,367
Due after one year	11,733
Total Liabilities	27,046
Net Assets:	
Invested in capital assets	132
Unreserved	199,188
Total Net Assets	$ 199,320

The following is a summary of the statement of activities of the Twiggs County Health Department for the fiscal year ended June 30, 2010:

Program Revenues:	
Charges for services	$ 89,923
Operating grants and contributions	182,462
Total Program Revenues	272,385
Program Expenses - Health	263,761
Net	8,624
General Revenues - unrestricted investment earnings	3,719
Changes in Net Assets	12,343
Net Assets, Beginning	186,977
Net Assets, Ending	$ 199,320

Complete audited financial statements for the Twiggs County Health Department are available at the office of the Twiggs County Board of Commissioners.

8. COMPLIANCE WITH LEGAL PROVISIONS

The County is in compliance with all significant finance-related legal and contractual provisions.

Deficit Fund Balances-

No individual funds had deficit fund balances at December 31, 2010.

Excess of expenditures over appropriations in individual departments:

The following funds/departments had an excess of expenditures over appropriations:

General Fund:	
General Government:	
Probate Court	$ 18,348
Clerk of Superior Court	30,524
Juvenile Court	12,555
Tax Commissioner	32,181
Tax Assessors	20,740
General Government Buildings	12,652
Magistrate	10,996
Planning and Zoning	12,341
Public Safety:	
Sheriff	204,899
Coroner	3,730
Emergency Management	431,190
Highways and Streets	137,862
Sanitation	19,406
Public Health and Welfare:	
Indigent Care Appropriation	2,400
Transit System	16,396
Culture and Recreation -	
Library Appropriation	1,476
Transfers out	121,170

These variances did not create a deficit in the General Fund. Additionally, while these variances occurred in individual departments, the Board of Commissioners reviews the budget monthly in an effort to prevent an excess of expenditures over revenues.

9. LONG-TERM LIABILITIES

The following is a summary of debt transactions of the County for the current year:

	Balance Beginning	Additions	Retirements	Balance Ending	Amounts Due Within One Year	Interest Paid
Governmental Activities:						
Capital Leases	$ 424,240	$ 391,780	$ 105,279	$ 710,741	$ 253,567	$ 18,421
Notes Payable	294,662	440,341	535,459	199,544	98,193	20,415
Total Capital Leases and Notes Payable	718,902	832,121	640,738	910,285	351,760	38,836
Landfill Postclosure Care Costs	329,338	-	83,108	246,230	-	-
Compensated Absences	140,937	13,593	-	154,530	154,530	-
Total Governmental Activities	$ 1,189,177	$ 845,714	$ 723,846	$ 1,311,045	$ 506,290	$ 38,836
Business-Type Activities:						
Notes payable	$ 1,693,506	$ -	$ 90,723	$ 1,602,783	$ 90,724	$ -
Total Business-Type Activities	$ 1,693,506	$ -	$ 90,723	$ 1,602,783	$ 90,724	$ -

Details of capital leases and notes payable are as follows:

	Balance Beginning	Additions	Retirements	Balance Ending
Governmental Activities:				
Capital Leases:				
4.45% Capital lease payable, with monthly payments of $2,121, including interest, original principal of $202,405, made on November 2, 2006, incurred to purchase road department equipment	$ 144,165	$ -	$ 17,773	$ 126,392
5.548% Capital lease payable, with monthly payments of $2,327, including interest, original principal of $77,000, made on April 6, 2007, incurred to purchase road department equipment	4,621	-	4,621	-
5.926% Capital lease payable, with annual payments of $33,141, including interest, original principal of $86,446, made on July 15, 2007, incurred to purchase Sheriff's department vehicles	30,683	-	30,683	-
3.45% Capital lease payable, with annual payments of $21,489 including interest, original principal of $147,372, made on June 23, 2008, incurred to purchase road department equipment	131,048	-	16,896	114,152
5.90% Capital lease payable, with annual payments of $19,010 including interest, original principal of $52,370, made on July 29, 2008, incurred to purchase Sheriff's department vehicles	34,862	-	16,925	17,937
4.69% Capital lease payable, with annual payments of $22,079 including interest, original principal of $96,419, made on August 20, 2008, incurred to purchase road department truck	78,861	-	18,381	60,480
3.80% Capital Lease Payable, with annual payments of $87,709, including interest, original principal of $391,780, made October 1, 2010, incurred to purchase 911 communications equipment	-	391,780	-	391,780
Total Capital Leases	424,240	391,780	105,279	710,741

	Balance Beginning	Additions	Retirements	Balance Ending
Notes Payable:				
8.25% Note payable, with monthly payments of $1,578, including interest, original principal of $144,280, made on March 2, 2007, for road department building and land	120,746	-	9,332	111,414
6.00% Note payable, with monthly payments of $367 including interest, original principal of $19,000, made on September 5, 2008, incurred to purchase land for Sheriff's substation	13,352	-	13,352	-
3.45% Note payable line of credit to SunTrust Bank, made on July 21, 2008, incurred to finance construction activity in Academy Capital Projects Fund	160,564	340,341	500,905	-
5.25% Note payable, with monthly payments of $1,899, including interest, original principal of $100,000, made on April 7, 2010, for road department building and land	-	100,000	11,870	88,130
Total Notes Payable	294,662	440,341	535,459	199,544
Total Governmental Activities	$ 718,902	$ 832,121	$ 640,738	$ 910,285
Business-Type Activities:				
Note Payable -				
Georgia Environmental Facilities project loan for water system improvements, original principal of $1,814,471, transferred from general fund along with related water system improvements on January 1, 2008. Initial interest rate of 0%, with monthly principal payments of $7,560	$ 1,693,506	$ -	$ 90,723	$ 1,602,783
Total Business-Type Activities	$ 1,693,506	$ -	$ 90,723	$ 1,602,783

A summary of short-term debt activity of the county for the current year is as follows:

	Balance Beginning As Adjusted	Additions	Retirements	Balance Ending	Interest Paid
Tax anticipation notes used for general government activity	$ -	$ 1,900,000	$ 1,900,000	$ -	$ 29,241

Interest paid on short-term debt is charged directly to general government expense in the statement of activities. The general fund liquidated all short-term debt during the current year.

A total of $1,159,626 represents the gross amount of assets recorded in statement of net assets under outstanding capital leases. These assets collateralize the leases payable as of the end of the current year. There are no special restrictions on assets under capital leases.

The County had no earnings on unexpended debt proceeds and, accordingly, Federal Arbitrage Regulations do not apply. There are currently no amortizable debt premiums, discounts or issue costs applicable to County debt.

The annual requirements to service principal and interest on all County long-term debt to maturity is as follows:

Year ending	Capital Leases Payable			Notes Payable			Governmental Activities Total		
June 30	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2011	$ 253,567	$ 27,927	$ 281,494	$ 98,193	$ 9,178	$ 107,371	$ 351,760	$ 37,105	$ 388,865
2012	113,567	17,710	131,277	101,351	506	101,857	214,918	18,216	233,134
2013	177,897	13,380	191,277	-	-	-	177,897	13,380	191,277
2014	81,278	6,430	87,708	-	-	-	81,278	6,430	87,708
2015	84,432	3,276	87,708	-	-	-	84,432	3,276	87,708
2016-2020	-	-	-	-	-	-	-	-	-
Totals	$ 710,741	$ 68,723	$ 779,464	$ 199,544	$ 9,684	$ 209,228	$ 910,285	$ 78,407	$ 988,692

Year ending	Capital Leases Payable			Notes Payable			Business-Type Activities Total		
June 30	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2011	$ -	$ -	$ -	$ 90,724	$ -	$ 90,724	$ 90,724	$ -	$ 90,724
2012	-	-	-	90,724	-	90,724	90,724	-	90,724
2013	-	-	-	90,724	-	90,724	90,724	-	90,724
2014	-	-	-	90,724	-	90,724	90,724	-	90,724
2015	-	-	-	90,724	-	90,724	90,724	-	90,724
2016-2020	-	-	-	453,618	-	453,618	453,618	-	453,618
2021-2025	-	-	-	453,618	-	453,618	453,618	-	453,618
2026-2030	-	-	-	241,927	-	241,927	241,927	-	241,927
Totals	$ -	$ -	$ -	$ 1,602,783	$ -	$ 1,602,783	$ 1,602,783	$ -	$ 1,602,783

Total interest paid on long-term debt during the current year is summarized as follows:

Governmental Activities			Business Type Activities		
Total Interest	Less Direct Interest	Net Interest	Total Interest	Less Capitalized Interest	Net Interest
$38,836	$ -	$ 38,836	$ -	$ -	$ -

Total interest paid on all County debt during the current year was $68,077.

For governmental activities, compensated absences are generally liquidated by the general fund.

The County has several annually renewable leases on office and equipment with no contingent payments included therein. Total equipment rental during the current year was $71,008.

Component Unit

Description	Balance Beginning	Additions	Retirements	Balance Ending	Amounts due within One Year
Accrued Leave	$ 13,663	$ 11,921	$ 10,484	$ 15,100	$ 3,367
Total	$ 13,663	$ 11,921	$ 10,484	$ 15,100	$ 3,367

10. INTERFUND BALANCES AND TRANSFERS

The following is a summary of interfund receivables and payables:

Academy Capital Projects Fund-	
Due from SPLOST Capital Projects Fund	$ 55,617
SPLOST Capital Projects Fund-	
Due to Academy Capital Projects Fund	$ 55,617

The following is a summary of interfund transfers during the year:

	Transfers In	Transfers Out
Major Governmental Funds:		
General Fund:		
Transfers in from Water Fund	$ 78,107	$ -
Transfers out to Water Fund	-	121,170
General Fund Totals	78,107	121,170
SPLOST Capital Projects Fund:		
Transfers in from Academy Capital Projects Fund	158,934	-
SPLOST Fund Totals	158,934	-
Academy Capital Projects Fund:		
Transfers out to SPLOST Capital Projects Fund	-	158,934
Academy Capital Projects Fund Totals	-	158,934
Totals-Governmental Funds	237,041	280,104
Major Proprietary Fund -		
Water Fund:		
Transfers in from General Fund	121,170	-
Transfers out to General Fund	-	78,107
Water Fund Totals	121,170	78,107
Totals-Proprietary Fund	121,170	78,107
Totals	$ 358,211	$ 358,211

Transfers were made between the General Fund and the Water Fund to reimburse for routine operating functions in debt service and property acquisition. Transfers were made from the Academy Capital Projects Fund to the SPLOST Capital Projects Fund to reimburse the SPLOST Fund for expenditures allowable under grants subsequently received by the Academy Capital Projects Fund. Management plans to repay all interfund balances within one year.

11. GRANT AUDITS

Primary Government

In the normal course of operations, the County receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

Component Unit

The Health Department received the majority of its funding through DHR. This funding is subject to program compliance audits by DHR or its designee. However, any adjustments emanating as a result of such an examination are not expected to differ materially from the amounts reflected in the accompanying financial statements.

12. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The County maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the County. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. The County paid $38,369 in premiums for various commercial coverage during the current year. There have been no significant reductions in insurance coverage from the prior year.

The County is a member of the Association County Commissioners Self Insurance Workers Compensation Fund pursuant to Title 34, Chapter 9, Article 5 of the Official Code of Georgia Annotated. The Fund represents a self-insurance pool, whereby members agree to pay the workers compensation claims of other members of the fund. The County paid $91,593 to the fund during the current year. There were no assessments made against the County for additional losses incurred by the fund.

The liability of the fund to the employees of any employer is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and/or employer's liability. The fund is to defend, in the name of and on behalf of the members, any suits or other proceedings which may at any time be instituted against them on account of injuries or death within the purview of the Worker's Compensation Law of Georgia, or on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding of compensation therefore, although such suits, other proceedings, allegations or demands be wholly groundless, false or fraudulent. The Fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

The County has also become a member of the Association County Commissioners of Georgia - Interlocal Risk Management Agency for liability, motor vehicle and property damage risk self insurance. The County paid $81,654 to the fund during the current year. There were no assessments made against the County for additional losses incurred by the fund.

Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorizes Georgia municipalities to form interlocal risk management agencies. The Georgia Interlocal Risk Management Agency (GIRMA) is a municipal interlocal risk management agency operating as an unincorporated nonprofit instrumentality of its member municipalities - GIRMA establishes and administers one or more group self insurance funds and a risk management service to prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of municipal government. GIRMA is to defend and protect in accordance with the member government contract and related coverage descriptions any member of GIRMA against liability or loss. The County, among other requirements, must: pay all contributions, assessments or other sums due to GIRMA as such times and in such amounts as shall be established by GIRMA; select a person to serve as a member representative; allow GIRMA and its agents reasonable access to all facilities and all records of the County which relate to the purposes of GIRMA; allow attorneys appointed by the agency 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 Fund; assist and cooperate in the defense and settlement of claims against the County; furnish full cooperation to GIRMA's attorneys, claims adjusters, Service Company, and any agent, employee, officer or independent contractor of GIRMA relating to the purposes of GIRMA; follow loss reduction and prevention procedures established by the agency; furnish to GIRMA such budget, operating and underwriting information as may be requested; and report promptly as possible, and in accordance with any Coverage Descriptions issued, all incidents which could result in claims against the fund.

13. CONTINGENCIES AND COMMITMENTS

Litigation

There are currently no lawsuits pending against the County.

SPLOST Commitments

On February 5, 2008, Twiggs County voters approved the imposition of a one-percent special purpose local option sales tax projected to begin on January 1, 2009, and to continue through December 31, 2013, or at the end of the quarter where the raising of $6,000,000 is reached, whichever occurs first. The tax is to be used 2/3 for improving Twiggs County roads and 1/3 for county water system improvements, purchase of a rescue vehicle, infrastructure improvements at the County industrial park, repair of courthouse roofs and recreation and parks.

14. RETIREMENT PLANS

The following pension and retirement plans are in effect but are not under the direct control of the County:

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

2. 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.

3. Sheriff's Retirement Fund/Peace Officers Annuity and Benefit Fund
   The Sheriff is covered under separate pension plans which require that certain sums from fines or bond forfeitures be remitted by the Probate Judge or Clerk of Superior Court to the pension plan before the payment of any costs or other claims.

Contributions to these plans are not based on payroll, but rather on certain receipts.

15. LANDFILL CLOSURE AND POST-CLOSURE CARE COSTS

The County’s financial statements have not reflected a direct liability for landfill closure and post-closure care costs prior to December 31, 2005, because the County had operated its landfill through a joint venture. The Twiggs-Wilkinson Landfill Commission, Inc. (the Commission) was incorporated on November 23, 1998 as a Georgia Non-profit Corporation. The Commission was formed by Twiggs County, Georgia and Wilkinson County, Georgia in a joint landfill agreement that was to be effective for ten years to provide a facility for the disposal of solid waste collected by both counties. A three-member board administered the operations of the Highway 80 Landfill currently in operation as well as post-closure care of the Highway 57 Landfill. The Twiggs County and Wilkinson County Board of Commissioners each appointed one member for two-year terms. The two members appointed by the Counties appointed a third independent member for two-year terms. The creation of the Commission did not divest either Twiggs County or Wilkinson County of the responsibility for the Landfill’s operation or financial obligations.

During the year ended December 31, 1999, the Commission was notified that the Highway 57 Landfill site had been identified as a hazardous waste site. As such, the Commission was required to comply with prescribed procedures regarding clean-up and additional monitoring. The Landfill Agreement between Twiggs and Wilkinson County stated that any corrective action costs for the Highway 57 Landfill would be the responsibility of Twiggs and Wilkinson County.

State and federal laws and regulations require owners to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure costs will be paid only near or after the date that the landfill stops accepting waste, the Commission reports a portion of these closure and post-closure costs as an operating expense in each period based on landfill capacity used as of each balance sheet date.

Due to the competitive nature of the market which serves landfill monitoring and care and changes in inflation and technology, the estimated post-closure and closure costs care costs may fluctuate from year to year.

Under a purchase agreement with Wolf Creek Landfill, LLC, the Twiggs-Wilkinson Landfill Commission, Inc., was sold during August 2005. As of September 30, 2005, the Twiggs-Wilkinson Landfill Commission, Inc., was dissolved. As of September 30, 2005, the landfill post-closure care liability for the Highway 57 site was assumed equally by Wilkinson County and Twiggs County. Twiggs County recorded a total of $246,230 as a liability for post-closure care in the Governmental Activities Statement of Net Assets as of December 31, 2010. The landfill closure and post-closure liability for the Highway 80 site was assumed by Wolf Creek Landfill, LLC. Twiggs County received $477,565 in host fees from the Landfill during the current year.

16. INSURANCE RECOVERY

The county received $577,508 in insurance proceeds as the result of a fire which destroyed the local library building. The recovery was recorded in the Public Library Building Fund Capital Projects Fund.

17. DEFERRED COMPENSATION PLAN

The county offers its employees a deferred compensation plan, created in accordance with Internal Revenue Code Section 457, the Twiggs County 457 Deferred Compensation Plan. The plan, available to all County Employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Pursuant to changes in Internal Revenue Code Section 457, the plan has been amended to convert the deferred compensation plan to a trust. The plan is administered by GEBCorp. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the trust, established for the exclusive benefit of the participants and their beneficiaries. The County has no liability for these assets and they are not subject to the claims of the County's general creditors. All contributions to this plan are voluntary employee contributions.

TWIGGS COUNTY, GEORGIA
Schedule of Revenues, Expenditures and
Changes in Fund Balances-Budget (GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended December 31, 2010

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES:				
Taxes:				
Ad valorem tax	$ 3,904,278	$ 3,904,278	$ 3,715,982	$ (188,296)
Alcoholic beverage tax	44,403	44,403	41,546	(2,857)
Insurance premium tax	438,781	438,781	426,746	(12,035)
Local option sales tax	485,363	485,363	546,652	61,289
Other taxes	28,988	28,988	17,262	(11,726)
Total Taxes	4,901,813	4,901,813	4,748,188	(153,625)
Licenses and Permits:				
Beer and wine licenses	7,600	7,600	3,000	(4,600)
Other licenses, permits and fees	42,200	42,200	30,486	(11,714)
Total Licenses and Permits	49,800	49,800	33,486	(16,314)
Intergovernmental:				
Local grants-various	-	-	509	509
State grants-various	6,500	6,500	107,722	101,222
Payments in lieu of tax	16,294	16,294	15,311	(983)
Total Intergovernmental	22,794	22,794	123,542	100,748
Fines and Forfeitures:				
Probate Court	584,504	584,504	590,383	5,879
Superior Court	15,525	15,525	26,909	11,384
Drug surcharges, etc.	4,355	4,355	1,104	(3,251)
Total Fines and Forfeitures	604,384	604,384	618,396	14,012
Charges for Services:				
Magistrate	27,559	27,559	34,879	7,320
Superior Court	40,368	40,368	44,056	3,688
Sheriff	60,128	60,128	56,815	(3,313)
Tax Commissioner	-	-	108,061	108,061
Greenbox fees	28,830	28,830	21,115	(7,715)
Transit system	37,812	37,812	25,685	(12,127)
Landfill host fees	370,492	370,492	477,565	107,073
Total Charges for Services	565,189	565,189	768,176	202,987
Miscellaneous:				
Interest	1,290	1,290	482	(808)
Refunds, reimbursements, etc.	47,467	47,467	45,220	(2,247)
Other	58,466	84,651	252,331	167,680
Total Miscellaneous	107,223	133,408	298,033	164,625
Total Revenues	6,251,203	6,277,388	6,589,821	312,433

The accompanying Notes to Required Supplementary Information are an integral part of this Schedule.

TWIGGS COUNTY, GEORGIA

Schedule of Revenues, Expenditures and
Changes in Fund Balances-Budget (GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended December 31, 2010

	Budget			Variance with
	Original	Final	Actual	Final Budget
EXPENDITURES:				
General Government:				
Administration	1,609,435	1,533,889	931,376	602,513
Superior Court	94,858	94,858	81,933	12,925
Probate Court	168,891	140,000	158,348	(18,348)
Clerk of Superior Court	218,282	209,000	239,524	(30,524)
Juvenile Court	-	-	12,555	(12,555)
Tax Commissioner	193,777	185,000	217,181	(32,181)
County Agent	31,993	31,993	23,373	8,620
Registrars	106,188	102,874	98,816	4,058
Tax Assessors	239,855	208,000	228,740	(20,740)
General Government Buildings	130,786	116,763	129,415	(12,652)
Board of Equalization	4,000	20,000	19,490	510
Magistrate	112,394	115,000	125,996	(10,996)
Planning and Zoning	86,465	82,568	94,909	(12,341)
Total General Government	2,996,924	2,839,945	2,361,656	478,289
Public Safety:				
Sheriff	1,593,628	1,790,000	1,994,899	(204,899)
Fire Department	42,293	51,000	49,076	1,924
Rescue	3,480	9,900	9,655	245
Coroner	29,109	29,109	32,839	(3,730)
Emergency Management	165,609	225,000	656,190	(431,190)
Georgia Forestry Appropriation	7,851	21,000	20,039	961
District Attorney Appropriation	90,000	103,000	97,481	5,519
Total Public Safety	1,931,970	2,229,009	2,860,179	(631,170)
Highways and Streets	692,587	670,421	808,283	(137,862)
Sanitation	141,500	140,000	159,406	(19,406)
Public Health and Welfare:				
Public Health Appropriation	74,115	82,000	80,920	1,080
Indigent Care Appropriation	-	-	2,400	(2,400)
Mental Health Appropriation	5,218	5,218	5,218	-
Department of Family and Children's Services	81,140	76,010	75,735	275
Older American's Council	54,944	60,000	49,124	10,876
Transit System	95,779	115,000	131,396	(16,396)
Neighborhood Service Center	977	977	-	977
Public Defender Appropriation	45,000	73,000	57,276	15,724
Total Public Health and Welfare	357,173	412,205	402,069	10,136

The accompanying Notes to Required Supplementary Information are an integral part of this Schedule.

TWIGGS COUNTY, GEORGIA
Schedule of Revenues, Expenditures and
Changes in Fund Balances-Budget (GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended December 31, 2010

	Budget			
	Original	Final	Actual	Variance with Final Budget
Culture and Recreation -				
Library Appropriation	9,905	13,000	14,476	(1,476)
Total Culture and Recreation	9,905	13,000	14,476	(1,476)
Economic Development	70,000	60,000	59,999	1
Debt Service:				
Principal	170,000	170,000	106,620	63,380
Interest	-	50,000	21,290	28,710
Total Debt Service	170,000	220,000	127,910	92,090
Total Expenditures	6,370,059	6,584,580	6,793,978	(209,398)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(118,856)	(307,192)	(204,157)	103,035
OTHER FINANCING SOURCES (USES):				
Transfers in	118,856	307,192	78,107	(229,085)
Transfers (out)	-	-	(121,170)	(121,170)
Issuance of Capital Leases	-	-	391,780	391,780
Issuance of Notes Payable	-	-	100,000	100,000
Total Other Financing Sources (Uses)	118,856	307,192	448,717	141,525
Net Change in Fund Balance	-	-	244,560	244,560
FUND BALANCE, BEGINNING OF YEAR	415,676	415,676	415,676	-
FUND BALANCE, END OF YEAR	$ 415,676	$ 415,676	$ 660,236	$ 244,560

The accompanying Notes to Required Supplementary Information are an integral part of this Schedule.

Excess of expenditures over appropriations in individual departments:

The following funds/departments had an excess of expenditures over appropriations:

General Fund:	
General Government:	
Probate Court	$ 18,348
Clerk of Superior Court	30,524
Juvenile Court	12,555
Tax Commissioner	32,181
Tax Assessors	20,740
General Government Buildings	12,652
Magistrate	10,996
Planning and Zoning	12,341
Public Safety:	
Sheriff	204,899
Coroner	3,730
Emergency Management	431,190
Highways and Streets	137,862
Sanitation	19,406
Public Health and Welfare:	
Indigent Care Appropriation	2,400
Transit System	16,396
Culture and Recreation -	
Library Appropriation	1,476
Transfers out	121,170

Budgets and Budgetary Control

The General Fund's appropriated budget is prepared on departmental basis. Revenues are budgeted by source. Expenditures are budgeted by department and class as follows: current, capital outlay, and debt service. This constitutes the legal level of control. Expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to final approval by the Board of Commissioners. Within these control levels, management may transfer appropriations without approval.

A budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP). The County adopts annual GAAP budgets for the general fund and the special revenue funds. Project length budgets are adopted for the capital projects funds.

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

1. Prior to year end the County Administrator submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing same.

2. The Board of Commissioners holds a public hearing on the budget, giving notice thereof at least ten days in advance by publication in the official organ of Twiggs County.

3. The Budget is then revised and adopted or amended by the Board of Commissioners at a regular meeting before the year to which it applies.

4. The budget so adopted may be revised during the year only by formal action of the Board of Commissioners in a regular meeting and no increase shall be made therein without provision also being made for financing same.

5. Formal budgetary integration is employed as a management control device during the year by the General Fund and the Special Revenue Funds. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

6. Budgeted amounts are as originally adopted, or as amended by the Board of Commissioners. Amendments were made to the general fund budget during the current year.

7. The County's budgeting discretion is limited by general statutory provisions and local legislation that exist when the budget is adopted. In addition, both general and local legislation that is made effective during the fiscal year can, without budget hearings or other notice to or consent of the County or its citizenry, require retroactive adoption and increase expenditures during the budget year.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations, is not employed by the County's reporting entity because it is considered impractical and not necessary to insure effective budgetary and cash planning and control.

TWIGGS COUNTY, GEORGIA
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2010

	Total Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund CDBG 07	Total Nonmajor Governmental Funds
ASSETS:			
Cash	$ 240,568	$ 100	$ 240,668
Receivables, net of allowance for uncollectibles:			
Accounts	8,979	-	8,979
Intergovernmental	25,629	-	25,629
Total Assets	$ 275,176	$ 100	$ 275,276
LIABILITIES AND FUND BALANCES:			
LIABILITIES-			
Accounts payable	$ 36,786	$ -	$ 36,786
Total Liabilities	36,786	-	36,786
FUND BALANCES:			
Reserved for -			
Capital improvements	81,090	100	81,190
Unreserved, reported in nonmajor-			
Special revenue funds	157,300	-	157,300
Total Fund Balances	238,390	100	238,490
Total Liabilities and Fund Balances	$ 275,176	$ 100	$ 275,276

TWIGGS COUNTY, GEORGIA

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2010

	Total Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund CDBG 07	Total Nonmajor Governmental Funds
REVENUES:			
Intergovernmental	$ 23,711	$ -	$ 23,711
Fines and forfeitures	196,657	-	196,657
Charges for services	51,941	-	51,941
Miscellaneous	5,057	-	5,057
Total Revenues	277,366	-	277,366
EXPENDITURES:			
Current:			
General government	20,041	-	20,041
Public safety	247,566	-	247,566
Total Expenditures	267,607	-	267,607
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	9,759	-	9,759
OTHER FINANCING SOURCES (USES):			
Transfers in	-	-	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balances	9,759	-	9,759
FUND BALANCES, BEGINNING OF YEAR	228,631	100	228,731
FUND BALANCES, END OF YEAR	$ 238,390	$ 100	$ 238,490

TWIGGS COUNTY, GEORGIA
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2010

	Sheriff's Commissary	Sheriff's Grant Fund	911 Surcharge	Jail	Law Library	Dare Fund	Confiscated Assets	Total Nonmajor Special Revenue Funds
ASSETS:								
Cash...	$ 9,396	$ 83	$ 73,011	$ 8,598	$ 109,697	$ 22,059	$ 17,724	$ 240,568
Receivables, net of allowance for uncollectibles:								
Accounts	-	-	8,979	-	-	-	-	8,979
Intergovernmental	-	23,711	-	-	-	1,918	-	25,629
Total Assets	$ 9,396	$ 23,794	$ 81,990	$ 8,598	$ 109,697	$ 23,977	$ 17,724	$ 275,176
LIABILITIES:								
Accounts payable	$ 3,494	$ 23,711	$ 9,046	$ 535	$ -	$ -	$ -	$ 36,786
Total Liabilities	3,494	23,711	9,046	535	-	-	-	36,786
FUND BALANCES:								
Reserved for-								
Capital improvements	-	83	72,944	8,063	-	-	-	81,090
Unreserved, reported in nonmajor-								
Special revenue funds	5,902	-	-	-	109,697	23,977	17,724	157,300
Total Fund Balances	5,902	83	72,944	8,063	109,697	23,977	17,724	238,390
Total Liabilities and Fund Balances	$ 9,396	$ 23,794	$ 81,990	$ 8,598	$ 109,697	$ 23,977	$ 17,724	$ 275,176

TWIGGS COUNTY, GEORGIA
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended December 31, 2010

	Sheriff's Commissary	Sheriff's Grant Fund	911 Surcharge	Jail	Law Library	Dare Fund	Confiscated Assets	Total Nonmajor Special Revenue Funds
REVENUES:								
Intergovernmental	$ -	$ 23,711	$ -	$ -	$ -	$ -	$ -	$ 23,711
Fines and forfeitures	-	-	-	69,091	13,750	20,467	93,349	196,657
Charges for services	-	-	51,941	-	-	-	-	51,941
Miscellaneous	3,527	-	32	16	1,440	42	-	5,057
Total Revenues	3,527	23,711	51,973	69,107	15,190	20,509	93,349	277,366
EXPENDITURES:								
General government	2,316	1,985	-	-	15,740	-	-	20,041
Public safety	2,039	23,712	33,123	101,010	-	12,057	75,625	247,566
Total Expenditures	4,355	25,697	33,123	101,010	15,740	12,057	75,625	267,607
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(828)	(1,986)	18,850	(31,903)	(550)	8,452	17,724	9,759
OTHER FINANCING SOURCES (USES)-								
Transfers out..	-	-	-	-	-	-	-	
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	
Net Change in Fund Balances	(828)	(1,986)	18,850	(31,903)	(550)	8,452	17,724	9,759
FUND BALANCES, BEGINNING OF YEAR	6,730	2,069	54,094	39,966	110,247	15,525	-	228,631
FUND BALANCES, END OF YEAR	$ 5,902	$ 83	$ 72,944	$ 8,063	$ 109,697	$ 23,977	$ 17,724	$ 238,390

TWIGGS COUNTY, GEORGIA
Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2010

	Superior Court	Probate Court	Tax Commissioner	Magistrate	Sheriff	Tax Assessor	Emergency Management	Total
ASSETS:								
Cash	$ 62,992	$ 27,823	$ 523,004	$ 4,282	$ 84,360	$ -	$ -	$ 702,461
Taxes receivable	-	-	2,216,111	-	-	-	-	2,216,111
Total Assets	62,992	27,823	2,739,115	4,282	84,360	-	-	2,918,572
LIABILITIES -								
Accounts payable	62,992	27,823	2,739,115	4,282	84,360	-	-	2,918,572
Total Liabilities	62,992	27,823	2,739,115	4,282	84,360	-	-	2,918,572
NET ASSETS	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

TWIGGS COUNTY, GEORGIA
Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
For the Fiscal Year Ended December 31, 2010

	Balance Beginning	Increase	Decrease	Balance Ending
ALL AGENCY FUNDS				
Assets	$ 2,196,138	$ 9,071,777	$ 8,349,343	$ 2,918,572
Total Assets	$ 2,196,138	$ 9,071,777	$ 8,349,343	$ 2,918,572
Liabilities	$ 2,196,138	$ 9,071,777	$ 8,349,343	$ 2,918,572
Total Liabilities	$ 2,196,138	$ 9,071,777	$ 8,349,343	$ 2,918,572
SUPERIOR COURT				
Assets-				
Cash	$ 62,302	$ 243,283	$ 242,593	$ 62,992
Total Assets	$ 62,302	$ 243,283	$ 242,593	$ 62,992
Liabilities-				
Accounts payable	$ 62,302	$ 243,283	$ 242,593	$ 62,992
Total Liabilities	$ 62,302	$ 243,283	$ 242,593	$ 62,992
PROBATE COURT				
Assets-				
Cash	$ 36,201	$ 974,288	$ 982,666	$ 27,823
Total Assets	$ 36,201	$ 974,288	$ 982,666	$ 27,823
Liabilities-				
Accounts payable	$ 36,201	$ 974,288	$ 982,666	$ 27,823
Total Liabilities	$ 36,201	$ 974,288	$ 982,666	$ 27,823
TAX COMMISSIONER				
Assets-				
Cash and receivables	$ 1,936,163	$ 7,557,730	$ 6,754,778	$ 2,739,115
Total Assets	$ 1,936,163	$ 7,557,730	$ 6,754,778	$ 2,739,115
Liabilities-				
Accounts payable	$ 1,936,163	$ 7,557,730	$ 6,754,778	$ 2,739,115
Total Liabilities	$ 1,936,163	$ 7,557,730	$ 6,754,778	$ 2,739,115
MAGISTRATE				
Assets-				
Cash	$ 1,646	$ 99,334	$ 96,698	$ 4,282
Total Assets	$ 1,646	$ 99,334	$ 96,698	$ 4,282
Liabilities:				
Accounts payable	$ 1,646	$ 99,334	$ 96,698	$ 4,282
Total Liabilities	$ 1,646	$ 99,334	$ 96,698	$ 4,282
SHERIFF				
Assets-				
Cash	$ 159,826	$ 187,683	$ 263,149	$ 84,360
Total Assets	$ 159,826	$ 187,683	$ 263,149	$ 84,360
Liabilities-				
Accounts payable	$ 159,826	$ 187,683	$ 263,149	$ 84,360
Total Liabilities	$ 159,826	$ 187,683	$ 263,149	$ 84,360

TWIGGS COUNTY, GEORGIA
Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
For the Fiscal Year Ended December 31, 2010

	Balance Beginning	Increase	Decrease	Balance Ending
TAX ASSESSOR				
Assets-				
Cash	$ -	$ 3,267	$ 3,267	$ -
Total Assets	$ -	$ 3,267	$ 3,267	$ -
Liabilities-				
Accounts payable	$ -	$ 3,267	$ 3,267	$ -
Total Liabilities	$ -	$ 3,267	$ 3,267	$ -
EMERGENCY MANAGEMENT				
Assets-				
Cash	$ -	$ 6,192	$ 6,192	$ -
Total Assets	$ -	$ 6,192	$ 6,192	$ -
Liabilities-				
Accounts payable	$ -	$ 6,192	$ 6,192	$ -
Total Liabilities	$ -	$ 6,192	$ 6,192	$ -

TWIGGS COUNTY, GEORGIA
Schedule of Special Purpose Local Option
Sales Tax Expenditures
For the Fiscal Year Ended December 31, 2010

Project	Original Estimated Cost	Current Estimated Cost	Expenditures: Prior Years	Expenditures: Current Year	Expenditures: Subtotal	Expenditures: Transfers In	Expenditures: Total	Estimated Percentage of Completion
Capital Improvement program								
September 16, 2003 referendum:								
Improving the County:								
Water System Improvements			$ 462,886	$ 1,864	$ 464,750	$ -	$ 464,750	
Fire Department Equipment			1,136,021	-	1,136,021	-	1,136,021	
Industrial Park			1,435,130	64,463	1,499,593	(158,934)	1,340,659	
Pay debt incurred from finishing the building of the courthouse			540,274	-	540,274	-	540,274	
Total	$ 5,000,000	$ 5,000,000	$ 3,574,311	$ 66,327	$ 3,640,638	$(158,934)	$ 3,481,704	69.63 %
Capital Improvement program- February 5, 2008, referendum:								
Improving Twiggs County roads			$ 62,537	$ -	$ 62,537	$ -	$ 62,537	
Retirement of road shop debt, and purchase of other road maintaining equipment as required			-	73,968	73,968	-	73,968	
Improving the County's water system			7,500	-	7,500	-	7,500	
Purchase of rescue vehicle			-	-	-	-	-	
Complete infrastructure and other objectives at County's Industrial Park			161,581	209,138	370,719	-	370,719	
Repair roofs at Courthouse complex			-	14,650	14,650	-	14,650	
Recreation and parks			-	-	-	-	-	
Total	$ 6,000,000	$ 6,000,000	$ 231,618	$ 297,756	$ 529,374	$ -	$ 529,374	8.82%

TWIGGS COUNTY, GEORGIA
Community Development Block Grant Program
Project Cost Schedule
Grant #07p-y-143-1-3328
For the Period September 7, 2007 through December 31, 2010

Program Activity	CDBG Activity Number	Latest Approved Budget CDBG Funds	Accumulative CDBG Expenditures To Date	Accumulative Expenditures To Date Other Funds	Grand Total of Expenditures To Date
Contingencies	C-022-00	$ 20,000	$ -	$ -	$ -
Engineering-Water/ Sewer Improvements	T-03J-00	30,000	30,000	-	30,000
Water Facilities	P-03J-01	420,000	-	-	-
Administration	A-21A-00	30,000	20,100	3,215	23,315
Totals		$ 500,000	$ 50,100	$ 3,215	$ 53,315

TWIGGS COUNTY, GEORGIA
Community Development Block Grant Program
Source and Application of Funds Schedule
Grant #07p-y-143-1-3328
For the Period September 7, 2007 through December 31, 2010

I.	Total Fiscal Year 2007 CDBG Funds Awarded to Recipient:	$ 500,000
II.	Total Amount Drawn Down by Recipient from DCA	$ 50,100
III.	Less: CDBG Funds Expended by Recipient	50,100
IV.	Amount of Fiscal Year 2007 CDBG Funds Held by Recipient	$ -

TWIGGS COUNTY, GEORGIA
Community Development Block Grant EIP Program
Project Cost Schedule
Grant #07q-y-143-1-3368
For the Period September 7, 2007 through December 31, 2010

Program Activity	CDBG EIP Activity Number	Latest Approved Budget CDBG Funds	Accumulative CDBG EIP Expenditures To Date	Accumulative Expenditures To Date Other Funds	Grand Total of Expenditures To Date
Public Facilities Improvements	E-17B-00	$ 419,740	$ 419,740	$ -	$ 419,740
Engineering-Commercial, Industrial & Infrastructure Development	T-17B-00	50,260	50,260	-	50,260
Administration	A-21A-00	30,000	30,000	-	30,000
Totals		$ 500,000	$ 500,000	$ -	$ 500,000

TWIGGS COUNTY, GEORGIA
Community Development Block Grant EIP Program
Source and Application of Funds Schedule
Grant #07q-y-143-1-3368
For the Period September 7, 2007 through December 31, 2010

I.	Total Fiscal Year 2007 CDBG EIP Funds Awarded to Recipient:	$ 500,000
II.	Total Amount Drawn Down by Recipient from DCA	$ 500,000
III.	Less: CDBG EIP Funds Expended by Recipient	500,000
IV.	Amount of Fiscal Year 2007 CDBG EIP Funds Held by Recipient	$ -

TWIGGS COUNTY, GEORGIA
OneGeorgia EDGE Grant Program
Project Cost Schedule
Grant #08ge-143-3-4437
For the Period October 16, 2007 through December 31, 2010

Program Activity	EDGE Activity Number	Latest Approved Budget EDGE Funds	Accumulative EDGE Expenditures To Date	Accumulative Expenditures To Date Other Funds	Grand Total of Expenditures To Date
Acquisition	G80-1201-1	$ 301,525	$ 301,525	$ -	$ 301,525
Streets	G80-1405-1	305,358	305,358	-	305,358
Gas	G80-1410-1	-	-	-	-
Sewer	G80-1402	576,125	594,276	-	594,276
Water	G80-1401	244,273	242,556	-	242,556
Professional services-architects, engineers, etc.	G80-1415	152,719	136,285	-	136,285
Totals		$ 1,580,000	$ 1,580,000	$ -	$ 1,580,000

TWIGGS COUNTY, GEORGIA
OneGeorgia EDGE Grant Program
Source and Application of Funds Schedule
Grant #08ge-476-3-4437
For the Period October 16, 2007 through December 31, 2010

I.	Total Fiscal Year 2007 OneGeorgia EDGE Funds Awarded to Recipient:	$ 1,580,000
II.	Total Amount Drawn Down by Recipient from OneGeorgia	$ 1,580,000
III.	Less: OneGeorgia EDGE Funds Expended by Recipient	1,580,000
IV.	Amount of Fiscal Year 2007 OneGeorgia EDGE Funds Held by Recipient	$ -

TWIGGS COUNTY, GEORGIA
Economic Development Administration Grant Program
Project Cost Schedule
Grant #04-01-05993
For the Period December 4, 2007 through December 31, 2010

Program Activity	Latest Approved Budget EDA Funds	Accumulative EDA Expenditures To Date	Accumulative Expenditures To Date Other Funds	Grand Total of Expenditures To Date
Sewer Construction - Phase 1	$ 74,446	$ 11,550	$ -	$ 11,550
Sewer Construction - Phase 2	798,565	559,087	-	559,087
Sewer Engineering	126,989	-	-	-
Street/Entrance Road Construction	192,670	148,588	-	148,588
Street/Entrance Road Engineering	69,776	7,864	-	7,864
Natural Gas Line	237,554	-	-	-
Totals	$ 1,500,000	$ 727,089	$ -	$ 727,089

TWIGGS COUNTY, GEORGIA
Economic Development Administration Grant Program
Source and Application of Funds Schedule
Grant #04-01-05993
For the Period December 4, 2007 through December 31, 2010

I.	Total Fiscal Year 2007 Economic Development Administration Funds Awarded to Recipient:	$ 1,500,000
II.	Total Amount Drawn Down by Recipient from Economic Development Administration	$ 782,585
III.	Less: Economic Development Administration Funds Expended by Recipient	727,089
IV.	Amount of Fiscal Year 2007 Economic Development Administration Funds Held by Recipient	$ 55,496

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

To the Honorable Chairman and
Members of the Board of Commissioners
Twiggs County, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit-Twiggs County Health Department, each major fund, and the aggregate remaining fund information of Twiggs County, Georgia, as of and for the year ended December 31, 2010, which collectively comprise Twiggs County, Georgia's basic financial statements and have issued our report thereon dated December 19, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We did not audit the financial statements of the Twiggs County Health Department, a component unit of the County, which statements reflect 100 percent each of the total assets, net assets and revenues of the discretely presented component units. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Twiggs County Health Department component unit, is based on the report of the other auditors.

Internal Control Over Financial Reporting

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

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

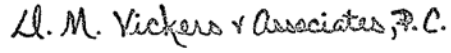
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as item 06-1, to be significant deficiencies.

Compliance and Other Matters

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

Twiggs County, Georgia's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Twiggs County, Georgia's response, and accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of Commissioners, other elected officials, management, 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.



December 19, 2011

D. M. Vickers & Assoc., P.C.

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

To the Honorable Chairman and
Members of the Board of Commissioners
Twiggs County, Georgia

Compliance

We have audited the compliance of Twiggs County, Georgia, with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of Twiggs County, Georgia's major federal programs for the year ended December 31, 2010. Twiggs County, Georgia's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Twiggs County, Georgia's management. Our responsibility is to express an opinion on Twiggs County, Georgia's compliance based on our audit.

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

In our opinion, Twiggs County, Georgia complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as item 10-1.

Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as item 08-1. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Twiggs County, Georgia's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Twiggs County, Georgia's response and, accordingly, we express no opinion on the response.

This report is intended solely for the information and use of the Board of Commissioners, other elected officials, management, 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.

H. M. Vickers & Associates, P.C.

December 19, 2011

TWIGGS COUNTY, GEORGIA
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended December 31, 2010

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Commerce			
Direct program -			
Economic Development Administration			
Public Works Program/Infrastructure Improvements	11.300	N/A	$ 411,241
Total Department of Commerce			$ 411,241
Department of Justice			
Passed through State of Georgia-			
Criminal Justice Coordinating Council:			
Public Safety Partnership and Community Policing Grants	16.710	2008CKWX0316	$ 23,711
Edward Byrne Memorial Justice Assistance Grant	16.803	B82-8-048	21,861
Total Department of Justice			$ 45,572
Department of Transportation			
Passed through State of Georgia-			
Department of Transportation			
Urban Mass Transportation-Capital and Operating Assistance Grant	20.507	GA-18-4029	$ 37,755
Total Department of Transportation			$ 37,755
Department of Homeland Security			
Direct Program-			
Federal Emergency Management Agency			
Assistance to Firefighters Grant	97.044	N/A	$ 84,361
Total Department of Homeland Security			$ 84,361
Total Federal Assistance Expended			$ 578,929

See accompanying notes to schedule of expenditures of federal awards.

TWIGGS COUNTY, GEORGIA
Notes to Schedule of Expenditures of Federal Awards
For The Fiscal Year Ended December 31, 2010

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Twiggs County, Georgia, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B - NONMONETARY ASSISTANCE

The County did not receive nonmonetary assistance during the year ended December 31, 2010.

NOTE C - SUBRECIPIENTS

Of the federal expenditures presented in the schedule, no amounts were provided to subrecipients by Twiggs County, Georgia.

TWIGGS COUNTY, GEORGIA
Schedule of Findings and Questioned Costs
For The Fiscal Year Ended December 31, 2010

SUMMARY OF AUDIT RESULTS

1. The auditors' report expresses an unqualified opinion on the financial statements of Twiggs County, Georgia.

2. One significant deficiency relating to the audit of financial statements is reported in the Report of 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,* and is included in the Schedule of Findings and Questioned Costs as item 06-1. The condition is not reported as a material weakness.

3. No instances of noncompliance material to the financial statements of Twiggs County, Georgia, which would be required to be reported in accordance with *Government Auditing Standards,* were disclosed during the audit.

4. No material weaknesses and one significant deficiency in internal control were disclosed during the audit of the major federal award program.

5. The auditors' report on compliance for the major federal award programs for Twiggs County, Georgia, expresses an unqualified opinion on the major federal program.

6. Audit findings that are required to be reported in accordance with Section 510(a) of Circular A-133 are reported in this Schedule.

7. The programs tested as major programs included:

Major Program	CFDA Number
Economic Development Administration Public Works Program/Infrastructure Improvements	11.300

8. The threshold for distinguishing Types A and B programs was $300,000.

9. Twiggs County, Georgia was determined to be a high-risk auditee.

FINDINGS - FINANCIAL STATEMENT AUDIT

SIGNIFICANT DEFICIENCY

06-1 Segregation of duties

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 within a timely period.

Criteria: Internal controls should be in place that provide reasonable assurance that an individual cannot misappropriate funds without being detected during the normal course of business.

Effect: Failure to fully segregate duties between recording, processing and reconciliation of accounts can lead to misappropriation of funds that are not detected during the normal course of business.

Recommendation: That management continually exercise alert supervision of employees in order to protect the assets of the County and continue to use compensating controls. It is further recommended that the County implement an internal audit review to be performed on a quarterly basis. This internal audit would serve to further mitigate the lack of segregation of duties.

Response: We concur. We realize that with limited personnel complete segregation of duties is not possible. Therefore, to mitigate this, we will exercise alert supervision over all employees and continue the use of compensating controls. We will consider the feasibility of performing quarterly internal audits in the future.

FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

SIGNIFICANT DEFICIENCY

08-1 Segregation of duties finding same as financial statement finding 06-01.

Major Program:
Economic Development Administration Public Works (EDA)
Program/Infrastructure Improvements - CFDA No. 11.300; Grant Period: Year Ended December 31, 2010

10-1 Compliance

Condition: Funds were not expended on the grant in accordance with the percentage contribution on a reimbursement basis.

Criteria: In accordance with the EDA grant, the grant is a reimbursement type grant and the EDA will contribute it's contribution percentage to each invoice paid for the grant. After the invoices are paid, the grantee requests reimbursement based on amounts actually paid.

Effect: By not allocating a percentage of each invoice to EDA funds, EDA has reimbursed for invoices that have been funded 100% by other funding sources.

Cause: Based on the advice of project grant administrators and due to the timing of the availability of the grant funds, the County applied for other funding sources early in the process and intended to pay for later expenditures with EDA funds once they became available.

Context: The expenditure of the EDA funds does not agree to the reimbursement paid as a result of the draw request.

Recommendation: Management should coordinate all grant programs to be sure that the application of funds requirement of each grant is met throughout the project.

Response: We concur that expenditures should have been prorated across all eligible funding sources. We have provided EDA a schedule of actual expenditures of the funds for approval. All amounts received from EDA were ultimately spent on eligible costs. We, along with grant administrators, will monitor all grant expenditure requirements on a going forward basis.

TWIGGS COUNTY, GEORGIA
Summary Schedule of Prior Audit Findings
For The Fiscal Year Ended December 31, 2010

Prior Year Findings and Significant Deficiencies:

Prior Year Findings - None Reported.

Prior Year Significant Deficiency - The current year significant deficiency 06-1 was a significant deficiency in the prior year and was first reported in the fiscal year ended December 31, 2006.

D. M. Vickers & Assoc., P.C.
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INDEPENDENT ACCOUNTANTS' REPORT

To the Honorable Chairman and
Members of the Board of Commissioners
Twiggs County, Georgia

We have examined management's assertion included in the accompanying Annual Report of 9-1-1 Collections and Expenditures about Twiggs County, Georgia's compliance during the fiscal year ended December 31, 2010 with the requirement to expend 9-1-1 funds in compliance with the expenditure requirements of the Official Code of Georgia Annotated, Section 46-5-134. Management is responsible for Twiggs County, Georgia's compliance with this requirement. Our responsibility is to express an opinion on management's assertion about Twiggs County, Georgia's compliance based on our examination.

Our examination was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Twiggs County, Georgia's compliance with this requirement and performing such other procedures as we considered necessary in the circumstances. Our examination does not provide a legal determination on Twiggs County, Georgia's compliance with the specified requirements.

In our opinion, management's assertion that Twiggs County, Georgia complied with the aforementioned requirement during the fiscal year ended December 31, 2010 is fairly stated, in all material respects.

This report is intended solely for the information and use of management and the Georgia Department of Audits and Accounts and is not intended to be and should not be used by anyone other than the specified parties.

D. M. Vickers & Associates, P.C.

December 19, 2011

Twiggs County, Georgia

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended
December 31, 2010

Line No.		O.C.G.A. Reference		
1	Indicate UCOA Fund Type Used to Account for 9-1-1 Activity (choose one):			
	_X_ Special Revenue Fund _____ Enterprise Fund			
2	Monthly 9-1-1 charge billed to each exchange access facility subscriber:	46-5-134(a)(1)	$ 1.50	
3	Total revenue from exchange access facility subscribers:			$ 51,941
4	Does 9-1-1 system provide automatic number identification of a wireless telecommunications connection? (choose one)			
	_____ Yes _X_ No			
5	If the answer to Line 4 is "yes", indicate below which of the following apply (choose one)			
	_____ System provides location of base station or cell site	46-5-134(a)(2)(A)		
	_____ System provides automatic location identification	46-5-134(a)(2)(B)		
6	If the answer to Line 4 is "yes", identify the monthly 9-1-1 charge billed to each wireless telecommunications connection subscriber:	46-5-134(a)(2)	$ _____	
7	Total revenue from wireless telecommunications connection subscribers:			$ _____
8	Total Line 3 plus Line 7 (should equal UCOA Revenue Source 34.2500)			$ 51,941
9	Additional revenue sources:			
9a	Federal (UCOA Revenue Source 33.1000) Identify each funding agency individually. Attach list, if necessary.	46-5-134(j)		
	_____			$ _____
	_____			$ _____
9b	State (UCOA Revenue Source 33.4000) Identify each funding agency individually. Attach list, if necessary.	46-5-134(j)		
	_____			$ _____
	_____			$ _____
9c	Local (UCOA Revenue Source 33.6000) Identify each unit of local government individually. Attach list, if necessary.	46-5-134(j)		
	_____			$ _____
	_____			$ _____
9d	Private (UCOA Revenue Source 37.1000) Identify each private source individually. Attach list, if necessary.	46-5-134(j)		
	_____			$ _____
	_____			$ _____

Twiggs County, Georgia

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended
December 31, 2010

Line No.		O.C.G.A. Reference	
10	Investment Income (UCOA Revenue Source 36.1000 through 36.3000)		$ 32
11	Other revenue sources not included above. Identify each source individually. Transfers from other funds of the local government should be reported on Line 25 and not included here.		
	_____		$
	_____		$
	_____		$
	_____		$
	_____		$
	_____		$
	_____		$
	_____		$
12	Total Revenues (total of all amounts reported on Lines 8 through 11)		$ 51,973
	Expenditures (UCOA Activity 3800)		
13	Wireless service supplier cost recovery charges (identify each supplier individually on lines below - attach list, if necessary)	46-5-134(e)	
	_____		$
	_____		$
	_____		$
14	Emergency telephone equipment, including necessary computer hardware, software, and data base provisioning, addressing, and nonrecurring costs of establishing a 9-1-1 system:		
14a	Lease costs	46-5-134(f)(1)	$
14b	Purchase costs	46-5-134(f)(1)	$
14c	Maintenance costs	46-5-134(f)(1)	$ 9,703
15	Rates associated with the service suppliers 9-1-1 service and other service suppliers recurring charges	46-5-134(f)(2)	$ 23,420
16	Employees hired by the local government solely for the operation and maintenance of the emergency 9-1-1 system: Number of employees classified as: Full time 3 Part time -0-		
16a	Salaries and wages	46-5-134(f)(3)	$
16b	Employee benefits	46-5-134(f)(3)	$

Twiggs County, Georgia

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended
December 31, 2010

Line No.		O.C.G.A. Reference	
17	Cost of training of employees who work as dispatchers	46-5-134(f)(3)	$ _____
18	Office supplies of the public safety answering points used directly in providing emergency 9-1-1 system services	46-5-134(f)(4)	$ _____
19a	Building used as a public safety answering point:		
19a1	Lease costs	46-5-134(f)(5)	$ _____
19a2	Purchase costs	46-5-134(f)(5)	$ _____
19b	Has the local government completed its street addressing plan? (choose one)	46-5-134(f)(5)	$ _____
	_X_ Yes _____ No		
20	Computer hardware and software used at a public safety answering point, including computer assisted dispatch systems:		
20a	Lease costs	46-5-134(f)(6)	$ _____
20b	Purchase costs	46-5-134(f)(6)	$ _____
20c	Maintenance costs	46-5-134(f)(6)	$ _____
21	Supplies directly related to providing emergency 9-1-1 system services, including the cost of printing emergency 9-1-1 public education materials	46-5-134(f)(7)	$ _____
22	Logging recorders used at a public safety answering point to record telephone and radio traffic:		
22a	Lease costs	46-5-134(f)(8)	$ _____
22b	Purchase costs	46-5-134(f)(8)	$ _____
22c	Maintenance costs	46-5-134(f)(8)	$ _____
23	Other expenditures not included in Lines 13 through 22 above. Identify by object and purpose. Transfers to other funds of the local government should be reported on Line 26 and not included here.		
	_____		$ _____
	_____		$ _____
	_____		$ _____
	_____		$ _____
	_____		$ _____
	_____		$ _____
	_____		$ _____
	_____		$ _____
24	Total Expenditures (total of all amounts reported on Lines 13 through 23 above)		$ 33,123

Twiggs County, Georgia

Annual Report of 9-1-1 Collections and Expenditures

For the Year Ended
December 31, 2010

Line No.		O.C.G.A. Reference	
25	Transfers From Other Funds (identify by fund)		
	_____		$ _____
	_____		$ _____
26	Transfers To Other Funds (identify by fund)		
	_____		$ _____
	_____		$ _____
27	Proceeds from Capital Lease (identify by asset class and, if equipment, purpose)		
	_____		$ _____
	_____		$ _____
28	Net Change in Fund Balance (Line 12 - Line 24 + Line 25 - Line 26 + Line 27)		$ 18,850
29	Fund Balance - Beginning of Year		$ 54,094
30	Fund Balance - End of Year		$ 72,944

31a Do amounts on Lines 12, 24, 28, 29, and 30 agree to amounts reported in the government's audited financial statements submitted to the Georgia Department of Audits and Accounts?

__X__ Yes _____ No

31b If the answer to Line 31a is "no", provide explanation (including amounts) to reconcile each line item specified in Line 31a above to government's audited financial statements. Reconciliation should be attached to this report.

Certification of Local Government Officials

I have reviewed the information presented in this report and certify that it is accurate and correct. I further certify that the 9-1-1 funds were expended in compliance with the expenditure requirements specified in the Official Code of Georgia Annotated (OCGA), Section 46-5-134. I understand that, in accordance with OCGA Section 46-5-134(m)(2), any local government which makes expenditures not in compliance with this Code section may be held liable for pro rata reimbursement to telephone and wireless telecommunications subscribers of amounts improperly expended. Further, the noncompliant local government shall be solely financially responsible for the reimbursement and for any costs associated with the reimbursement. Such reimbursement shall be accomplished by service providers abating the imposition of the 9-1-1 charges and 9-1-1 wireless enhanced charges until such abatement equals the total amount of the rebate.

Signature of Chief Elected Official Ray A Bennett Date: September 30, 2011

Print Name of Chief Elected Official: Ray Bennett

Title of Chief Elected Official: Chairman

Signature of Chief Financial Officer _____ Date: September 30, 2011

Print Name of Chief Financial Officer: Terry Bates, Administrator