WAYNE COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2012

HARRIS & COMPANY, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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HARRIS & COMPANY, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
of Wayne County, Georgia
Jesup, Georgia

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Wayne County, Georgia as of and for the year ended December 31, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of The Hospital Authority of Wayne County, which represents 93 percent, 87.5 percent and 97.8 percent, respectively, of the assets, net position, and revenues of the County's aggregate discretely presented component units or the Wayne County Board of Health, which represents 1.3 percent, 2.3 percent and 1.7 percent, respectively, of the assets, net position, and revenues of the County's aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for The Hospital Authority of Wayne County and the Wayne County Board of Health, is based on the reports 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit includes evaluation the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluation the overall financial statement presentation of the financial statements.

We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Wayne County, Georgia as of December 31, 2012, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 28, 2013, on our consideration of Wayne County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 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.

Other Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 14 and 59 through 70 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Wayne County, Georgia's financial statements as a whole. The combining and individual non-major fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual non-major fund financial statements 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, including the schedule of expenditures of special purpose local option sales tax proceeds, has been subjected to the auditing procedures applied in the audit of the 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 financial statements taken as a whole. The statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Harris & Company, P.C.

Jesup, Georgia
June 28, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

As county administrator of Wayne County, Georgia, I offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the year ended December 31, 2012.

Financial Highlights

- Wayne County's assets exceeded its liabilities at December 31, 2012 by $44,050,833 (net position). Unrestricted net position which may be used to meet the County's ongoing obligations to citizens and creditors was a negative ($10,924,016) at December 31, 2012.
- As of December 31, 2012, the County's general fund expenditures exceeded revenues by $1,005,792. This is a 293% decrease from a 2011 excess of revenues over expenditures of $520,788.
- At December 31, 2012, Wayne County's governmental funds balance sheet reports combined ending fund balances of $15,726,335, a decrease of $1,795,471 over the previous fiscal year. Of this amount, $4,608,124 or (29.3%) remains in the various fund types of the County as unassigned.
- Wayne County has long-term liabilities totaling $16,666,601 with $779,760 due within one year as shown in note III. F.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Wayne County Government's basic financial statements. The basic financial statements comprise three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements which may be of interest to the reader.

The first two statements are government-wide financial statements that provide both long-term and short-term information about the County's overall financial status in a manner similar to a private-sector business.

The remaining statements are fund financial statements that focus on individual parts of the County government, reporting the County's operations in more detail than the government-wide statements.

Government-Wide Financial Statements

Government-wide financial statements are designed to provide the reader with a broad overview of the financial position of Wayne County and are similar to private-sector financial statements. The government-wide statements include a Statement of Net Position and a Statement of Activities.

The statement of net position shows the County's assets less its liabilities at December 31, 2012. The difference between these assets and liabilities is reported as net position. Changes in net position over time may be helpful in indicating an improving or deteriorating financial position.

The statement of activities follows the statement of net position and presents information showing how the net position changed during the fiscal year. The statement presents all underlying events, which give rise to the change, regardless of the timing of the related cash flows. Some included items, such as uncollected taxes will produce changes in cash in a future fiscal period.

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

Governmental activities reported in the statements include general government, judiciary, public safety, public works, health and welfare, culture and recreation, and housing and development.

The County's statement of net position can be found at Exhibit A of this report.

The County's government-wide statement of activities can be found at Exhibit B of this report.

Fund Financial Statements

The remaining statements are fund financial statements that focus on individual parts of the County government, reporting the County's operations in more detail than the government-wide statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Wayne County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Wayne County can be divided into categories: (1) governmental funds, (2) fiduciary funds.

Governmental Funds

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Wayne County maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund and the special purpose local option sales tax fund which are considered to be major funds. The general fund is used to account for all activities of the general government not accounted for in some other fund. Data from the other six governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements presented as Schedules 3 and 4.

The County adopts an annual appropriated budget for its general fund and special revenue funds. All unencumbered annual appropriations lapse at fiscal year end. All encumbered appropriations are carried forward in the following year's budget. Project length financial plans are adopted for all capital projects funds.

The basic governmental fund financial statements can be found on pages 15-26 of this report.

Proprietary Funds

Wayne County has no proprietary fund.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Individual fund data for the fiduciary funds is provided in the form of combining statements on page 26 of this report.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 27-58 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents a budgetary comparison schedule for the general fund as required supplementary information and can be found on pages 60-69 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 77-90 of this report.

Net Position

Net position may serve over time as a useful indicator of a government's financial position. As noted earlier, the County's combined net position totaled $44,050,833 as of December 31, 2012. The following table presents a summary of Wayne County's net position for the years ended December 31, 2012 and 2011:

Wayne County's Net Position

	Governmental Activities		Total	
	2012	2011	2012	2011
Current assets	$21,263,924	$19,626,777	$21,263,924	$19,626,777
Capital assets, net	43,942,241	41,825,417	43,942,241	41,825,417
Total assets	65,206,165	61,452,194	65,206,165	61,452,194
Current liabilities	4,488,731	979,050	4,488,731	979,050
Noncurrent liabilities	16,666,601	18,069,936	16,666,601	18,069,936
Total liabilities	21,155,332	19,048,986	21,155,332	19,048,986
Net position				
Net investment in Capital assets	43,942,241	1,825,417	43,942,241	41,825,417
Restricted	11,032,608	11,811,221	11,032,608	11,811,221
Unrestricted	(10,924,016)	(11,233,430)	(10,924,016)	(11,233,430)
Total net position	$44,050,833	$42,403,208	$44,050,833	$42,403,208

There was an increase of $1,647,625 in net position reported for the County's governmental activities. Net position for 2011 was reported at $42,403,208 and 2012 reported net position at $44,050,833. The increase in net position is attributed to the County's increase in total assets.

There was a decrease of $1,813,806 in cash in the combined governmental funds. The decrease is attributed to a decrease in revenues.

The largest portion of the County's net position (99.75%) reflects its investment in capital assets such as land, buildings, and equipment, net of related debt. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. The County does not incur any long-term indebtedness for capital improvement projects, rather it utilizes special restricted funds to pay for the projects. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (25.05%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (a negative 24.80%) may be used to meet the County's ongoing obligations to citizens and creditors. Internally imposed designations of resources are not presented as restricted net position.

At the end of the current fiscal year, the County is able to report positive balances in all two of the three categories of net position for the government as a whole.

Governmental Activities

The following table presents a summary of the changes in net position for the years ended December 31, 2012 and 2011:

Wayne County's Changes in Net Position

	Governmental Activities		Total	
	2012	2011	2012	2011
Revenues:				
Program revenues:				
Charges for services	$ 4,114,601	$ 4,827,917	$ 4,114,601	$ 4,827,917
Operating grants and contributions	192,761	283,114	192,761	283,114
Capital grants and contributions	2,518,132	957,349	2,518,132	957,349
General revenues:				
Property taxes	9,506,323	10,627,156	9,506,323	10,627,156
Other taxes	7,044,830	7,164,613	7,044,830	7,164,613
Other revenues	391,727	349,922	391,727	349,922
Total revenues	23,768,374	24,210,071	23,768,374	24,210,071
Expenses:				
General government	2,270,215	2,170,775	2,270,215	2,170,775
Judicial	2,454,777	2,214,424	2,454,777	2,214,424
Public safety	7,642,486	6,767,536	7,642,486	6,767,536
Public works	5,568,354	5,105,707	5,568,354	5,105,707
Health and welfare	817,059	807,701	817,059	807,701
Culture and recreation	1,430,661	1,136,771	1,430,661	1,136,771
Housing and development	1,187,326	1,150,881	1,187,326	1,150,881
Interest on long-term debt	749,871	917,129	749,871	917,129
Total expenses	22,120,749	20,270,924	22,120,749	20,270,924
Change in net position	1,647,625	3,939,147	1,647,625	3,939,147
Net position, beginning	42,403,208	38,464,061	42,403,208	38,464,061
Net position, ending	$44,050,833	$42,403,208	$44,050,833	$42,403,208

The County reported an increase in net position of $1,647,625 for 2012, compared to an increase in net position of $3,939,147 for 2011. Revenues decreased by $441,697 and expenses increased by $1,849,825 from 2011.

Business-type Activities

Wayne County has no business-type activities.

Financial Analysis of the Government's Funds

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

Governmental Funds

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

Wayne County's governmental funds balance sheet is presented as Exhibit C on page 21 of this report. Most of the County's basic services are included under this fund category. Basic services consist of general government, public safety, public works, judicial, culture and recreation, health and welfare, and housing and development. The balance sheet's focus is on (1) cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. The governmental fund's balance sheet shows the County's overall funds financial status as of December 31, 2012.

The general fund is the chief operating fund of the County. The general fund's ending total fund balance was $4,866,260 of which $4,608,124 was unassigned. This is a 17.1% decrease from the 2011 ending total fund balance of $5,872,052.

General Fund Budgetary Highlights

During the year, revenues collected exceeded the budgetary estimates and expenditures also exceeded the budgetary estimates. The following are major areas where expenditures exceeded budget:

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Over
GENERAL FUND				
General Government:				
Elections-				
Personal services and employee benefits	$ 31,995	$ 31,995	$ 56,438	$ 24,443
Financial administration:				
Interdepartmental charges	$ 70,000	$ 70,000	$117,328	$ 47,328
Debt service			$ 87,465	$ 87,465
Tax commissioner –				
Purchased/contract services	$ 53,940	$ 53,940	$ 71,389	$ 17,449
Tax assessor –				
Interdepartmental charges	$ 55,000	$ 55,000	$ 77,437	$ 22,437
Government buildings & plants:				
Purchased/contract services	$ 84,820	$ 84,820	$112,321	$ 27,501
Capital outlays	$ 5,500	$ 5,500	$ 51,943	$ 46,443
Interdepartmental charges	$ 20,000	$ 20,000	$ 84,987	$ 64,987

General Fund Budgetary Highlights (Continued)

	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget Over
Judiciary:				
Judicial administration -				
Supplies	$ 29,600	$ 29,600	$ 63,343	$ 33,743
State and superior courts-				
Personal services and employee benefits	$ 515,926	$ 515,926	$ 529,080	$ 13,154
Probate court:				
Purchased/contract services	$ 27,920	$ 27,920	$ 39,926	$ 12,006
Interdepartmental charges	$ 35,000	$ 35,000	$ 136,559	$ 101,559
Drug court -				
Purchased/contract services	$ 31,000	$ 31,000	$ 61,839	$ 30,839
Public safety:				
Sheriff:				
Personal services and employee benefits	$1,492,900	$1,492,900	$1,590,729	$ 97,829
Supplies	$ 195,350	$ 195,350	$ 228,870	$ 33,520
Interdepartmental charges	$ 210,000	$ 210,000	$ 468,891	$ 258,891
Law enforcement building-				
Capital outlays	$ 150,000	$ 150,000	$ 228,235	$ 78,235
Jail:				
Personal services and employee benefits	$ 984,400	$ 984,400	$1,023,215	$ 38,815
Purchased/contract services	$ 350,040	$ 350,040	$ 376,262	$ 26,222
Supplies	$ 416,700	$ 416,700	$ 536,701	$ 120,001
Interdepartmental charges	$ 85,000	$ 85,000	$ 271,335	$ 186,335
Emergency medical services:				
Personal services and employee benefits	$ 693,338	$ 693,338	$ 748,901	$ 55,563
Purchased/contract services	$ 113,780	$ 113,780	$ 130,759	$ 16,979
Supplies	$ 82,100	$ 82,100	$ 132,135	$ 50,035
Interdepartmental charges	$ 60,000	$ 60,000	$ 81,948	$ 21,948
Public works:				
Highways and streets:				
Supplies	$ 379,000	$ 379,000	$ 414,890	$ 35,890
Interdepartmental charges	$ 180,000	$ 180,000	$ 455,858	$ 275,858
Solid waste & recycling-				
Purchased/contract services	$ 707,600	$ 707,600	$ 723,796	$ 16,196
County shop-				
Interdepartmental charges	$ 40,000	$ 40,000	$ 125,173	$ 85,173
Health and welfare:				
Welfare administration-				
Capital outlays	$ 2,500	$ 2,500	$2,250,030	$2.247,530
Community services:				
Supplies	$ 97,250	$ 97,250	$ 139,784	$ 42,534
Culture and recreation:				
Recreation –				
Supplies	$ 245,300	$ 245,300	$ 328,773	$ 83,473
Library –				
Other costs	$ 157,413	$ 157,413	$ 189,180	$ 31,767

General Fund Budgetary Highlights (Continued)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final	Amounts	Over
Airport –				
Purchased/contract services	$29,060	$29,060	$46,909	$17,849
EMERGENCY TELEPHONE SYSTEM				
Interdepartmental charges	$60,000	$60,000	$89,960	$29,960

In all departments listed above, the overages in interdepartmental charges were due to excessive medical bills for current and/or retired employees. Such costs are difficult to anticipate and budget and vary greatly from year to year.

Other variances are explained by departments below:

Elections – Personal services and employee benefits. Overage was due to overtime pay as this was an election year.

Financial administration – Debt service. The overage was due to an error in the budgeting process. This item was budged in another department.

Tax commissioner – Purchased/contract services. The overage was due to legal fees incurred due to reappraisal/valuation of property values.

Government buildings & plants – Purchased/contract services. The overage was due to unforeseen building repairs and maintenance. Capital outlays were greater due to unforeseen capital purchases.

Judicial administration – Supplies. The overage was due to increased usage of supplies and higher cost not budgeted.

State and superior courts – Personal services and employee benefits. Increase is due to an unforeseen change of employees in the office of Clerk of Court.

Probate Court – Purchased/contract services. The overage is due to outside services being higher and not budgeted for. This is due to the election year being in 2012.

Drug court – Purchased/contract services. Increase is due to an error in the budgeting process. Drug court's payables were higher due to services paid out.

Sheriff – Personal services overage was caused by overtime pay and supplies overage was due to the increased usage and cost of gasoline.

Law enforcement building – Capital outlays. Overage was due to unforeseen additions to the Sheriff's office as well as the County purchasing the City of Jesup's portion for the Sherriff's office.

Jail – The supplies overage was caused by increased cost of meals, water and sewer fees, and electricity due to an increased jail population. The increase in Personal services is contributed to overtime pay. Purchased/contract services was larger due to increased repairs and maintenance on equipment.

Emergency medical services – Personnel services were over primarily due to overtime pay. Purchased/contract services was over due to the purchase of additional technical services and the supplies overage was due to the increase in the cost of gasoline and medical supplies.

Highways and streets – Supplies. The overage was caused by the increase in the cost of gasoline.

General Fund Budgetary Highlights (Continued)

Solid waste & recycling – Purchased/contract services. Increase is due to an error in budgeting process for collection fees.

Welfare administration – Capital outlays. The overage is due to the county placing the DFACS building on as an asset, due to a contribution from the state.

Community services – The increase in supplies was caused by the increase in the cost of gasoline.

Recreation – Supplies. The overage was due to utilities usage and recreation supplies cost were more than expected.

Library – Other costs. The increase is due to the purchase of new A/C units added to the library building that were not budgeted.

Airport – Purchased/contract services. Increase is due to unforeseen survey costs and increases in maintenance costs.

In most instances above, the overages were paid because actual revenues of $19,406,721 exceeded the budgeted revenues of $17,102,624, resulting in $2,304,097 available to pay the excess expenditures. However, budgeted expenditures of $16,035,927 were less than actual expenditures of $20,232,292 by $3,396,365. The result of the net overage of expenditure from budget to actual is a decrease to the fund balance as of December 31, 2012.

Capital Asset and Debt Administration

Capital Asset

Wayne County's investments in capital assets for its governmental activities as of December 31, 2012 amounts to $43,942,241 (net of accumulated depreciation). This investment in capital assets consists of land, improvements, construction in progress, buildings, machinery and equipment. The total increase in investment in capital assets for the current fiscal year was $2,116,824 or 5.1%.

Major capital asset events during the current year included the following:

Paving of roads with proceeds from SPLOST.
Construction continues on upgrading and increasing recreation facilities at Bill Morris Park.
Construction of law enforcement complex building was finished.
Improvement of Jaycee Landing.
Airport improvements.
DFACS building was contributed to the county during the year.

Wayne County's Capital Assets
(net of depreciation)

	2012	2011
Land	$ 2,863,499	$ 2,013,499
Buildings	12,359,616	6,410,470
Improvements	2,597,927	2,618,408
Equipment, furniture and vehicles	1,488,541	1,725,024
Infrastructure	22,978,958	23,413,132
Construction in progress	1,653,700	5,644,884
Total	$43,942,241	$41,825,417

Additional information on Wayne County's capital assets can be found in note III. C. on pages 44-45 of this report.

Long-Term Debt

At the end of 2012, Wayne County had total long-term debts outstanding of $16,666,601. Of this amount, $1,129,566 in estimated postclosure care costs, $2,587,035 in net postemployment benefits obligation, $12,590,000 on general obligation bond issues, and $360,000 in notes payable.

In 2012, Wayne County's long-term debt decreased by $1,403,335 (7.77%). Additional information on the long-term debt activity can be found in note III. F. on pages 46-49.

Future Year Budget Projections

Health care for county employees is projected at 2.3 million dollars.

We plan to complete the grant awarded by the governor for the go fish initiative at a cost of $50,000. Total cost of the project is $800,000. Various road projects are estimated at $2.1 million. In addition, we estimate the airport extension project to cost an additional $348,000 in 2013.

Request For Information

This financial report is designed to provide a general overview of Wayne County, Georgia's finances for those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional information should be addressed to County Administrator, Wayne County Board of Commissioners, P. O. Box 270, Jesup, Georgia 31598, telephone number 912-427-5900.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

EXHIBIT A

WAYNE COUNTY, GEORGIA
STATEMENT OF NET POSITION
DECEMBER 31, 2012

	Primary Government		Component Units	
			Major	Non-major
	Governmental Activities	Total	Hospital Authority of Wayne County	Other Component Units Combined
ASSETS				
Cash	$10,776,647	$10,776,647		$ 1,410,231
Receivables (net of allowance for uncollectibles)	9,081,534	9,081,534	$ 4,852,000	
Inventory			1,356,000	
Prepaids	85,603	85,603	494,000	
Deferred charges	259,571	259,571		
Restricted cash	172,533	172,533	8,030,000	
Intergovernmental	888,036	888,036		44,916
Capital assets not being depreciated:				
Land	2,863,499	2,863,499	445,000	2,048,245
Construction in progress	1,653,700	1,653,700		
Capital assets net of accumulated depreciation:				
Buildings	12,359,616	12,359,616	36,845,000	1,133,623
Improvements other than buildings	2,597,927	2,597,927		
Equipment, vehicles and furniture	1,488,541	1,488,541	4,291,000	22,543
Infrastructure	22,978,958	22,978,958		
Other assets			2,387,000	
Total assets	65,206,165	65,206,165	58,700,000	4,659,558
LIABILITIES				
Current liabilities:				
Accounts payable and other liabilities	4,308,970	4,308,970	6,581,000	15,866
Accrued interest payments	179,761	179,761		
Non-current liabilities:				
Due within one year	779,760	779,760	2,537,000	25,000
Due in more than one year	15,886,841	15,886,841	20,761,000	490,865
Total liabilities	21,155,332	21,155,332	29,879,000	531,731

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

EXHIBIT A

WAYNE COUNTY, GEORGIA
STATEMENT OF NET POSITION
DECEMBER 31, 2012

	Primary Government		Component Units	
			Major	Non-major
	Governmental Activities	Total	Hospital Authority of Wayne County	Other Component Units Combined
NET POSITION				
Net investment in capital assets	$43,942,241	$43,942,241	$19,790,000	$3,204,411
Restricted for:				
Prior year program income				229,989
Debt service	1,391,346	1,391,346	2,850,000	
Capital projects	9,468,729	9,468,729		
Unrestricted	(10,751,483)	(10,751,483)	6,181,000	693,427
Total net position	$44,050,833	$44,050,833	$28,821,000	$4,127,827

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

EXHIBIT B

WAYNE COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Component Units: Major: Hospital Authority of Wayne County	Component Units: Non-major: Other Component Units Combined
Primary Government:							
Governmental activities:							
General government	$ 2,270,215	$ 370,514	$ 7,584		$ (1,892,117)		
Judicial	2,454,777	2,096	400		(2,452,281)		
Public safety	7,642,486	2,311,240	41,744	$ 2,540	(5,286,962)		
Public works	5,568,354	808,138		13,865	(4,746,351)		
Health and welfare	817,059	308,915	33,517	2,322,254	1,847,627		
Culture and recreation	1,430,661	146,506		64,685	(1,219,470)		
Housing and development	1,187,326	167,192	109,516	114,788	(795,830)		
Interest on long-term debt	749,871				(749,871)		
Total primary government	$22,120,749	$4,114,601	$192,761	$2,518,132	(15,295,255)		
Component units:							
Hospital Authority of Wayne County	$48,963,000	$45,124,000	$ 25,000			$(3,814,000)	
Other Component Units combined	1,197,469	229,989	807,893				$(159,587)
Total component units	$50,160,469	$45,353,989	$ 832,893			(3,814,000)	(159,587)

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

EXHIBIT B

WAYNE COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012

	Net (Expense) Revenue and Changes in Net Position		
	Primary Government	Component Units	
		Major	Non-major
	Governmental Activities	Hospital Authority of Wayne County	Other Component Units Combined
Total primary government net (expense) revenue	$(15,295,255)	$(3,814,000)	$ (159,587)
General revenues:			
Property taxes	9,506,323		
Sales taxes for general purposes	2,087,833		
Special purpose local option sales taxes	3,673,516		
Other taxes	1,283,481		
Unrestricted investment earnings	1,148	368,000	126
Miscellaneous revenues	390,579		194,643
Total general revenues	16,942,880	368,000	194,769
Change in net position	1,647,625	(3,446,000)	35,182
Net position, beginning	42,403,208	32,267,000	4,092,645
Net position, ending	$44,050,833	$28,821,000	$4,127,827

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

FUND FINANCIAL STATEMENTS

EXHIBIT C

WAYNE COUNTY, GEORGIA
GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2012

	GENERAL	2006 SPLOST	DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash	$ 195,200	$8,889,360	$ 975,046	$ 717,041	$10,776,647
Receivables (net of allowances for uncollectibles)	8,485,473		596,061	393,000	9,081,534
Intergovernmental	495,036				888,036
Prepaid expenditures	85,603				85,603
Restricted cash	172,533				172,533
TOTAL ASSETS	$9,433,845	$8,889,360	$1,571,107	$1,110,041	$21,004,353
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$3,553,681	$ 5,698		$ 524,974	$ 4,084,353
Other accruals and deferrals	224,617		$ 179,761		404,378
Deferred revenue	789,287				789,287
Total liabilities	4,567,585	5,698	179,761	524,974	5,278,018
Fund Balances:					
Nonspendable -					
Prepaid expenditures	85,603				85,603
Restricted for:					
Infrastructure		7,033,049		585,067	7,618,116
Intergovernmental road and sewer		1,850,613			1,850,613
Debt service			1,391,346		1,391,346
Unrestricted:					
Committed to:					
Drug interdiction	21,905				21,905
Drug education	34,303				34,303
Juvenile services	67,086				67,086
DFACS expenditures	49,239				49,239
Unassigned	4,608,124				4,608,124
Total fund balances	4,866,260	8,883,662	1,391,346	585,067	15,726,335
TOTAL LIABILITIES AND FUND BALANCES	$9,433,260	$8,889,360	$1,571,107	$1,110,041	$21,004,353

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

EXHIBIT D

WAYNE COUNTY, GEORGIA
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSTION OF GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2012

Total Governmental Fund Balances		$ 15,726,335
Amounts reported for government activities in the statement of net postion are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation of $20,412,244		43,942,241
Other assets are not available to pay for current-period expenditures and therefore are deferred in the funds		789,287
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Postclosure care costs	$ 1,129,566	
General obligation bonds	12,590,000	
Note payable	360,000	
Other postemployment benefits	2,587,035	
Combined adjustment		(16,666,601)
Bond issuance costs are recorded as expenditures in the governmental funds but are considered as deferred charges and amortized in the statement of net position		259,571
Net position of Governmental Activities		$ 44,050,833

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

EXHIBIT E

WAYNE COUNTY, GEORGIA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITUES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2012

	GENERAL	2006 SPLOST	DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES:					
Property taxes	$ 9,395,659		$ 148,664		$ 9,544,323
Other taxes	3,352,078	$ 1,680,626		$2,012,126	7,044,830
Licenses and permits	109,240				109,240
Intergovernmental revenues	422,178				422,178
Charges for services	2,789,105			492,522	3,281,627
Fines and fees	729,734				729,734
Investment income	1,148	13,641	16,813	224	31,826
Other revenue	2,607,579				2,607,579
Total revenues	19,406,721	1,694,267	165,477	2,504,872	23,771,337
EXPENDITURES:					
Current:					
General government	2,250,205				2,250,205
Judiciary	2,312,988				2,312,988
Public safety	6,347,786			705,743	7,053,529
Public works	3,776,021				3,776,021
Health and welfare	2,979,160				2,979,160
Culture and recreation	1,503,275				1,503,275
Housing and development	1,062,857			19,236	1,082,093
Debt service:					
Principal			2,850,000		2,850,000
Interest			621,305		621,305
Capital outlay:					
Public works		548,155		58	548,213
Public safety	450,000			31,500	481,500
Intergovernmental -					
Public works		211,475		380,044	591,519
Total expenditures	20,682,292	759,630	3,471,305	1,136,581	26,049,808
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,275,571)	934,637	(3,305,828)	1,368,291	(2,278,471)
OTHER FINANCING SOURCES (USES):					
Proceeds from debt	450,000				450,000
Transfers in			2,245,195	213,221	2,458,416
Transfers (out)	(213,221)	(1,248,750)		(996,445)	(2,458,416)
Sale of assets	33,000				33,000
Total other financing sources (uses)	269,779	(1,248,750)	2,245,195	(783,224)	483,000

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

EXHIBIT E

WAYNE COUNTY, GEORGIA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2012

	GENERAL	2006 SPLOST	DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
NET CHANGE IN FUND BALANCES	$(1,005,792)	$ (314,113)	$(1,060,633)	$ 585,067	$(1,795,471)
FUND BALANCES, BEGINNING	5,872,052	9,197,775	2,451,979		17,521,806
FUND BALANCES, ENDING	$4,866,260	$8,883,662	$1,391,346	$ 585,067	$15,726,335

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

EXHIBIT F

WAYNE COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012

Net change in fund balances – Total governmental funds		($1,795,471)
Amounts reported for governmental activities in the Statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:		
Capital outlays	$ 3,939,307	
Depreciation expense	(1,822,483)	2,116,824
Repayment of note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		2,994,134
Note taken out in exchange for an asset, the debt does not impact the governmental funds but increases long-term liabilities in the statement of net position.		(450,000)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds:		
Deferred revenues decreased by this amount this year		(35,963)
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:		
Amortization of bond issuance costs	(41,100)	
Other postemployment benefits	(1,140,799)	
Combined adjustment		(1,181,899)
Change in net position of Governmental Activities		$1,647,625

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

EXHIBIT G

WAYNE COUNTY, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
DECEMBER 31, 2012

	AGENCY FUNDS
ASSETS	
Cash	$ 789,580
Receivables	8,192,875
Total assets	$8,982,455
LIABILITIES	
Due to others	$8,982,455
Total liabilities	$8,982,455

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

WAYNE COUNTY, GEORGIA
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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the County are discussed below.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. The significant changes in the GASB 34 Statement include the following:

a. A Management Discussion and Analysis (MD&A) section providing an analysis of the County's overall financial position and results of operations.

b. Financial statements prepared using full accrual accounting for all of the County's activities, including infrastructure (road, bridges, etc.).

c. A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements). The County has implemented the general provisions of the Statement in the December 31, 2003 year and has retroactively reported infrastructure (assets acquired prior to January 1, 2003) in the year ending December 31, 2007.

A. Reporting entity

The County is a political subdivision of the State of Georgia and is governed by a five member board of county commissioners. The five members represent geographical districts within the County. There are additional officers elected countywide. State law pertaining to county government provides for the independent election of these county officials. The officials are all part of the County's legal entity. These elected officials are the sheriff, tax commissioner, state court judges, magistrate court judge, probate court judge and superior court clerk. The offices of the independently elected officials are separate from the County and therefore are reported as part of the primary government.

The state constitution and state law pertaining to county government provide for the independent election of the superior court judges and the district attorney. The cost of operations of the superior court judges and the district attorney offices is shared with the State of Georgia. Only that portion of the cost for which the County is responsible is reported in these financial statements.

The County has implemented the Governmental Accounting Standards Board Statement 14 "The Financial Reporting Entity". The financial reporting entity consists of (a) primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The nucleus of a financial reporting entity usually is a primary government; however, a governmental organization other than a primary government (such as a component unit, a joint venture, a jointly governed organization, or another stand alone government) serves as the nucleus for its own reporting entity when it issues separate financial statements.

The County has met the criteria for classification as a primary government. The County has a separately elected governing body, is legally separate and is fiscally independent of other state and local governments. All funds, organizations, institutions, agencies, departments, and officers that are not legally separate of the primary government, for financial reporting purposes, are part of the primary government and are included in the financial statements of the County.

a. Discretely Presented Component Units

The Hospital Authority of Wayne County (the "Authority"), created pursuant to the hospital authority laws of the State of Georgia, was established August 7, 1956 by the Board of Commissioners of Wayne County, Georgia. The Authority owns and operates Wayne Memorial Hospital, which provides short-term medical, surgical, obstetrical, pediatric, and emergency care to residents of Wayne County and the surrounding area. The Authority is governed by a seven-member board of trustees appointed by the Wayne County Board of Commissioners. The Authority meets the criteria for inclusion as a component unit.

Complete audited financial statements of this discretely presented component unit can be obtained directly from their administrative office. The fiscal year-end of the Authority is June 30. The address for the administrative office is as follows:

The Hospital Authority of Wayne County
P. O. Box 408
Jesup, Georgia 31598

The Wayne County Development Authority is a corporate and political body created and existing under the laws of the State of Georgia. The Authority was established for the general purpose of developing and promoting economic growth. The seven member governing board of the Authority is appointed by the Wayne County Board of Commissioners. The Authority meets the criteria for inclusion as a component unit.

Complete unaudited financial statements of this discretely presented component unit can be obtained directly from their administrative office. The year end of the Authority is December 31. The address for the administrative office is as follows:

Wayne County Development Authority
P. O. Box 448
Jesup, Georgia 31598

The Wayne County Board of Health is a political body created and existing under the laws of the State of Georgia. The Board was established for the general purpose of providing public health services to the residents of Wayne County, Georgia. Four of the seven members are appointed by the Wayne County Board of Commissioners. The Board of Health meets the GASB 14 criteria for inclusion as a component unit.

Complete audited financial statements of this discretely presented component unit can be obtained directly from their administrative office. The fiscal year-end of the Board of Health is June 30. The address for the administrative office is as follows:

Wayne County Board of Health
P. O. Drawer A
Jesup, Georgia 31598

B. Government-wide and fund financial statements

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

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

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

C. 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 is the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available and susceptible to accrual 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, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The government reports the following major governmental funds:

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

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Business-type/Proprietary Funds). The major fund (2006 SPLOST) is where the proceeds of a special one cent sales tax, adopted by referendum, are expended for road, drainage, and other improvements.

The debt service fund accounts for the resources accumulated and payments made for principal and interest on long-term obligation debt of governmental funds.

Additionally, the government reports the following fund types:

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

Agency funds are used to report assets held in an agency capacity for others and therefore are not available to support County programs. The reporting focus is upon net position and changes in net position and employs accounting principles similar to proprietary funds. Agency funds are used to account for agencies, which are custodial in nature. The County does not have any trust funds. There are five agency funds, which account for the receipts and disbursements of funds by the tax commissioner and various clerks of court.

Non-Current Governmental Assets/Liabilities:

GASB Statement 34 eliminates the presentation of accounts groups, but provides for these reports to be maintained and incorporates the information into the governmental column in the government-wide statement of net position.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. An exception to this general rule are payments-in-lieu of taxes. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

D. Assets, liabilities and net position or equity

1. Deposits

The County has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agent.

State statutes authorize the County to invest in obligations of, or obligations guaranteed by the U. S. Government and agencies of corporations of the U. S. Government obligations of any state; obligations of any political subdivision of any state; certificates of deposit or time deposits of any national state bank or savings and loan which have deposits insured by the FDIC or FSLIC; prime bankers acceptances; repurchase agreements; and the Georgia Fund 1.

The County, during the year, invested funds in the certificates of deposits and time deposits of local banks, and the Georgia Fund 1.

2. Receivables and payables

In the fund financial statements, material receivables in governmental funds include revenue accounts such as property taxes, grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable.

The major receivable for the County is property taxes receivable. Property is appraised and a lien on such property becomes enforceable 60 days after final notification on delinquency of property taxes. Property taxes are levied by the last quarter of the year in which they are assessed, or as soon after as deemed practical. Taxes are due and payable when levied. Property taxes are levied on all taxable real, public utility and personal property (including vehicles) located within the County. Assessed values for property tax purposes are determined by the Wayne County Board of Tax Assessors for all property except public utilities and motor vehicles. Assessed value is set at 40% of market value. Public utility assessed values are established by the State of Georgia. Wayne County may place liens on property once the related tax payments become delinquent. Property tax millage rates are usually adopted in August and tax bills are rendered by September 15.

The property tax calendar is as follows:

Beginning of fiscal year for taxes	January 1, 2012
Millage rate adopted by resolution	October 18, 2012
County tax digest approved by the State of Georgia	November 13, 2012
Real and personal property tax bills rendered	December 4, 2012
Real property tax payment due	February 6, 2013
Tax sales 2003-2010 delinquent real property tax and other assessments	Various

3. Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

4. Restricted assets

General Fund – Restricted cash is held by various financial institutions in the County's name to pay medical claims of its employees, to purchase equipment and supplies to combat drug use, and to purchase equipment and supplies for the juvenile court.

5. Capital assets

Capital assets purchased in the government fund types are recorded as expenditures at the time of purchase. Such assets are capitalized at cost if a unit cost is $5,000 or more in the general capital assets. The County's policy is to capitalize significant interest costs incurred during construction as a part of the cost of capital assets. Gifts or contributions are recorded at their estimated fair market value on the date donated. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Assets	Years
Building	25-50
Improvements	25
Equipment, vehicles and furniture	7-10
Infrastructure	20-50

General infrastructure assets acquired prior to January 1, 2003 consist of the road network assets that were acquired or that received substantial improvements subsequent to July 1, 1980 and are reported at estimated historical cost using deflated replacement cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized.

6. Compensated absences

Compensated absences are absences for which employees will be paid, such as vacation, sick leave, etc. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the government and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the government and its employees are accounted for in the period in which such services are rendered or such events take place. In governmental funds, compensated absences are recognized as expenditures, using the modified accrual basis of accounting. In the proprietary fund, compensated absences are recorded as an expense and liability of the fund that will pay for them.

The County does not record the cost of annual leave until such benefits are paid, GASB standards require annual leave to be accrued when:

1) The employer's obligation to an employees' right to receive compensation for future benefits is attributable to the employees' service already rendered.
2) The obligation is related to rights that vest or accumulate.
3) The payment of the compensation is probable, and
4) The amount can be reasonably estimated.

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.

7. Long-term obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

8. Fund balance

GASB 54 is a new standard that establishes a hierarchy based on the extent to which a government must observe constraints imposed upon the use of the resources that are reported by the governmental funds. Based on the requirements of GASB 54, the fund balance will now be composed of three primary categories 1)Nonspendable, 2)Restricted and 3)Unrestricted. The Unrestricted Fund Balance is comprised of three components 1)Committed, 2)Assigned and 3)Unassigned.

For committed fund balance, the County's highest level of decision-making authority is the Board of Commissioners. The formal action that is required to be taken to establish, modify or rescind a fund balance commitment is a majority vote of the Board of Commissioners. The County does not have any assigned fund balances.

For classification of fund balances, the County considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for which both restricted and unrestricted fund balance is available. Also, for the classification of fund balances, the County considers committed, assigned, or unassigned amounts to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

In the government-wide financial statements equity is classified as net position and displayed in three components as follows:

a. Net investment in capital assets 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 position consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributions, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
c. Unrestricted net position consists of all other net position that do not meet the definition of "restricted" or "net investment in capital assets".

9. Expenditures and expenses

In the government-wide financial statements, expenses are classified by function for governmental activities. Administrative overhead charges are made to various functions and are included in direct expenses. In the fund financial statements, governmental fund expenditures are classified as by character i.e. current (further classified by function), debt service, and capital outlay.

In the fund financial statements, governmental funds report expenditures of current financial resources.

10. Interfund transactions

Interfund transactions are reflected as either loans, services provided, reimbursement or transfer. Loans are reported as receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide columnar presentation.

11. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that may affect the amounts reported in the financial statements and the related notes. Accordingly, actual results could differ from these estimates.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds except the capital projects funds, which adopt project-length budgets. All annual appropriations lapse at fiscal year end.

The appropriated budget is prepared by fund, function, and department. The County manager may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of the commissioners. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level. The commissioners made several supplemental budgetary appropriations throughout the year.

B. Excess of expenditures over appropriations

For the year ended December 31, 2012, expenditures exceeded appropriations in the general and hotel/motel tax funds. Budget violations did occur within the various departments. The Commissioners of Wayne County review the budget report monthly and meet with the various departments and review budget violations. The necessary action is taken to try to correct the budget violations within the current year. The budget violations were as follows:

	FINAL BUDGETARY AMOUNT	ACTUAL AMOUNT	VARIANCE WITH FINAL BUDGET
GOVERNMENTAL FUNDS:			
GENERAL FUND			
GENERAL GOVERNMENT:			
Elections:			
Personal services and employee benefits	$ 31,995	$ 56,438	$ 24,443
Supplies	2,700	2,729	29
Registrar:			
Personal services and employee benefits	40,165	41,667	1,502
Purchased/contract services	4,570	5,058	488
Supplies	1,300	1,870	570
Financial administration:			
Personal services and employee benefits	269,893	276,707	6,814
Interdepartmental charges	70,000	117,328	47,328
Debt service		87,465	87,465
Tax commissioner:			
Purchased/contract services	53,940	71,389	17,449
Capital outlays	1,000	6,574	5,574
Interdepartmental charges	50,000	53,313	3,313
Tax assessor:			
Supplies	7,300	7,644	344
Interdepartmental charges	55,000	77,437	22,437
Government buildings & plant:			
Purchased/contract services	84,820	112,321	27,501
Supplies	56,500	62,502	6,002
Capital outlay	5,500	51,943	46,443
Interdepartmental charges	20,000	84,987	64,987
JUDICIARY:			
Judiciary administration -			
Supplies	29,600	63,343	33,743
State and superior courts:			
Personal services and employee benefits	515,926	529,080	13,154
Supplies	31,800	39,171	7,371
District attorney –			
Supplies		270	270

B. Excess of expenditures over appropriations (Continued)

	FINAL BUDGETARY AMOUNT	ACTUAL AMOUNT	VARIANCE WITH FINAL BUDGET
JUDICIARY: (Continued)			
Magistrate court:			
Personal services and employee benefits	$ 156,279	$ 158,523	$ 2,244
Purchased/contract services	16,580	20,570	3,990
Supplies	2,050	2,347	297
Probate court:			
Personal services and employee benefits	155,193	156,792	1,599
Purchased/contract services	27,920	39,926	12,006
Interdepartmental charges	35,000	136,559	101,559
Public defender –			
Capital outlays		8,364	8,364
Drug court:			
Purchased/contract services	31,000	61,839	30,839
Supplies	600	3,411	2,811
PUBLIC SAFETY:			
Sheriff:			
Personal services and employee benefits	1,492,900	1,590,729	97,829
Supplies	195,350	228,870	33,520
Capital outlays	18,500	19,722	1,222
Interdepartmental charges	210,000	468,891	258,891
Law enforcement building -			
Capital outlays	150,000	228,235	78,235
Jail:			
Personal services and employee benefits	984,400	1,023,215	38,815
Purchased/contract services	350,040	376,262	26,222
Supplies	416,700	536,701	120,001
Interdepartmental charges	85,000	271,335	186,335
Other costs		6,945	6,945
Other public safety –			
Supplies	11,000	15,663	4,663

B. Excess of expenditures over appropriations (Continued)

	FINAL BUDGETARY AMOUNT	ACTUAL AMOUNT	VARIANCE WITH FINAL BUDGET
PUBLIC SAFETY: (Continued)			
Rural fire departments:			
Personal services and employee benefits	12,880	18,183	5,303
Purchased/contract services	32,110	40,803	8,693
Other costs	19,500	23,703	4,203
Emergency medical services:			
Personal services and employee benefits	693,338	748,901	55,563
Purchased/contract services	113,780	130,759	16,979
Supplies	82,100	132,135	50,035
Interdepartmental charges	60,000	81,948	21,948
Coroner:			
Purchased/contract services	11,500	12,787	1,287
Supplies	3,350	4,852	1,502
Capital outlays	440	1,494	1,054
Emergency management agency:			
Personal services and employee benefits	59,951	63,611	3,660
Supplies	13,000	20,277	7,277
PUBLIC WORKS:			
Highways and streets:			
Supplies	379,000	414,891	35,891
Interdepartmental charges	180,000	455,858	275,858
Solid waste & recycling –			
Purchased/contract services	707,600	723,796	16,196
County shop:			
Supplies	42,650	43,416	766
Interdepartmental charges	40,000	125,173	85,173
HEALTH AND WELFARE:			
Public health administration –			
Other costs	$ 103,218	$ 104,575	$ 1,357
Welfare administration –			
Capital outlays	2,500	2,250,030	2,247,530

B. Excess of expenditures over appropriations (Continued)

	FINAL BUDGETARY AMOUNT	ACTUAL AMOUNT	VARIANCE WITH FINAL BUDGET
HEALTH AND WELFARE (Continued):			
Community services:			
Personal services and employee benefits	188,209	198,093	9,884
Purchased/contract services	32,800	38,567	5,767
Supplies	97,250	139,784	42,534
Interdepartmental charges	1,000	1,229	229
CULTURE AND RECREATION:			
Recreation:			
Purchased/contract services	138,110	138,519	409
Supplies	245,300	328,773	83,473
Other costs	18,000	22,494	4,494
Parks:			
Personal services and employee benefits	141,500	147,157	5,657
Supplies	14,000	19,811	5,811
Library –			
Other costs	157,413	189,180	31,767
HOUSING AND DEVELOPMENT:			
Building Inspection:			
Personal services and employees benefits	54,078	55,996	1,918
Capital outlay	2,100	7,500	5,400
Interdepartmental charges	10,500	18,790	8,290
Economic development:			
Personal services and employee benefits	111,570	117,077	5,507
Interdepartmental charges		4,374	4,374
Airport -			
Purchased/contract services	29,060	46,909	17,849
HOTEL/MOTEL-			
Housing and development-			
Other costs	13,000	19,236	6,236
EMERGENCY TELEPHONE SYSTEM-			
Interdepartmental charges	60,000	89,960	29,960

C. Deficit fund equity

The County did not have any funds with a deficit fund balance as of December 31, 2012.

III. DETAILED NOTES ON ALL FUNDS

A. Deposits

As of December 31, 2012, the County had the following investments:

Investment	Rating	Average Maturity (Days)	Fair Value
Georgia Fund 1	AAAm	46 WAM	$ 7,313,409
Total investments			7,313,409
Cash-checking and certificates of deposit			4,425,351
Total cash and investments			$11,738,760

Reconciliation of financial statements to notes:	
Primary Government:	
Cash and investments:	
Governmental activities	$10,776,647
Restricted cash	172,533
Agency funds	789,580
Total cash and investments	$11,738,760

1. Interest Rate Risk

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

2. Credit Risk

State law limits investment to (1) obligations of this state or other states, (2) obligations issued by the U. S. Government, (3) obligations fully insured or guaranteed by the U. S. Government or a government agency of the United States, (4) obligations of any corporation of the U. S. Government, (5) prime bankers' acceptances, (6) the local government investment pool established by state law, (7) repurchase agreements, and (8) obligations of other political subdivisions of this state. The County has no investment policy that would further limit its investment choices. The County's investment in Georgia Fund 1 is an investment pool managed by the Office of the State Treasurer. Georgia Fund 1 is a money market fund rated AAAm by Standard & Poor's and is managed to maintain a constant asset value of 1.00.

A. Deposits (Continued)

3. Custodial Credit Risk

Custodial credit risk is the risk that, in the event of bank failure, the County will not be able to recover the value of its cash and investments or collateral securities that are in the possession of an outside party. The County does not have a deposit policy for custodial credit risk. As of December 31, 2012, all of the County's monies were either insured or collateralized.

B. Receivables

Receivables as of year end for the government's individual major funds and non-major and agency funds in the aggregate, including the applicable allowance for uncollectible accounts, are as follows:

Receivables:	Taxes	Accounts and Notes	Agencies	Gross Receivables	Less Allowance for Uncollectibles	Net Receivables	Intergovernmental
General	$8,376,691	$314,239	$154,543	$8,845,473	$(360,000)	$8,485,473	$ 495,036
Capital Projects-2012 SPLOST							393,000
Debt service	261,031	380,030		641,061	(45,000)	596,061	
Total	8,637,722	694,269	154,543	9,486,534	$(405,000)	$9,081,534	$ 888,036
Less allowance for uncollectibles	(405,000)			(405,000)			
Net receivables	$8,232,722	$649,269	$154,543	$9,081,534			

C. Capital Assets

Capital assets activity for the year ended December 31, 2012 was as follows:

Governmental Activities	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 2,013,499	$ 850,000		$ 2,863,499
Construction in progress	5,644,884	$ 131,280	$4,122,464	1,653,700
Total capital assets, not being depreciated	7,658,383	981,280	4,122,464	4,517,199
Capital assets, being depreciated:				
Improvements	4,302,012	163,737		4,465,749
Buildings	9,410,188	6,212,818		15,623,006
Equipment, vehicles and furniture	6,671,867	155,781	515,265	6,312,383
Infrastructure	32,887,993	548,155		33,436,148
Total assets, being depreciated	53,272,060	7,080,491	515,265	59,837,286
Less accumulated depreciation for:				
Improvements	1,683,604	184,218		1,867,822
Buildings	2,999,718	263,672		3,263,390
Equipment, vehicles and furniture	4,946,843	392,264	515,265	4,823,842
Infrastructure	9,474,861	982,329		10,457,190
Total accumulated depreciation	(19,105,026)	1,822,483	515,265	(20,412,244)
Total capital assets, being depreciated, net	34,167,034	5,258,008		39,425,042
Net Governmental Activities Capital Assets	$ 41,825,417	$6,239,288	$4,122,464	$ 43,942,241

C. Capital assets (Continued)

Depreciation expense was charged to governmental activities as follows:

General government	$ 15,250
Judiciary	27,246
Public safety	373,685
Public works	1,079,586
Health and welfare	59,379
Culture/recreation	98,177
Housing and development	169,160
Total depreciation expense	$1,822,483

Construction commitments

The County has active construction projects as of December 31, 2012. At year-end the government's major commitments are as follows:

	Contract Balance December 31, 2012
GENERAL FUND:	
Airport expansion	$348,443
Jaycee Landing	$ 50,000

D. Interfund receivables, payables, and transfers

There were no interfund receivable and payable balances at December 31, 2012.

A summary of interfund transfers by fund type is as follows:

	Transfers In	Transfers Out
Major Fund:		
General to emergency telephone system		$ 213,221
2006 SPLOST to debt service		1,248,750
Debt service from capital projects	$2,245,195	
Non-major Fund:		
2012 SPLOST to debt service		996,445
Special revenue – Emergency telephone system from general	213,221	
Total	$2,458,416	$2,458,416

Interfund transfers are used to 1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, 2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due and 3) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations.

E. Leases

Operating Leases

The County is committed under various leases which are considered for accounting purposes to be operating leases. Total costs associated with these leases were $37,779 for 2012.

Future minimum lease payments are as follows:

Year	Amount
2013	23,568
2014	16,625
2015	3,399
2016	2,892
Total	$46,484

Capital Leases

The County has not entered into any new capital lease agreements for the current year. Capital leases are recorded at the present value of their future minimum lease payments as of the inception date. No balances are outstanding on capital leases as of December 31, 2012.

F. Long-term debt

Governmental Activities:

General Fund – Public Works

The County has accrued $1,737,512 in estimated postclosure care costs to provide for the postclosure costs of a landfill. The amount outstanding is $1,129,566 payable annually through 2027, non-interest bearing.

General Fund – Health and Welfare

The County issued $15,150,000 in general obligation bonds July 18, 2007 for the costs of constructing and equipping a new hospital. The bonds are general obligations of the County. The amount outstanding is $12,590,000, payable in annual payments varying from $1,162,877 to $1,277,544 commencing March 1, 2008 through March 1, 2026; interest from 4.0% to 4.5%. Interest of $543,596 has been included as an indirect expense.

F. Long-term debt (Continued):

Estimated postclosure care costs-

The annual requirements to amortize postclosure care costs outstanding of the primary government at December 31, 2012 are as follows:

	Governmental Activities		
Year Ending December 31	Estimated Postclosure Care Costs		
	Principal	Interest	Total
2013	$ 74,760		$ 74,760
2014	74,760		74,760
2015	74,760		74,760
2016	74,760		74,760
2017	74,760		74,760
2018	74,760		74,760
2019	74,760		74,760
2020	74,760		74,760
2021	74,760		74,760
2022	74,760		74,760
2023	74,760		74,760
2024	74,760		74,760
2025	74,760		74,760
2026	74,760		74,760
2027	82,926		82,926
Total	$1,129,566		$1,129,566

F. Long-term debt (Continued)

General obligation bonds (Series 2007)-

The annual requirements to amortize the general obligation bonds of the primary government at December 31, 2012 including interest payments of $4,256,512 are as follows:

	Government Activities		
Year Ending December 31	General Obligation Bonds (Series 2007) Principal	Interest	Total
2013	$ 615,000	$ 525,446	$ 1,140,446
2014	650,000	496,984	1,146,984
2015	695,000	468,459	1,163,459
2016	740,000	439,389	1,179,389
2017	775,000	408,234	1,183,234
2018	810,000	375,037	1,185,037
2019	850,000	339,550	1,189,550
2020	895,000	302,256	1,197,256
2021	950,000	263,050	1,213,050
2022	1,000,000	221,613	1,221,613
2023	1,060,000	177,837	1,237,837
2024	1,120,000	130,813	1,250,813
2025	1,180,000	80,500	1,260,500
2026	1,250,000	27,344	1,277,344
Total	$12,590,000	$4,256,512	$16,846,512

Note Payable – City of Jesup-

The note related to the City of Jesup is an interest free note paid back to the City of Jesup over a five year period. The City of Jesup note is a repayment from Wayne County to the City of Jesup for their contribution to the new law enforcement building.

Year Ending December 31	Principal	Interest	Balance
2012	$ 90,000	$ 0	$ 360,000
2013	90,000	0	270,000
2014	90,000	0	180,000
2015	90,000	0	90,000
2016	90,000	0	0
Total	$ 450,000	$ 0	$ 0

F. Long-term debt (Continued)

Changes in long-term liabilities:

The following is a summary of changes in long-term liabilities of the County's governmental funds for the year ended December 31, 2012:

Governmental Activities:	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Estimated postclosure care costs	$1,183,700		$ 54,134	$1,129,566	$ 74,760
Net OPEB obligation	1,446,236	$1,250,505	107,706	2,587,035	
Total	2,629,936	1,250,505	163,840	3,716,601	74,760
Note payable- City of Jesup		450,000	90,000	360,000	90,000
General obligation sales tax bonds (Series 2007)	2,275,000		2,275,000		
General obligation bonds (Series 2007)	13,165,000		575,000	12,590,000	615,000
Total	15,440,000	450,000	2,940,000	12,950,000	705,000
Total governmental activities	$18,069,936	$1,700,505	$3,103,840	$16,666,601	$ 779,760

All of the above debts (except for the general obligation bonds) are generally liquidated by the general fund. Payments on the general obligation bonds are made by the debt service fund. The general obligation sales tax bonds are paid from proceeds of a special purpose local option sales tax.

G. Postclosure Care Costs

State and federal laws and regulations require that the Wayne County Solid Waste Authority perform certain maintenance and monitoring functions at the site for thirty years after closure. The Authority closed the Goose Creek landfill in 1994 and a final cover has been placed on the site. The postclosure care costs are estimated to be $1,129,566 and this amount is reflected as a liability at December 31, 2012. This amount is based on the estimated cost to monitor and maintain this landfill during the postclosure period. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

G. Postclosure Care Costs (Continued)

The County will fund the postclosure care costs with revenues from the general fund. As of December 31, 2012, no assets have been restricted for the payment of postclosure care costs. The remaining portion of anticipated future inflation costs and additional costs that might arise from changes in postclosure requirements (due to changes in technology or more rigorous environmental regulations, for example) may need to be covered by charges to future landfill users, taxpayers, or both.

The Georgia EPD has determined that financial assurance reporting is no longer required for the closed landfills of Wayne County, Georgia.

H. Short-term debt

On January 2, 2012 the County borrowed $6,000,000 with a tax anticipation note (TAN). The TAN was paid December 31, 2012, along with $87,465 in interest at 1.47%.

Changes in short-term liabilities:
The following is a summary of changes in short-term liabilities of the counties governmental funds for the year ended December 31, 2012:

	Beginning Balance	Additions	Reductions	Ending Balance	Interest Paid
Tax anticipation note (TAN)	$ 0	$ 6,000,000	$ 6,000,000	$ 0	$ 87,465
Total governmental activities	$ 0	$ 6,000,000	$ 6,000,000	$ 0	$ 87,465

I. Reservation of fund balances and restricted asset accounts

Governmental Fund Types

Reserves are used to indicate that a portion of the fund balance or retained earnings is not appropriate for expenditure or is legally segregated for a specific future use. The following reserves are used by the County:

General, Special Revenue, and Capital Projects Funds:

Reserve for prepaid expenditures – restricted for contracts already purchased.

Reserve for drug interdiction – restricted for purchase of equipment and supplies to combat drug use.

Reserve for drug education – restricted for expenditures to educate and treat drug abusers.

Reserve for juvenile services – restricted for purchases of equipment and supplies for the juvenile court.

Reserve for DFACS expenditures – restricted for expenditures for the DFACS building.

Reserve for capital outlay – restricted for projects financed by SPLOST revenues.

Reserve for debt service – restricted for principal and interest payments on general obligation bonds.

I. Reservation of fund balances and restricted asset accounts (Continued):

Changes in reserve fund balances are as follows:

	Nonspendable	Committed				Restricted	
	Reserve for Prepaid Expenditures	Reserve for Drug Interdiction	Reserve for Drug Education	Reserve for Juvenile Services	Reserve for DFACS Expenditures	Reserve for Capital Outlay	Debt Service
Reserved fund balance, beginning of year	$86,428	$ 14,163	$11,833	$63,697	$71,774	$7,946,025	$3,703,729
Increase (decrease) in reserve	(825)	7,742	22,470	3,389	(22,535)	1,522,704	(2,312,383)
Reserved fund balance, end of year	$85,603	$ 21,905	$34,303	$67,086	$49,239	$9,468,729	$1,391,346

Restricted assets are comprised of the following:

	2012
General Fund:	
Wayne County Drug interdiction - Cash	$ 21,905
Wayne County Drug education – Cash	34,303
Wayne County Juvenile Services - Cash	67,086
Wayne County DFACS building - Cash	49,239
Total General Fund	172,533
Total restricted assets	$172,533

IV. OTHER INFORMATION

A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In previous years, the County was unable to obtain general liability insurance at a cost it considered to be economically justifiable. The County joined together with other governments in the state as part of the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Georgia Municipal Association Group Self-Insurance Workers Compensation Fund, a public entity risk pool, currently operating as a common risk management and insurance program for member local governments. The County pays an annual premium to the pool for its insurance coverage. The agreement for formation of ACCG-Interlocal Risk Management Agency provides that the pool will be self-sustaining through member premiums.

The policy with ACCG has a $2,500 deductible option with a $1,000,000 liability limit. There has not been any significant reduction in coverage during the past year. No settlements in excess of coverage have been made in any of the three prior fiscal years. The County's only risk of loss would occur if the loss exceeded the limit of liability as stated in the policy.

A. Risk Management (Continued):

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

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation of defense.

The pooling agreement allows for ACCG to make any additional assessments necessary to meet any financial deficiency, subject to the approval of the Georgia Insurance Commissioner. It is not possible to estimate the amount of such additional assessments. At December 31, 2012 the County was not aware of any asserted claims that exceed the County's insurance coverage. Settled claims in the past three years have not exceeded the coverages.

ACCG has published its own financial report, which can be obtained from the Association of County Commissioners of Georgia, 1100 Circle 75 Parkway, Suite 300, Atlanta, Georgia 30339.

Group Health:

The County is self-insured for medical claims. Under the plan, the County will pay 80% of the first $5,000 in claims with a $500 deductible. The County maintains an excess coverage policy for claims in excess of $55,000 and is responsible for paying 100% of all claims over $5,000 until an aggregate of $55,000 in claims has been accumulated. After $55,000 in claims has been aggregated, the insurance carrier will pay 100% of all claims in excess of the $55,000 limit up to the lifetime benefit amount of $2,000,000. All claims have been paid as incurred. Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. Changes in the reported liability since December 31, 2010 resulted from the following:

December 31	Beginning Liability	Current Year Claims and changes in Estimates	Claim Payments	Ending Liability
2010	$ 69,395	$1,594,495	$1,640,114	$23,776
2011	$ 23,776	$1,482,053	$1,464,058	$41,771
2012	$41,771	$2,321,240	$2,363,011	

B. Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

State laws provide that the County may guarantee the repayment of certain borrowings of the Hospital Authority of Wayne County. The County has never been called upon to make any direct payments pursuant to such guarantee. As of December 31, 2012, the County-guaranteed bonds outstanding were as follows:

Description	Balance
Series 2006 revenue bonds of Hospital Authority of Wayne County	$21,635,000

Wayne County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County attorney the resolution of these matters will not have a material adverse effect on the financial condition of the County.

C. Joint venture

Wayne County, Georgia, in conjunction with cities and counties in the seventeen (17) county Heart of Georgia area are members of the Heart of Georgia Altamaha Regional Commission (RC). Membership in an RC is automatic for each municipality and county in the state. The official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the RCs. Each county and municipality in the state is required by law to pay minimum annual dues to the RC. Each County paid annual dues in the amount of $18,615 to the RDC for the year ended December 31, 2012. The RC board membership includes the chief elected official of each county and chief elected official of each municipality. The county board members and municipal board members from the same county elect one member of the board who is a resident (but not an elected or appointed official or employee of the county or municipality) to serve as the nonpublic board member from a county.

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

Financial statements of the RC may be obtained directly from:

Heart of Georgia Altamaha Regional Commission
501 Oak Street
Eastman, Georgia 31023

D. Sales tax revenue

2006 SPLOST

On September 21, 2004 Wayne County voters approved a six year referendum to raise $22,465,591 for (a) road, street and bridge purposes within the County (b) sewer improvement and drainage, paving, curbing and guttering projects within the cities of Jesup, Odum, and Screven and (c) to construct a new hospital.

The sales tax levy took effect on July 1, 2006 and the County received its first check in August 2006. The referendum calls for the tax to be levied for six years or up to $22,465,591 whichever comes first. This revenue is reported in the sales tax capital projects fund.

2012 SPLOST

On November 8, 2011 Wayne County voters approved a six year referendum to raise an estimated $22,000,000 for (a) payment in 2007 general obligation bonds (b) road, street, bridge, projects and road equipment (c) Emergency vehicles and fire equipment and (d) water and sewer projects, streets and drainage projects, recreation projects and fire equipment within the cities of Jesup, Odum, and Screven.

The sales tax levy will take effect on July 1, 2012 and the County will receive its first check in August 2012. The referendum calls for the tax to be levied for six years until the expiration date without regard to the monetary amount. This revenue will be reported in the sales tax capital projects fund.

T-SPLOST

On November 6, 2012 voters in the Heart of Georgia Altamaha District, which includes Wayne County, approved a ten year referendum to raise funds for local transportation projects.

The sales tax levy will take effect on January 1, 2013 and the County will receive its first check in February 2013. The referendum calls for the tax to be levied for ten years until the expiration date. This revenue will be reported in the sales tax capital projects fund.

E. Hotel/Motel excise tax

The County is in compliance with all significant finance-related legal and contractual provisions. The County levies and collects a five percent hotel/motel tax in accordance with the provisions of O.C.G.A. 48-13-51. The County has complied with the expenditure requirements of this code section as required under Code Section 36-81-7. Listed below is a summary of the transactions for the year ended December 31, 2012.

	Amount	Percentage
Lodging tax receipts	$19,236	100%
Disbursements to Wayne County Board of Tourism for promotion of tourism	19,236	100%
Balance of lodging tax funds on hand at end of year		

F. Employee retirement systems

1. Defined Contribution Plan

a. Plan Description

The Wayne County, Georgia Board of Commissioners established a defined contribution plan under section 401 of the Internal Revenue Code effective July 1, 1998. The Wayne County Money Purchase Plan is a defined contribution pension plan established by the County to provide benefits at retirement to employees of the County. At December 31, 2012, there were 262 plan members. Plan members are not allowed to contribute to the money purchase plan. The contributions of plan members are directed to a 457 deferred compensation plan. The County will contribute 1% of each eligible employee's compensation. In addition, the County will contribute another 4.5% of each eligible employee's compensation if the employee contributes 5.5% to the County's 457 deferred compensation plan. The amount the County will contribute to the money purchase plan will increase based on the schedule below:

Number of Years of Continuous Service	County's Percent of Contribution
1 month thru 4 years	5.5%
5 years thru 14 years	6.0%
15 years thru 24 years	6.5%
25 years thru 29 years	7.0%
30 years thru 39 years	8.5%
40 years and over	10.0%

During the 2012 year, the County contributed $324,130 to the money purchase pension plan. Plan provisions and contribution requirements are established and may be amended by the commissioners of Wayne County, Georgia. The plan is funded through a trust. The assets of the trust are invested in group annuity contracts issued by Nationwide Life Insurance Company.

b. Basis of Accounting

The financial statements of Wayne County Money Purchase Plan are prepared using the accrual basis of accounting. Employer contributions are recognized in the period that the contributions are due.

c. Valuation of Investments

Plan investments are reported at fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have an established market are reported at estimated fair value. CBIZ Benefits and Insurance Services administers the plan and issues a financial report. Their address is 44 Baltimore Street, Cumberland, Maryland, 21502.

2. Deferred Compensation Plan

The County also has a deferred compensation plan under section 457 of the Internal Revenue Code. One hundred and five (105) plan members invest their contributions ($263,267 for 2012) in annuity contracts with Nationwide Insurance Company. Fifty-six (56) plan members invest their contributions ($104,166 for 2012) in various mutual funds held in trust by the Charles Schwab Trust Company administered by GEBCorp. A financial report can be obtained from GEBCorp at 1100 Circle 75 Parkway, Suite 300, Atlanta, Georgia, 30339.

In addition to the defined contribution and deferred compensation plans of the County, the following pension and retirement plans are in effect but are not under the direct control of the County:

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

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

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

G. Other Postemployment Benefits

Description

Effective January 1, 2008, the County adopted the provisions of GASB Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions". In addition to the relevant disclosures within this note related to the implementation of GASB Statement No. 45, the financial statements reflect a long-term liability and related expenses of $2,587,035 in governmental activities resulting from the adoption. The County's OPEB plan is a single-employer plan.

The County provides postretirement healthcare benefits and life insurance, in accordance with state statutes, to all employees who retire from the County with at least twenty-five (25) years of service. Currently twelve (12) retirees meet those eligibility requirements. The policy for paying insurance premiums and medical costs for retirees and their dependents is the same as it is for its regular employees as described in Note IV (A). The County is under no statutory or contractual obligation to provide these postretirement healthcare benefits. No stand-alone financial report is either available or generated.

G. Other Postemployment Benefits (Continued)

Fund Policy

Premiums for postemployment healthcare benefits are funded by the retirees desiring such coverage via co-pays paid to the County in accordance with rates established by the County. For the year ended December 31, 2012, retirees receiving benefits paid $31,612, which was used to offset the County's total outlays for insurance premiums and claims equaling for the current year. The net outlay from the County, which equaled $109,706, represents the County's net cost paid for the current year. These benefits are financed on pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation

The County's annual OPEB cost is calculated based on the annual required contribution (ARC) of the County, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period of 30 years. The following table illustrates the components of the County's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the County's net OPEB obligation:

Annual required contribution	$ 1,247,920
Interest on net OPEB obligation	57,849
Adjustment to annual required contribution	(55,264)
Annual OPEB cost	1,250,505
Contributions made	(109,706)
Increase in net OPEB obligation	1,140,799
Net OPEB obligation – beginning of year	1,446,236
Net OPEB obligation – end of year	$2,587,035

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2008 thru 2012 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage Annual OPEB Cost Contributed	Net OPEB Obligation – End of Year
12/31/08	$367,200	82.48%	$ 64,330
12/31/09	$376,440	14.51%	$ 386,155
12/31/10	$630,553	28.04%	$ 839,885
12/31/11	$666,208	8.98%	$1,446,236
12/31/12	$1,250,505	8.77%	$2,587,035

Because 2008 was the year of transition for GASB Statement No. 45, requirements of GASB Statement No. 45 have been implemented prospectively; therefore, the above illustration does not reflect similar information respective of the years preceding 2008.

G. Other Postemployment Benefits (Continued)

Funding Status and Funding Progress

As of January 1, 2012, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits equaled $11,610,367, resulting in an unfunded actuarial accrued liability (UAAL) of $11,610,367. The covered payroll (annual payroll of active employees covered by the Plan) equaled $5,565,508, and the ratio of the UAAL to the covered payroll equaled 208.6%.

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

The schedule of funding progress, presented as RSI following the notes to the financial statements, is to present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. However, because the County maintains no plan assets, information relative to plan asset required disclosures is not applicable. Additionally, because 2008 was the year of transition for GASB Statement No. 45, requirements of GASB Statement No. 45 have been implemented prospectively; therefore, the RSI does not reflect similar information respective of the years preceding 2008.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the County and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the County and plan members to that point. There are no legal or contractual funding limitations that would potentially affect the projection of benefits for financial accounting purposes. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities, consistent with the long-term perspective of the calculations.

In the actuarial valuation dated January 1, 2012, the projected unit credit cost actuarial method was used. Because the County funds its OPEB on a pay-as-you-go basis, the plan has no assets (investments) used specifically for paying the post-retirement medical benefits; therefore, the actuarial assumptions included a 4% discount rate, which approximates the expected rate of return on non-pension investments held by the County. Actuarial assumptions also included healthcare and prescription drug cost trend rate of 9.5%, initially, reduced by decrements to an ultimate rate of 5% after seven years. The UAAL is being amortized as a level dollar amount over thirty years on an open basis.

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MD&A

SCHEDULE 1

WAYNE COUNTY, GEORGIA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES:				
Property taxes	$9,657,569	$ 9,657,569	$9,395,659	$ (261,910)
Other taxes	3,118,000	3,118,000	3,352,078	234,078
Licenses and permits	86,900	86,900	109,240	22,340
Intergovernmental revenue	322,900	322,900	422,178	99,278
Charges for services	2,998,800	2,998,800	2,789,105	(209,695)
Fines and fees	598,300	598,300	729,734	131,434
Investment income	5,000	5,000	1,148	(3,852)
Other revenue	315,155	315,155	2,607,579	2,292,424
TOTAL REVENUES	17,102,624	17,102,624	19,406,721	2,304,097
EXPENDITURES:				
GENERAL GOVERNMENT:				
ELECTIONS:				
Personal services and employee benefits	31,995	31,995	56,438	24,443
Purchased/contract services	24,550	24,550	12,793	(11,757)
Supplies	2,700	2,700	2,729	29
Capital outlays	2,700	2,700		(2,700)
Total elections	61,945	61,945	71,960	10,015
REGISTRAR:				
Personal services and employee benefits	40,165	40,165	41,667	1,502
Purchased/contract services	4,570	4,570	5,058	488
Supplies	1,300	1,300	1,870	570
Capital outlays	500	500		(500)
Interdepartmental charges	10,000	10,000	4,925	(5,075)
Total registrar	56,535	56,535	53,520	(3,015)
FINANCIAL ADMINISTRATION:				
Personal services and employee benefits	269,893	269,893	276,707	6,814
Purchased/contract services	197,940	197,940	196,354	(1,586)
Supplies	19,950	19,950	12,705	(7,245)
Capital outlays	2,000	2,000	1,434	(566)
Interdepartmental charges	70,000	70,000	117,328	47,328

SCHEDULE 1

WAYNE COUNTY, GEORGIA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
FINANCIAL ADMININISTRATION (Continued):				
Other costs	$ 241,742	$ 241,742	$ 155,084	$ (86,658)
Debt service			$ 87,465	87,465
Total financial administration	801,525	801,525	847,077	45,552
TAX COMMISSIONER:				
Personal services and employee benefits	263,149	263,149	258,619	(4,530)
Purchased/contract services	53,940	53,940	71,389	17,449
Supplies	2,050	2,050	1,922	(128)
Capital outlays	1,000	1,000	6,574	5,574
Interdepartmental charges	50,000	50,000	53,313	3,313
Total tax commissioner	370,139	370,139	391,817	21,678
TAX ASSESSOR:				
Personal services and employee benefits	253,031	253,031	252,113	(918)
Purchased/contract services	189,260	189,260	135,809	(53,451)
Supplies	7,300	7,300	7,644	344
Capital outlays	6,000	6,000		(6,000)
Interdepartmental charges	55,000	55,000	77,437	22,437
Total tax assessor	510,591	510,591	473,003	(37,588)
GOVERNMENT BUILDINGS & PLANTS:				
Personal services and employee benefits	121,638	121,638	101,075	(20,563)
Purchased/contract services	84,820	84,820	112,321	27,501
Supplies	56,500	56,500	62,502	6,002
Capital outlay	5,500	5,500	51,943	46,443
Interdepartmental charges	20,000	20,000	84,987	64,987
Total government buildings	288,458	288,458	412,828	124,370
TOTAL GENERAL GOVERNMENT	2,089,193	2,089,193	2,250,205	161,012
JUDICARY:				
JUDICIAL ADMINISTRATION:				
Personal services and employee benefits	258,928	258,928	257,546	(1,382)
Purchased/contract services	220,860	220,860	108,819	(112,041)
Supplies	29,600	29,600	63,343	33,743
Capital outlays	1,000	1,000	670	(330)

WAYNE COUNTY, GEORGIA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
JUDICIAL ADMINISTRATION (Continued):				
Interdepartmental charges	$ 20,000	$ 20,000	$ 14,723	$ (5,277)
Other costs	30,000	30,000	28,690	(1,310)
Total judicial administration	560,388	560,388	473,791	(86,597)
STATE AND SUPERIOR COURTS:				
Personal services and employee benefits	515,926	515,926	529,080	13,154
Purchased/contract services	184,450	168,082	160,972	(7,110)
Supplies	31,800	31,800	39,171	7,371
Capital outlays	35,000	51,368	50,058	(1,310)
Interdepartmental charges	140,000	140,000	113,914	(26,086)
Total state and superior courts	907,176	907,176	893,195	(13,981)
DISTRICT ATTORNEY:				
Personal services and employee benefits	9,163	9,163	9,042	(121)
Purchased/contract services	1,090	1,090	854	(236)
Supplies			270	270
Other costs	151,000	151,000	137,876	(13,124)
Total district attorney	161,253	161,253	148,042	(13,211)
MAGISTRATE COURT:				
Personal services and employee benefits	156,279	156,279	158,523	2,244
Purchased/contract services	16,580	16,580	20,570	3,990
Supplies	2,050	2,050	2,347	297
Capital outlays	2,500	2,500		(2,500)
Interdepartmental charges	30,000	30,000	15,859	(14,141)
Total magistrate court	207,409	207,409	197,299	(10,110)
PROBATE COURT:				
Personal services and employee benefits	155,193	155,193	156,792	1,599
Purchased/contract services	27,920	27,920	39,926	12,006
Supplies	3,375	3,375	2,959	(416)
Capital outlays	2,200	2,200		(2,200)
Interdepartmental charges	35,000	35,000	136,559	101,559
Total probate court	223,688	223,688	336,236	112,548

SCHEDULE 1

WAYNE COUNTY, GEORGIA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012

	BUDGETARY AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
JUVENILE COURT:				
Personal services and employee benefits	$ 15,612	$ 15,612	$ 15,598	$ (14)
Purchased/contract services	13,895	13,895	12,947	(948)
Supplies	3,800	3,800	2,976	(824)
Total juvenile court	33,307	33,307	31,521	(1,786)
PUBLIC DEFENDER:				
Purchased/contract services	1,430	1,430	451	(979)
Capital outlays			8,364	8,364
Other costs	170,000	170,000	158,839	(11,161)
Total public defender	171,430	171,430	167,654	(3,776)
DRUG COURT:				
Purchased/contract services	31,000	31,000	61,839	30,839
Supplies	600	600	3,411	2,811
Total drug court	31,600	31,600	65,250	33,650
TOTAL JUDICIARY	2,296,251	2,296,251	2,312,988	16,737
PUBLIC SAFETY:				
SHERIFF:				
Personal services and employee benefits	1,492,900	1,492,900	1,590,729	97,829
Purchased/contract services	212,137	212,137	197,743	(14,394)
Supplies	195,350	195,350	228,870	33,520
Capital outlays	18,500	18,500	19,722	1,222
Interdepartmental charges	210,000	210,000	468,891	258,891
Total sheriff	2,128,887	2,128,887	2,505,955	377,068
LAW ENFORCEMENT BUILDING -				
Capital outlays	150,000	150,000	228,235	78,235
Total law enforcement building	150,000	150,000	228,235	78,235

SCHEDULE 1

WAYNE COUNTY, GEORGIA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
JAIL:				
Personal services and employee benefits	$ 984,400	$ 984,400	$1,023,215	$ 38,815
Purchased/contract services	350,040	350,040	376,262	26,222
Supplies	416,700	416,700	536,701	120,001
Capital outlays	11,500	11,500	6,040	(5,460)
Interdepartmental charges	85,000	85,000	271,335	186,335
Other costs			6,945	6,945
Total jail	1,847,640	1,847,640	2,220,498	372,858
OTHER PUBLIC SAFETY:				
Purchased/contract services	470	470	93	(377)
Supplies	11,000	11,000	15,663	4,663
Total other public safety	11,470	11,470	15,756	4,286
RURAL FIRE DEPARTMENTS:				
Personal services and employee benefits	12,880	12,880	18,183	5,303
Purchased/contract services	32,110	32,110	40,803	8,693
Supplies	30,500	30,500	23,027	(7,473)
Capital outlays	17,800	17,800	7,677	(10,123)
Other costs	19,500	19,500	23,703	4,203
Total rural fire departments	112,790	112,790	113,393	603
EMERGENCY MEDICAL SERVICES:				
Personal services and employee benefits	693,338	693,338	748,901	55,563
Purchased/contract services	113,780	113,780	130,759	16,979
Supplies	82,100	82,100	132,135	50,035
Capital outlays	14,000	14,000	9,447	(4,553)
Interdepartmental charges	60,000	60,000	81,948	21,948
Total emergency medical services	963,218	963,218	1,103,190	139,972

SCHEDULE 1

WAYNE COUNTY, GEORGIA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
CORONER:				
Personal services and employee benefits	$ 18,300	$ 18,300	$ 17,400	$ (900)
Purchased/contract services	11,500	11,500	12,787	1,287
Supplies	3,350	3,350	4,852	1,502
Capital outlays	440	440	1,494	1,054
Total coroner	33,590	33,590	36,533	2,943
EMERGENCY MANAGEMENT AGENCY:				
Personal services and employee benefits	59,951	59,951	63,611	3,660
Purchased/contract services	37,755	37,755	31,076	(6,679)
Supplies	13,000	13,000	20,277	7,277
Capital outlays	17,500	17,500	9,262	(8,238)
Total emergency management agency	128,206	128,206	124,226	(3,980)
TOTAL PUBLIC SAFETY	5,375,801	5,375,801	6,347,786	971,985
PUBLIC WORKS:				
HIGHWAYS AND STREETS:				
Personal services and employee benefits	1,402,084	1,402,084	1,259,506	(142,578)
Purchased/contract services	471,400	471,400	419,434	(51,966)
Supplies	379,000	379,000	414,890	35,890
Capital outlays	139,200	139,200	49,345	(89,855)
Interdepartmental charges	180,000	180,000	455,858	275,858
Total highways and streets	2,571,684	2,571,684	2,599,033	27,349
SOLID WASTE & RECYCLING –				
Purchased/contract services	707,600	707,600	723,796	16,196
Total solid waste & recycling	707,600	707,600	723,796	16,196

SCHEDULE 1

WAYNE COUNTY, GEORGIA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
COUNTY SHOP:				
Personal services and employee benefits	$ 261,669	$ 261,669	$ 257,574	$ (4,095)
Purchased/contract services	25,075	25,075	22,169	(2,906)
Supplies	42,650	42,650	43,416	766
Capital outlays	11,200	11,200	4,860	(6,340)
Interdepartmental charges	40,000	40,000	125,173	85,173
Total county shop	380,594	380,594	453,192	72,598
TOTAL PUBLIC WORKS	3,659,878	3,659,878	3,776,021	116,143
HEALTH AND WELFARE:				
PUBLIC HEALTH ADMINISTRATION:				
Purchased/contract services	3,100	3,100	2,781	(319)
Other costs	103,218	103,218	104,575	1,357
Total public health administration	106,318	106,318	107,356	1,038
WELFARE ADMINISTRATION:				
Purchased/contract services	264,184	264,184	240,705	(23,479)
Capital outlays	2,500	2,500	2,250,030	2,247,530
Other costs	6,000	6,000	3,396	(2,604)
Total welfare administration	272,684	272,684	2,494,131	2,221,447
COMMUNITY SERVICES:				
Personal services and employee benefits	188,209	188,209	198,093	9,884
Purchased/contract services	32,800	32,800	38,567	5,767
Supplies	97,250	97,250	139,784	42,534
Capital outlays	3,000	3,000		(3,000)
Interdepartmental charges	1,000	1,000	1,229	229
Total community services	322,259	322,259	377,673	55,414
TOTAL HEALTH AND WELFARE	701,261	701,261	2,979,160	2,277,899

SCHEDULE 1

WAYNE COUNTY, GEORGIA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
CULTURE AND RECREATION:				
RECREATION:				
Personal services and employee benefits	$ 345,343	$ 345,343	$ 330,080	$ (15,263)
Purchased/contract services	138,110	138,110	138,519	409
Supplies	245,300	245,300	328,773	83,473
Capital outlays	170,900	170,900	170,498	(402)
Interdepartmental charges	75,000	75,000	68,239	(6,761)
Other costs	18,000	18,000	22,494	4,494
Total recreation	992,653	992,653	1,058,603	65,950
PARKS:				
Personal services and employee benefits	141,500	141,500	147,157	5,657
Purchased/contract services	13,150	13,150	11,490	(1,660)
Supplies	14,000	14,000	19,811	5,811
Capital outlays	227,718	227,718	54,237	(173,481)
Interdepartmental charges	50,000	50,000	22,797	(27,203)
Total parks	446,368	446,368	255,492	(190,876)
LIBRARY -				
Other costs	157,413	157,413	189,180	31,767
Total library	157,413	157,413	189,180	31,767
TOTAL CULTURE AND RECREATION	1,596,434	1,596,434	1,503,275	(93,159)
HOUSING AND DEVELOPMENT:				
CONSERVATION:				
Personal services and employee benefits	124,713	124,713	123,352	(1,361)
Purchased/contract services	50,710	50,710	45,905	(4,805)
Supplies	19,270	19,270	18,406	(864)
Other costs	96,651	96,651	91,954	(4,697)
Total conservation	291,344	291,344	279,617	(11,727)

SCHEDULE 1

WAYNE COUNTY, GEORGIA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
BUILDING INSPECTION:				
Personal services and employee benefits	$ 54,078	$ 54,078	$ 55,996	$ 1,918
Purchased/contract services	12,550	12,550	3,253	(9,297)
Supplies	4,050	4,050	3,474	(576)
Capital outlay	2,100	2,100	7,500	5,400
Interdepartmental charges	10,500	10,500	18,790	8,290
Total building inspection	83,278	83,278	89,013	5,735
ECONOMIC DEVELOPMENT:				
Personal services and employee benefits	111,570	111,570	117,077	5,507
Purchased/contract services	24,050	29,050	24,228	(4,822)
Interdepartmental charges	5,000		4,374	4,374
Other costs	254,000	254,000	250,000	(4,000)
Total economic development	394,620	394,620	395,679	1,059
AIRPORT:				
Purchased/contract services	29,060	29,060	46,909	17,849
Supplies	142,100	142,100	136,402	(5,698)
Capital outlays	176,707	176,707	115,237	(61,470)
Total airport	347,867	347,867	298,548	(49,319)
TOTAL HOUSING AND DEVELOPMENT	1,117,109	1,117,109	1,062,857	(54,252)
Total expenditures	16,835,927	16,835,927	20,232,292	3,396,365
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	266,697	266,697	(825,571)	(1,092,268)
OTHER FINANCING SOURCES (USES):				
Sale of assets	5,000	5,000	33,000	28,000
Transfers (out)	(271,697)	(271,697)	(213,221)	58,476
Total other financing sources and (uses)	(266,697)	(266,697)	(180,221)	86,476

SCHEDULE 1

WAYNE COUNTY, GEORGIA
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2012

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
NET CHANGE IN FUND BALANCES			$(1,005,792)	$(1,005,792)
FUND BALANCES, BEGINNING	$5,872,052	$5,872,052	5,872,052	
FUND BALANCES, ENDING	$5,872,052	$5,872,052	$4,866,260	$(1,005,792)

SCHEDULE 2

WAYNE COUNTY, GEORGIA
SCHEDULE OF FUNDING PROGRESS-POSTEMPLOYMENT HEALTHCARE BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2012

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2008	0	$ 3,623,800	$ 3,623,800	0%	$6,331,672	52.4%
1/1/2009	0	$ 3,623,800	$ 3,623,800	0%	$6,331,672	52.4%
1/1/2010	0	$ 9,747,416	$ 9,747,416	0%	$5,545,434	175.8%
1/1/2011	0	$ 9,747,416	$ 9,747,416	0%	$5,545,434	175.8%
1/1/2012	0	$11,610,367	$11,610,367	0%	$5,565,508	208.6%

Because 2008 was the year of transition for GASB Statement No. 45, requirements of GASB Statement No. 45 have been implemented prospectively; therefore, the above illustration does not reflect similar information respective of years preceding 2008.

WAYNE COUNTY, GEORGIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

A. Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in this report. Budgets are prepared on a basis consistent with generally accepted accounting principles.

1. Departments submit detailed budget requests to the County Manager who reviews and compiles the requests.

2. The County Manager submits a proposed budget to the Board of County Commissioners no later than January 1.

3. The Board of County Commissioners holds such public workshops as it deems necessary and holds an advertised public hearing on the proposed budget at which the first reading of the budget resolution occurs. The budget is finally adopted at a regular or called Board meeting in January of the year prior to which it applies.

4. Annual budgets are adopted for the general fund and special revenue funds for legal budgetary control. Project length budgets are adopted for capital projects funds.

5. The County Manager is authorized to transfer budgeted amounts within departments. The Board of Commissioners may transfer amounts between departments and approve appropriations of additional resources in accordance with Georgia State Laws.

6. Supplemental increases and decreases in budget appropriations were properly approved by the County Commissioners. For the year ended December 31, 2012, the following supplemental increases and decreases in budget appropriations were approved:

Fund Type	Original Appropriations	Supplemental Appropriations	Supplemental Decreases	Final Appropriations
General	$17,102,624	$0	$0	$ 17,102,624
Special Revenue	$ 714,697	$0	$0	$ 714,697
Debt Service	$ 3,521,000	$0	$0	$ 3,521,000

B. Material excesses of expenditures over appropriations in individual funds.

	FINAL BUDGETARY AMOUNT	ACTUAL AMOUNT	VARIANCE WITH FINAL BUDGET
GOVERNMENTAL FUNDS:			
GENERAL FUND:			
GENERAL GOVERNMENT:			
Elections:			
Personal services and employee benefits	$ 31,995	$ 56,438	$ 24,443
Supplies	2,700	2,729	29
Registrar:			
Personal services and employee benefits	40,165	41,667	1,502
Purchased/contract services	4,570	5,058	488
Supplies	1,300	1,870	570

B. Material excesses of expenditures over appropriations in individual funds. (Continued)

	FINAL BUDGETARY AMOUNT	ACTUAL AMOUNT	VARIANCE WITH FINAL BUDGET
Financial administration:			
Personal services and employee benefits	$ 269,893	$ 276,707	$ 6,814
Interdepartmental charges	70,000	117,328	47,328
Debt service		87,465	87,465
Tax commissioner:			
Purchased/contract services	53,940	71,389	17,449
Capital outlays	1,000	6,574	5,574
Interdepartmental charges	50,000	53,313	3,313
Tax assessor:			
Supplies	7,300	7,644	344
Interdepartmental charges	55,000	77,437	22,437
Government buildings & plant:			
Purchased/contract services	84,820	112,321	27,501
Supplies	56,500	62,502	6,002
Capital outlay	5,500	51,943	46,443
Interdepartmental charges	20,000	84,987	64,987
JUDICIARY:			
Judiciary Administration –			
Supplies	29,600	63,343	33,743
State and superior courts:			
Personal services and employee benefits	515,926	529,080	13,154
Supplies	31,800	39,171	7,371
District attorney –			
Supplies		270	270
Magistrate court:			
Personal services and employee benefits	156,279	158,523	2,244
Purchased/contract services	16,580	20,570	3,990
Supplies	2,050	2,347	297
Probate court:			
Personal services and employee benefits	155,193	156,792	1,599
Purchased/contract services	27,920	39,926	12,006
Interdepartmental charges	35,000	136,559	101,559

B. Material excesses of expenditures over appropriations in individual funds. (Continued)

	FINAL BUDGETARY AMOUNT	ACTUAL AMOUNT	VARIANCE WITH FINAL BUDGET
Judicial Administration: (Continued)			
Public defender –			
Capital outlays		$ 8,364	$ 8,364
Drug court:			
Purchased/contract services	$ 31,000	61,839	30,839
Supplies	600	3,411	2,811
PUBLIC SAFETY:			
Sheriff:			
Personal services and employee benefits	1,492,900	1,590,729	97,829
Supplies	195,350	228,870	33,520
Capital outlays	18,500	19,722	1,222
Interdepartmental charges	210,000	468,891	258,891
Law enforcement building –			
Capital outlays	150,000	228,235	78,235
Jail:			
Personal services and employee benefits	984,400	1,023,215	38,815
Purchased/contract services	350,040	376,262	26,222
Supplies	416,700	536,701	120,001
Interdepartmental charges	85,000	271,335	186,335
Other costs		6,945	6,945
Other public safety –			
Supplies	11,000	15,663	4,663
Rural fire departments:			
Personal services and employee benefits	12,880	18,183	5,303
Purchased/contract services	32,110	40,803	8,693
Other costs	19,500	23,703	4,203
Emergency medical services:			
Personal services and employee benefits	693,338	748,901	55,563
Purchased/contract services	113,780	130,759	16,979
Supplies	82,100	132,135	50,035
Interdepartmental charges	60,000	81,948	21,948

B. Material excesses of expenditures over appropriations in individual funds. (Continued)

	FINAL BUDGETARY AMOUNT	ACTUAL AMOUNT	VARIANCE WITH FINAL BUDGET
PUBLIC SAFETY: (Continued)			
Coroner :			
Purchased/contract services	$ 11,500	$ 12,787	$ 1,287
Supplies	3,350	4,852	1,502
Capital outlays	440	1,494	1,054
Emergency management agency:			
Personal services and employee benefits	59,951	63,611	3,660
Supplies	13,000	20,277	7,277
PUBLIC WORKS:			
Highways and streets:			
Supplies	379,000	414,890	35,890
Interdepartmental charges	180,000	455,858	275,858
Solid waste & recycling –			
Purchased/contract services	707,600	723,796	16,196
County shop:			
Supplies	42,650	43,416	766
Interdepartmental charges	40,000	125,173	85,173
HEALTH AND WELFARE:			
Public health administration –			
Other costs	103,218	104,575	1,357
Welfare administration –			
Capital outlays	2,500	2,250,030	2,247,530
Community services:			
Personal services and employee benefits	188,209	198,093	9,884
Purchased/contract services	32,800	38,567	5,767
Supplies	97,250	139,784	42,534
Interdepartmental charges	1,000	1,229	229
CULTURE AND RECREATION:			
Recreation:			
Purchased/contract services	138,110	138,519	409
Supplies	245,300	328,773	83,473
Other costs	18,000	22,494	4,494
Parks:			
Personal services and employee benefits	141,500	147,157	5,657
Supplies	14,000	19,811	5,811

CULTURE AND RECREATION: (Continued)			
Library –			
Other costs	$ 157,413	$ 189,180	$ 31,767
HOUSING AND DEVELOPMENT:			
Building inspection:			
Personal services and employee benefits	54,078	55,996	1,918
Capital Outlays	2,100	7,500	5,400
Interdepartmental charges	10,500	18,790	8,290
Economic development:			
Personal services and employee benefits	111,570	117,077	5,507
Interdepartmental charges		4,374	4,374
Airport -			
Purchased/contract services	29,060	46,909	17,849

C. Deficit fund equity

The County did not have any funds with a deficit fund balance as of December 31, 2012.

SUPPLEMENTARY DATA – COMBINING FUND FINANCIAL SCHEDULES

SCHEDULE 3

WAYNE COUNTY, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2012

	Special Revenue			Total
	Hotel/Motel Tax Fund	Emergency Telephone System	2012 SPLOST	Non-major Governmental Funds
ASSETS				
Cash	0	0	$ 717,041	$ 717,041
Intergovernmental	0	0	393,000	393,000
TOTAL ASSETS	0	0	$1,110,041	$1,110,041
LIABILITIES AND FUND BALANCE				
LIABILITIES:				
Accounts Payable	0	0	524,974	524,974
Total Liabitities	0	0	524,974	524,974
FUND BALANCES:				
Reserved for capital outlay	0	0	585,067	585,067
Unreserved	0	0	0	0
Total fund balance	0	0	585,067	585,067
TOTAL LIABILITIES AND FUND BALANCES	0	0	$1,110,041	$1,110,041

SCHEDULE 4

WAYNE COUNTY, GEORGIA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2012

	Special Revenue			Total Non-major Governmental Funds
	Hotel/Motel Tax Fund	Emergency Telephone System	2012 SPLOST	
REVENUES:				
Taxes	$ 19,236		$ 1,992,890	$ 2,012,126
Charges for services		$ 492,522		492,522
Investment income			224	224
Total revenues	19,236	492,522	1,993,114	2,504,872
EXPENDITURES:				
Current:				
Public safety		705,743		705,743
Housing and development	19,236			19,236
Capital outlay:				
Public works			58	58
Public safety			31,500	31,500
Intergovernmental –				
Public works			380,044	380,044
Total expenditures	19,236	705,743	411,602	1,136,581
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITUES		(213,221)	1,581,512	1,368,291
OTHER FINANCING SOURCES (USES):				
Transfers in		213,221		213,221
Transfers (out)			(996,445)	(996,445)
Total other financing sources (uses)		213,221	(996,445)	(783,224)
NET CHANGES IN FUND BALANCES			585,067	585,067
FUND BALANCE, Beginning				
FUND BALANCE, Ending			$ 585,067	$ 585,067

SCHEDULE 5

WAYNE COUNTY, GEORGIA
HOTEL/MOTEL TAX
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES –				
Taxes	$13,000	$13,000	$19,236	$ 6,236
Total revenues	13,000	13,000	19,236	6,236
EXPENDITURES -				
Housing and development-				
Other costs	13,000	13,000	19,236	6,236
EXCESS OF REVENUES OVER EXPENDITURES				
NET CHANGE IN FUND BALANCE				
FUND BALANCE, Beginning of year				
FUND BALANCE, End of year				

SCHEDULE 6

WAYNE COUNTY, GEORGIA
EMERGENCY TELEPHONE SYSTEM
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES –				
Charges for services	$ 430,000	$ 430,000	$ 492,522	$ 62,522
Total revenues	430,000	430,000	492,522	62,522
EXPENDITURES:				
Personal services and employee benefits	430,847	430,847	429,254	(1,593)
Purchased/contract services	157,400	157,400	141,672	(15,728)
Supplies	46,350	46,350	43,011	(3,339)
Capital outlays	7,100	7,100	1,846	(5,254)
Interdepartmental charges	60,000	60,000	89,960	29,960
Total expenditures	701,697	701,697	705,743	4,046
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(271,697)	(271,697)	(213,221)	58,476
OTHER FINANCING SOURCES (USES) -				
Transfer in	271,697	271,697	213,221	(58,476)
NET CHANGE IN FUND BALANCE				
FUND BALANCE, Beginning of year				
FUND BALANCE, End of year				

SCHEDULE 7

WAYNE COUNTY, GEORGIA
DEBT SERVICE
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2012

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
REVENUES:				
Property taxes	$ 130,000	$ 130,000	$ 148,664	$ 18,664
Investment income	5,000	5,000	16,813	11,813
Total revenues	135,000	135,000	165,477	30,477
EXPENDITURES:				
Debt service:				
Interest and fiscal charges	621,000	621,000	621,305	305
Principal	2,900,000	2,900,000	2,850,000	(50,000)
Total expenditures	3,521,000	3,521,000	3,471,305	49,695
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,386,000)	(3,386,000)	(3,305,828)	80,172
OTHER FINANCING SOURCES – Transfer in	3,386,000	3,386,000	2,245,195	(1,140,805)
NET CHANGE IN FUND BALANCE			(1,060,633)	(1,060,633)
FUND BALANCE, Beginning	2,451,979	2,451,979	2,451,979	
FUND BALANCE, Ending	$ 2,451,979	$ 2,451,979	$ 1,391,346	$(1,060,633)

SCHEDULE 8

WAYNE COUNTY, GEORGIA
AGENCY FUNDS
COMBINING SCHEDULE OF FIDUCIARY ASSETS AND LIABILITIES
DECEMBER 31, 2012

	AGENCY FUNDS					
	Tax Commissioner	Clerk of Court	Sheriff's Department	Magistrate Court	Probate Court	Total
ASSETS						
Cash	$ 18,224	$617,368	$111,408	$32,003	$10,577	$ 789,580
Taxes receivable	8,192,875					8,192,875
Total assets	$8,211,099	$617,368	$111,408	$32,003	$10,577	$8,982,455
LIABILITIES						
Due to others	$8,211,099	$617,368	$111,408	$32,003	$10,577	$8,982,455
Total liabilities	$8,211,099	$617,368	$111,408	$32,003	$10,577	$8,982,455

SCHEDULE 9

WAYNE COUNTY, GEORGIA
AGENCY FUNDS
COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED DECEMBER 31, 2012

	Beginning Balance	Additions	Deductions	Ending Balance
TAX COMMISSIONER				
Assets:				
Cash	$ 27,202	$15,711,230	$15,720,208	$ 18,224
Taxes receivable	4,982,545	18,921,560	15,711,230	8,192,875
Total assets	$ 5,009,747	$34,632,790	$31,431,438	$8,211,099
Liabilities –				
Due to others	$ 5,009,747	$34,632,790	$31,431,438	$8,211,099
CLERK OF COURT				
Assets –				
Cash	$ 676,166	$ 2,452,664	$ 2,511,462	$ 617,368
Liabilities –				
Due to others	$ 676,166	$ 2,452,664	$ 2,511,462	$ 617,368
SHERIFF'S DEPARTMENT				
Assets –				
Cash	$ 104,589	$ 391,895	$ 385,076	$ 111,408
Liabilities –				
Due to others	$ 104,589	$ 391,895	$ 385,076	$ 111,408
MAGISTRATE COURT				
Assets –				
Cash	$ 25,968	$ 309,649	$ 303,614	$ 32,003
Liabilities –				
Due to others	$ 25,968	$ 309,649	$ 303,614	$ 32,003
PROBATE COURT				
Assets –				
Cash	$ 6,780	$ 124,070	$ 120,273	$ 10,577
Liabilities –				
Due to others	$ 6,780	$ 124,070	$ 120,273	$ 10,577
TOTALS – AGENCY FUNDS				
Assets:				
Cash	$ 840,705	$18,989,508	$19,040,633	$ 789,580
Taxes receivable	4,982,545	18,921,560	15,711,230	8,192,875
Total assets	$ 5,823,250	$37,911,068	$34,751,863	$8,982,455
Liabilities –				
Due to others	$ 5,823,250	$37,911,068	$34,751,863	$8,982,455

SCHEDULE 10

WAYNE COUNTY, GEORGIA
COMPONENT UNITS – MAJOR AND NON-MAJOR
COMBINING SCHEDULE OF NET POSITION
DECEMBER 31, 2012

	MAJOR HOSPITAL AUTHORITY OF WAYNE COUNTY	NON-MAJOR WAYNE COUNTY INDUSTRIAL AUTHORITY	NON-MAJOR WAYNE COUNTY BOARD OF HEALTH	TOTAL COMPONENT UNITS
ASSETS				
Cash		$ 677,459	$732,772	$ 1,410,231
Receivables (net of allowance for uncollectibles)	$ 4,852,000			4,852,000
Inventory, at lower of cost or market	1,356,000			1,356,000
Other current assets	494,000			494,000
Restricted cash	8,030,000			8,030,000
Due from other governments			44,916	44,916
Capital assets, net of accumulated depreciation				
Land	445,000	2,048,245		2,493,245
Other capital assets	41,136,000	1,133,623	22,543	42,292,166
Other assets	2,387,000			2,387,000
Total assets	58,700,000	3,859,327	800,231	63,359,558
LIABILITIES				
Current liabilities:				
Accounts payable	4,633,000			4,633,000
Accrued expenses	1,948,000		15,866	1,963,866
Non-current liabilities:				
Due within one year	2,537,000	25,000		2,562,000
Due in more than one year	20,761,000	475,000	15,865	21,251,865
Total liabilities	29,879,000	500,000	31,731	30,410,731
NET POSITION				
Net investment in capital assets	19,790,000	3,181,868	22,543	22,994,411
Restricted:				
Debt service	2,850,000			2,850,000
Prior year program income			229,989	229,989
Unrestricted	6,181,000	177,459	515,968	6,874,427
Total net position	$28,821,000	$3,359,327	$768,500	$32,948,827

WAYNE COUNTY, GEORGIA
COMPONENT UNITS – MAJOR AND NON-MAJOR
COMBINING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2012

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Major Hospital Authority of Wayne County	Non-major Wayne County Development Authority	Non-major Wayne County Board of Health	Total Component Units
Component Units:								
Hospital Authority of Wayne County	$48,963,000	$45,124,000	$ 25,000		$(3,814,000)			$(3,814,000)
Wayne County Development Authority	396,703		250,000			$ (146,703)		(146,703)
Wayne County Board of Health	800,766	229,989	557,893				$(12,884)	(12,884)
Total component units	$50,160,469	$45,353,989	$832,893		(3,814,000)	(146,703)	(12,884)	(3,973,587)
General Revenues:								
Unrestricted investment earnings					368,000	126		368,126
Miscellaneous						194,643		194,643
Total general revenues					368,000	194,769		562,769
Changes in Net Position					(3,446,000)	48,066	(12,884)	(3,410,818)
Net Position, Beginning					32,267,000	3,311,261	781,384	36,359,645
Net Position, Ending					$28,821,000	$3,359,327	$768,500	$32,948,827

SCHEDULE 12

WAYNE COUNTY, GEORGIA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULE BY SOURCE
DECEMBER 31, 2012 AND 2011

	2012	2011
Governmental Funds Capital Assets		
Land	$2,863,499	$ 2,013,499
Improvements	4,465,749	4,302,012
Buildings	15,623,006	9,410,188
Equipment, vehicles and furniture	6,312,383	6,671,867
Infrastructure	33,436,148	32,887,993
Construction in progress	1,653,700	5,644,884
Total governmental funds capital assets	$64,354,485	$60,930,443
Investments in Governmental Funds Capital Assets by Source		
General fund	$39,228,493	$38,765,386
Special revenue funds	2,772,364	2,772,364
Donations	2,371,872	121,872
State and federal grants	3,899,510	3,768,230
Capital project funds	16,082,246	15,502,591
Total governmental funds capital assets	$64,354,485	$60,930,443

SCHEDULE 13

WAYNE COUNTY, GEORGIA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
DECEMBER 31, 2012

Function and Activity	Land	Improvements	Buildings	Equipment Vehicles and Furniture	Infrastructure	Construction In Progress	Total
General Government:							
Elections			$ 44,834				$ 44,834
Financial Administration				$ 31,435			31,435
Tax Commissioner				11,945			11,945
Tax Assessor				12,645			12,645
Buildings and Properties	$152,078		702,488	120,745			975,311
Total General Government	152,078		747,322	176,770			1,076,170
Judicial:							
Judicial Administration	25,086		1,709,110	40,246			1,774,442
Superior and State Courts	6,272		156,897	132,624			295,793
District Attorney	60,000		116,450				176,450
Probate Court				16,952			16,952
Public Defender			8,364				8,364
Total Judicial	91,358		1,990,821	189,822			2,272,001
Public Safety:							
Sheriff				1,058,450			1,058,450
Law Enforcement Administration	18,815		4,742,312	20,076			4,781,203
Jail	101,370	$24,917	3,344,839	268,249			3,739,375
Other Public Safety	40,792		41,219				82,011
Fire Prevention	25,420		168,660	328,452			522,532
Emergency Medical Services			23,089	599,919			623,008
Coroner				11,733			11,733
E-911				132,096			132,096
Emergency Management Agency				164,542			164,542
Total Public Safety	186,397	24,917	8,320,119	2,583,517			11,114,950

SCHEDULE 13

WAYNE COUNTY, GEORGIA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
DECEMBER 31, 2012

Function and Activity	Land	Improvements	Buildings	Equipment Vehicles and Furniture	Infrastructure	Construction In Progress	Total
Public Works:							
Highways and Streets	$ 167,851	$ 16,522	$ 84,567	$2,291,608	$33,436,148		$35,996,696
Sanitation	131,625			16,500			148,125
Maintenance Shop			125,713	98,714			224,427
Total Public Works	299,476	16,522	210,280	2,406,822	33,436,148		36,369,248
Health and Welfare:							
Public Health Administration				10,998			10,998
Buildings and Properties	850,000	20,000	2,369,047				3,239,047
Concerted Services				5,116			5,116
Community Centers	7,918		58,128				66,046
Transportation Services				145,101			145,101
Total Health and Welfare	857,918	20,000	2,427,175	161,215			3,466,308
Culture/Recreation:							
Recreation	1,045,065	815,392	768,642	335,120			2,964,219
Parks	70,418	383,322	52,910	35,396		$ 412,276	954,322
Library			31,767				31,767
Total Culture/Recreation	1,115,483	1,198,714	853,319	370,516		412,276	3,950,308
Housing and Development:							
Agriculture Resources			233,761	74,349			308,110
Economic Development	57,196						57,196
Airport	103,593	3,205,596	827,694	347,872		1,241,424	5,726,179
Building Inspection			12,515	1,500			14,015
Total Housing and Development	160,789	3,205,596	1,073,970	423,721		1,241,424	6,105,500
Total Governmental Funds Capital Assets	$2,863,499	$4,465,749	$15,623,006	$6,312,383	$33,436,148	$1,653,700	$64,354,485

SCHEDULE 14

WAYNE COUNTY, GEORGIA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2012

Function and Activity	Capital Assets January 1, 2012	Additions	Deductions	Capital Assets December 31, 2012
General Government:				
Elections	$ 44,834			$ 44,834
Financial Administration	31,435			31,435
Tax Commissioner	11,945			11,945
Tax Assessor	12,645			12,645
Buildings and Properties	924,936	$ 50,375		975,311
Total General Government	1,025,795	50,375		1,076,170
Judicial:				
Judicial Administration	1,774,442			1,774,442
Superior and State Courts	254,425	41,368		295,793
District Attorney	176,450			176,450
Probate Court	16,952			16,952
Public Defender		8,364		8,364
Total Judicial	2,222,269	49,732		2,272,001
Public Safety:				
Sheriff	1,329,096	5,000	275,646	1,058,450
Law Enforcement Administration	38,891	4,742,312		4,781,203
Jail	3,739,375			3,739,375
Other Public Safety	82,011			82,011
Fire Prevention	491,032	31,500		522,532
Emergency Medical Services	765,996		142,988	623,008
Coroner	11,733			11,733
E-911	132,096			132,096
Emergency Management Agency	157,542	7,000		164,542
Construction in progress	4,122,464		4,122,464	
Total Public Safety	10,870,236	4,785,812	4,541,098	11,114,950
Public Works:				
Highways and Streets	35,492,208	577,054	72,566	35,996,696
Sanitation	148,125			148,125
Maintenance Shop	231,177		6,750	224,427
Total Public Works	35,871,510	577,054	79,316	36,369,248
Health and Welfare:				
Public Health Administration	10,998			10,998
Buildings and Properties	989,047	2,250,000		3,239,047
Concerted Services	5,116			5,116
Community Centers	66,046			66,046
Transportation Services	145,101			145,101
Total Health and Welfare	1,216,308	2,250,000		3,466,308

SCHEDULE 14

WAYNE COUNTY, GEORGIA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
FOR THE YEAR ENDED DECEMBER 31, 2012

Function and Activity	Capital Assets January 1, 2012	Additions	Deductions	Capital Assets December 31, 2012
Culture/Recreation:				
Recreation	$ 2,817,330	$ 162,686	$ 15,797	$ 2,964,219
Parks	521,999	21,565	1,518	542,046
Library		31,767		31,767
Construction in progress	389,055	23,221		412,276
Total Culture/Recreation	3,728,384	239,239	17,315	3,950,308
Housing and Development:				
Agricultural Resources	308,110			308,110
Economic Development	57,196			57,196
Airport	4,484,755			4,484,755
Building Inspection	12,515	1,500		14,015
Construction in progress	1,133,365	108,059		1,241,424
Total Housing and Development	5,995,941	109,559		6,105,500
Total Governmental Funds Capital Assets	$60,930,443	$8,061,771	$4,637,729	$64,354,485

COMPLIANCE SECTION

SCHEDULE 15

WAYNE COUNTY, GEORGIA
SPLOST CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – FROM INCEPTION AND FOR THE YEAR ENDED DECEMBER 31, 2012

2006 SPLOST	Prior Years	Current Year	Total to Date	Project Authorization
REVENUES:				
Intergovernmental	$22,847,961	$ 1,680,626	$24,528,587	$ 22,465,591
Investment earnings	319,249	13,641	332,890	
Total revenues	23,167,210	1,694,267	24,861,477	22,465,591
EXPENDITURES:				
Capital outlay:				
Road and sewer improvements	3,218,185	759,630	3,977,815	10,465,591
Hospital construction	1,284,822		1,284,822	1,284,822
Total expenditures	4,503,007	759,630	5,262,637	11,750,413
EXCESS OF REVENUES OVER EXPENDITURES	18,664,203	934,637	19,598,840	10,715,178
OTHER FINANCING SOURCES (USES):				
Transfer out to debt service fund	(9,466,428)	(1,248,750)	(10,715,178)	(10,715,178)
NET CHANGES IN FUND BALANCES	9,197,775	(314,113)	8,883,662	
FUND BALANCE, Beginning		9,197,775		
FUND BALANCE, Ending	$ 9,197,775	$ 8,883,662	$ 8,883,662	

SCHEDULE 16

WAYNE COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
2006 SPLOST:						
County road improvement	$ 6,370,405	$ 6,370,405	$ 1,185,087	$ 548,155	$1,733,242	27.20%
City of Jesup road and sewer improvement	3,655,631	3,655,631	1,777,867	161,128	1,938,995	53.04%
City of Odum road and sewer improvement	163,263	163,263	144,311		144,311	88.39%
City of Screven road and sewer improvement	276,292	276,292	110,920	50,347	161,267	58.37%
Hospital construction	1,284,822	1,284,822	1,284,822		1,284,822	100.00%
Hospital debt	10,715,178	10,715,178	9,466,428	1,248,750	10,715,178	100.00%
Total	$22,465,591	$22,465,591	$13,969,435	$2,008,380	$15,977,815	

SCHEDULE 17

WAYNE COUNTY, GEORGIA
SPLOST CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – FROM INCEPTION AND FOR THE YEAR ENDED DECEMBER 31, 2012

2012 SPLOST	Current Year	Total to Date	Project Authorization
REVENUES:			
Intergovernmental	$ 1,992,890	$ 1,992,890	$ 22,000,000
Investment earnings	224	224	
Total revenues	1,993,114	1,993,114	22,000,000
EXPENDITURES:			
Capital outlay:			
Road and sewer improvements	380,102	308,102	8,450,000
Fire Equipment	31,500	31,500	1,650,000
Recreation			900,000
Total expenditures	411,602	411,602	11,000,000
EXCESS OF REVENUES OVER EXPENDITURES	1,581,512	1,581,512	11,000,000
OTHER FINANCING SOURCES (USES):			
Transfer out to debt service fund	(996,445)	(996,445)	(11,000,000)
NET CHANGES IN FUND BALANCES	585,067	585,067	
FUND BALANCE, Beginning			
FUND BALANCE, Ending	$ 585,067	$ 585,067	

SCHEDULE 18

WAYNE COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2012

	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
2012 SPLOST:						
County road improvement	$ 4,254,600	$ 4,254,600		$ 58	$ 58	0.00%
County recreation	900,000	900,000				0.00%
City of Jesup road and sewer improvement	3,730,100	3,730,100		337,895	337,895	9.05%
City of Odum road and sewer improvement	184,800	184,800		16,740	16,740	9.05%
City of Screven road and sewer improvement	280,500	280,500		25,409	25,409	9.05%
Emergency vehicles and fire equipment	1,650,000	1,650,0000		31,500	31,500	1.90%
Hospital debt	11,000,000	11,000,000		996,445	996,445	9.05%
Total	$22,000,000	$22,000,000		$1,408,047	$1,408,047	

SCHEDULE 19

WAYNE COUNTY, GEORGIA
SCHEDULE OF REQUIRED EXPENDITURES
GENERATED BY HOTEL/MOTEL TAX
FOR THE YEAR ENDED DECEMBER 31, 2012

Revenue -	
Hotel/motel taxes	$19,236
Expenditures -	
Tourism expenditures	$19,236
Percentage of expenditures to revenues	100%

HARRIS & COMPANY, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
of Wayne County, Georgia
Jesup, Georgia

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Wayne County, Georgia as of and for the year ended December 31, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of The Hospital Authority of Wayne County, which represents 93 percent, 87.5 percent and 97.8 percent, respectively, of the assets, net position, and revenues of the County's aggregate discretely presented component units or the Wayne County Board of Health, which represents 1.3 percent, 2.3 percent and 1.7 percent, respectively, of the assets, net position, and revenues of the County's aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for The Hospital Authority of Wayne County and the Wayne County Board of Health, is based on the reports 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit includes evaluation the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluation the overall financial statement presentation of the financial statements.

We believe that our audit and the reports of other auditors provide a reasonable basis for our opinions.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Wayne County, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. We noted certain matters that we reported to management of Wayne County, Georgia in a separate letter dated June 28, 2013.

Wayne County, Georgia Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Harris & Company, P.C.

Jesup, Georgia
June 28, 2013

WAYNE COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2012

SECTION I
FINDINGS AND RESPONSES-FINANCIAL STATEMENT AUDIT

1981.1 Segregation of duties – Administration offices and constitutional offices (Repeat Finding)

Condition:

A proper segregation of duties does not exist between the handling of cash receipts and disbursements, access to accounts receivable and accounts payable detail, access to the general ledger, and reconciliation of bank accounts.

Criteria:

Person(s) handling cash receipts or disbursements should not sign checks, perform bank reconciliations, or have access to the accounting system.

Effect:

Small number of personnel makes it impractical to segregate duties sufficiently to insure proper cash management and financial reporting.

Recommendation:

The county administrator and constitutional officers should review the general ledger monthly and compare it to detail schedules of receipts and disbursements, receipt books and bank reconciliations.

Response:

This office concurs with the recommendation of the audit. However, due to the small size of the administrative office and constitutional offices it is impractical to properly segregate the duties to implement the finding. This will remain to be a repeated finding until such time as Wayne County grows economically where it is capable to employ a staff of sufficient size to properly segregate the duties. The Wayne County administrative office is small (5 personnel including the county administrator) and as such duties and responsibilities are over-lapping. Each person has multiple duties. All personnel are cross-trained in each other's duties to assure operational continuity. The county administrator reviews and approves all expenditures prior to submission to the board of commissioners for approval. One employee will receive the checks and make the deposits while another reconciles the deposits and bank statements. The county administrator also reviews the general ledger, receipts and disbursements, receipt books and bank reconciliations monthly, runs a monthly balance sheet, and presents the board of commissioners a monthly detailed budget status report showing county-wide and departmental budget status (to include revenues). This report shows all revenues and expenditures. The county administrator has instituted the best "check-and-balance" system that can be established with the limited resources available. Each constitutional officer reviews their monthly deposits and compares it to their budget reports and bank reconciliation. We are also working on a plan to have centralized revenue collection to remove the handling and recording of cash from those who have access to accounts receivable, general ledger, and reconciliation of bank accounts.

JASON TINSLEY
County Administrator

AMANDA LYNN
County Clerk

ROBERT B. SMITH
County Attorney

WAYNE COUNTY
Georgia
1805

BOARD OF COMMISSIONERS

JOHN SHAVER, SR.

JERRY WRIGHT

FRANKLIN SMITH

JAMES THOMAS

JAMES T. COCKFIELD, JR.

JUNE 3, 2013

WAYNE COUNTY

FYE December 31, 2012

Summary of Corrective Action Plan Review

WAYNE COUNTY AUDIT – CORRECTIVE ACTION PLAN

a. Capital Assets

The County concurs with this finding and has taken it into consideration.

b. SPLOST Capital Projects Fund

The County has moved an employee into a position to maintain and review all invoices and contracts.

c. Grants and Grant Funds

The County concurs with this finding. Resources are limited and we are unable to fund more employees at this time.

d. Inadequate segregation of duties

The County concurs with this finding. Some offices have only one or two employees; therefore, it is impossible to have complete segregation of duties. Because of financial constraints in the budget, our resources are limited, and we are unable to fund more employees. In addition, these offices do not have a work load that would warrant more employees. In the offices where there are adequate employees, we have segregation of duties. The county manager and chief financial officer instituted a policy January 1, 2008, whereby they spend two hours per week observing operations in the offices of the magistrate court, probate court, sheriff's department, and tax commissioner, where segregation of duties is a problem. We will continue this policy in 2013 and are working on a plan to have centralized revenue collection to remove the handling and recording of cash from those who have access to accounts receivable, general ledger, and reconciliation of bank accounts.

e. Expenditures exceeded appropriations at the legal level of control

The County concurs with this finding. The county commissioners and the county administrator will monitor the financial statements closely; and, the county commissioners will amend the budget to cover any over-expenditures. This will be accomplished by December 31, 2013.

Post Office Box 270 • Jesup, Georgia 31598 • Telephone (912) 427-5900 • Facsimile (912) 427-5906

f. Clerk of Superior and State Courts

The County concurs with this finding. The clerk's office is currently short an employee. When additional funding is approved, this department should have the resources available to review outstanding judgments and outstanding checks on the various bank accounts.

g. Accounts Payable

The County concurs with this finding. During 2011, the County purchased new accounting software. Our employees have now been trained with the new software and will be able to reconcile accounts payable.

Sincerely,

Jason Tinsley
County Administrator