

**DOOLY COUNTY
GEORGIA
FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2009
AND
INDEPENDENT AUDITOR'S REPORT**

**HERBERT E. ALLEN
CERTIFIED PUBLIC ACCOUNTANT
AMERICUS, GEORGIA**

DOOLY COUNTY, GEORGIA

ADMINISTRATION

STEPHEN C. SANDERS, COUNTY ADMINISTRATOR

BRENETTA CHILDS, COUNTY CLERK

COUNTY COMMISSIONERS

A.C. DANIELS, CHAIRMAN

TERRELL HUDSON, VICE COMMISSIONER

CHARLES ANDERSON, COMMISSIONER

HARRY WARD, COMMISSIONER

DAVID BARRON, COMMISSIONER

TABLE OF CONTENTS

	<u>PAGE</u>
List of Elected and Appointed Officials	
FINANCIAL SECTION:	
Independent Auditor's Report	1- 2
Basic Financial Statements	
Government-Wide Financial Statements:	
Statement of Net Assets	3
Statement of Activities	4
Fund Financial Statements	
Balance Sheet - Governmental Funds	5
Reconciliation of the Government Funds Balance To the Government-Wide Statement of Net Assets	6
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	7
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds	8
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	9
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Federal Drug Fund	10
Statement of Fiduciary Assets & Liabilities - Fiduciary Funds	11
Notes to Financial Statements:	12 - 28
Report on Internal Control over Financial Reporting and on Compliance and other Matters	29-30
Supplemental Information:	
General Fund:	
Balance Sheet	31
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	32
Detailed Statement of Expenditures Budget and Actual	33-37

TABLE OF CONTENTS (continued)

	<u>PAGE</u>
Federal Drug Fund:	
Balance Sheet	38
Statement of Revenues, Expenditures, and Changes in Fund Balance	39
Special Use Local Option Sales Tax Fund:	
Balance Sheet	40
Statement of Revenues, Expenditures, and Changes in Fund Balances	41
Agency Funds:	
Combining Balance Sheet	42
Combining Statement of Changes in Assets and Liabilities	43-44
Capital Projects Fund:	
CHIP 04m-7-046-1-2902	
Comparative Balance Sheet	45
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	46
Source and Application of Funds Schedule	47
Schedule of Project Costs	48
Housing Rehabilitation 07h-y-046-1-3356	
Balance Sheet	49
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	50
Source and Application of Funds Schedule	51
Schedule of Project Costs	52
Special Use Local Option Tax Fund:	
Independent Auditor's Report on Special 1 Percent Sales & Use Tax	53
Schedule of Expenditures	54

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Certified Public Accountants

Member of the Georgia Society of
Certified Public Accountants

April 30, 2010

INDEPENDENT AUDITOR'S REPORT

Dooly County Board of Commissioners
Dooly County, Georgia
Vienna, Georgia 31092

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 Dooly County, Georgia, as of and for the year ended September 30, 2009, which collectively comprise the County's financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Dooly County Board of Health, a component unit of Dooly County, Georgia, which statements reflect total assets of \$157,440 as of June 30, 2009, and total revenues of \$374,559 for the year then ended. Those financial statements were audited by other auditors whose report had been furnished to us, and our opinion, insofar as it related to the amounts included for the Dooly County Board of Health, is based on the report of the other auditors.

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

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, "the aggregate remaining fund information" as opinion units, and the aggregate discretely presented components units of Dooly County, Georgia as of September 30, 2009, and respective changes in financial position, and required budgetary information for the General and Federal Drug Fund, thereof for the year ended in conformity with accounting principles generally accepted in the United States of America.

The County of Dooly has not presented the management's discussion and analysis which is not a required part of the basic financial statements, but is supplementary information required by the Government Accounting Standards Board.

Our audit was made for the purpose of forming opinions on the financial statement taken as a whole. The general fund - statement of revenues and expenditures compared to budget is presented for purposes of additional analysis. Combining and individual fund statements are presented for purpose of additional analysis. Such information has been subjected to the auditing procedures applied in the audit of the financial statements for the year ended September 30, 2009 and, in our opinions, is fairly stated in all material respects in relation to the respective financial statements taken as a whole.

In accordance with Government Auditing Standards, we have issued a report dated April 30, 2010 on our consideration of the County's internal control structure and on its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The report on compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matter and internal control over financial reporting is an internal part of an audit performed in accordance with Government Auditing Standards, and in considering the results of the audit, that the report(s) should be read in conjunction with the auditor's report on the financial statements.

HERBERT E. ALLEN, CPA
HERBERT E. ALLEN, CPA

DOOLY COUNTY, GEORGIA
GOVERNMENT-WIDE STATEMENT OF NET ASSETS
SEPTEMBER 30, 2009

	Governmental Activities	Component Unit
ASSETS		
Cash	\$ 683,841	\$ 156,977
Restricted Cash	956,740	0
Accounts Receivable	886,091	463
Notes Receivable - USDA	53,361	0
Capital Assets:		
Land	1,610,359	0
Infrastructure	459,922	0
Building	13,036,626	0
Vehicles	3,411,654	0
Heavy Equipment	2,540,080	0
Furniture, Machinery & Equipment	897,772	0
Capital Assets (Net) Component Unit	0	0
Accumulated Depreciation	(6,241,320)	0
TOTAL ASSETS	\$ 18,295,126	\$ 157,440
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 168,476	\$ 24
Time Warrants	750,000	0
Accrued Salaries	221,883	0
Other Payables	36,274	0
Bond Payable	4,304,988	0
USDA Note Payable	99,999	0
RBC Bank	1,009,993	0
Capital Leases Payable	822,627	0
Municipalities Payable	110,588	0
Estimated Liability for Landfill Closure and Postclosure Care Costs	142,351	0
TOTAL LIABILITIES	\$ 7,667,179	\$ 24
NET ASSETS		
Invested in Capital Assets Net of Related Debt	\$ 9,577,495	\$ -
Restricted	956,740	0
Unrestricted	93,712	157,416
TOTAL NET ASSETS	\$ 10,627,947	\$ 157,416

The accompanying note are an integral part of these statements.

DOOLY COUNTY, GEORGIA
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
YEAR YEAR ENDED SEPTEMBER 30, 2009

	Program Revenues				
	Expenses	Fees, Fines & Charges for Services	Operating Grants & Contributions	Governmental Activities	Component Units
General Government	\$ 4,090,797	\$ 34,367	\$ 124,147		
Public Safety	4,854,732	4,406,376			
Sanitation	949,990	772,010			
Highways & Streets	1,654,100	286,540			
Health	799,614				
Welfare	347,129				
Coroner	17,192				
Culture & Recreation					
Economic, Industrial & Community Development	633,772				
Interest on long-term debt	340,788				
Total Governmental Activities	\$13,688,114	\$ 5,499,293	\$ 124,147		
Component Units					
Dooly Co. Dept. of Public Health	\$ 364,293	\$ 374,559	\$ -	\$ -	\$ 10,266
General Revenues:					
Taxes:					
Property Tax				\$4,655,632	\$ -
SPLOST Taxes				1,572,659	
Local Option Taxes				863,318	
Alcohol Beverage Taxes				4,898	
Insurance Premium Taxes				232,402	
Business License Taxes				21,624	
Intergovernmental				612,633	
Interest Earned				15,000	
Sale of Equipment				100,807	
Miscellaneous and Other				112,691	
Total General Revenues				\$8,191,664	\$ -
Change in Net Assets				\$ 126,990	10,266
Net Assets at Beginning of Year				10,507,597	147,150
Prior Period Adjustment				(6,640)	
Net assets at End of Year				\$10,627,947	\$ 157,416

The accompanying notes are an integral part of these statements.

DOOLY COUNTY, GEORGIA
BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2009

**Major
Governmental Funds**

**ASSETS AND OTHER
DEBITS ASSETS**

	General Fund	Housing Rehab. 07h-y-046- Capital Project Fund	CHIP 04m-7- Capital Project Fund	Federal Drug Fund	Special Local Option Sales Tax Fund	Total Governmental Funds
Cash	\$ 683,841	\$0	\$0	\$0	\$0	\$ 683,841
Restricted Cash	160,169	5,805	6,548	367,097	417,121	956,740
Receivable	631,003	0	0	0	234,070	865,073
Notes Receivable USDA	53,361	0	0	0	0	53,361
Other	21,018	0	0	0	0	21,018
TOTAL ASSETS	\$ 1,549,392	\$ 5,805	\$ 6,548	\$367,097	\$ 651,191	\$2,580,033

**LIABILITIES AND
FUND BALANCES**

LIABILITIES

Accounts Payable	\$ 168,476	\$0	\$0	\$0	\$0	\$ 168,476
Accrued Salaries	221,883	0	0	0	0	221,883
Other Payable	0	0	0	36,274	0	36,274
Time Warrants	750,000	0	0	0	0	750,000
USDA Note Payable	99,999	0	0	0	0	99,999
Municipalities Payable	0	0	0	0	110,588	110,588
TOTAL LIABILITIES	\$ 1,240,358	\$0	\$0	\$ 36,274	\$ 110,588	\$1,387,220

FUND BALANCE

-Reserved	\$ 160,169	\$ 5,805	\$ 6,548	\$330,823	\$ 540,603	\$1,043,948
-Unreserved	148,865	0	0	0	0	148,865
TOTAL FUND BALANCE	\$ 309,034	\$ 5,805	\$ 6,548	\$330,823	\$ 540,603	\$1,192,813
TOTAL LIABILITIES AND FUND BALANCE	\$ 1,549,392	\$ 5,805	\$ 6,548	\$367,097	\$ 651,191	\$2,580,033

The accompanying notes are an integral part of this statement.

DOOLY COUNTY, GEORGIA
RECONCILIATION OF THE GOVERNMENT FUNDS BALANCE SHEET TO THE GOVERNMENT
WIDE STATEMENT OF NET ASSETS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2009

Total Fund Balances - Total Governmental Funds		\$ 1,192,813
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Amounts reported for Governmental Activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not current in the Governmental Funds Balance Sheet		15,715,093
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Long-term liabilities are not due and payable in the current period and therefore they are not reported in the Governmental Funds Balance Sheet

Capital Lease Payable	(822,627)		
Bond	(4,304,988)		
Landfill Postclosure Liability	(142,351)		
RBC Bank	(1,009,993)		
		(6,279,959)	

Net assets of governmental activities		<u>\$ 10,627,947</u>
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The accompanying notes to are an integral part of this statement.

DOOLY COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2009

	General Fund	Housing Rehab. 07h- y-046- 1-3356 Capital Project	CHIP 04m-7- 046- 1-2902 Capital Project	Federal Drug Funds	Special Local Option Sales Tax Fund	Totals Government Funds
REVENUES						
Taxes and Special Assessments	\$ 5,456,750	\$0	\$0	\$0	\$ 1,572,659	\$ 7,029,409
License and Permits	34,467	0	0	0	0	34,467
Intergovernmental	642,209	314,253	49,336	0	0	1,005,798
Charges for Service	2,745,495	0	0	0	0	2,745,495
Fines and Forfeitures	2,633,553	0	0	150,478	0	2,784,031
Interest Earned	3,057	0	0	8,776	3,167	15,000
Miscellaneous and Other	365,296	0	0	3,819	0	369,115
Grants - Contributions	124,147	0	0	0	0	124,147
Municipalities	0	0	0	0	(393,165)	(393,165)
TOTAL REVENUES	\$ 12,004,974	\$ 314,253	\$ 49,336	\$ 163,073	\$ 1,182,661	\$ 13,714,297
EXPENDITURES						
Current:						
General Government	\$ 3,216,613	\$0	\$0	\$0	\$0	\$ 3,216,613
Public Safety	4,981,835	0	0	196,849	0	5,178,684
Sanitation	874,521	0	0	0	0	874,521
Landfill	33,885	0	0	0	0	33,885
Highways & Streets	1,178,921	0	0	0	448,135	1,627,056
Health	774,616	0	0	0	0	774,616
Welfare	347,129	0	0	0	0	347,129
Coroner	17,192	0	0	0	0	17,192
Library and Recreation	359,248	0	0	0	0	359,248
Economic, Industrial and Community Development	274,524	0	0	0	0	274,524
Capital Outlay						
Capital Outlay - General	53,498	310,797	43,018	0	0	407,313
Capital Outlay - Public Safety/Fire Dept.	176,666	0	0	165,708	90,729	433,103
Capital Outlay - Highways & Streets		0	0	0	89,819	89,819
Capital Outlay - Health/EMS		0	0	0	0	0
Debt Services:						
Capital Leases	0	0	0	0	329,559	329,559
Bond - Jail		0	0	0	365,041	365,041
TOTAL EXPENDITURES	\$ 12,288,648	\$ 310,797	\$ 43,018	\$ 362,557	\$ 1,323,283	\$ 14,328,303
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (283,674)	\$ 3,456	\$ 6,318	\$ (199,484)	\$ (140,622)	\$ (614,006)
OTHER FINANCING SOURCES						
Sale of Equipment	31,366			69,441	0	100,807
TOTAL OTHER FINANCING SOURCES	\$ 31,366	\$0	\$0	\$ 69,441	\$0	\$ 100,807
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES	(252,308)	\$ 3,456	6,318	(130,043)	(140,622)	(513,199)
FUND BALANCE- BEGINNING	561,342	2,349	230	460,866	681,225	1,706,012
PRIOR PERIOD ADJUSTMENT						0
FUND BALANCES - ENDING	\$ 309,034	\$ 5,805	\$ 6,548	\$ 330,823	\$ 540,603	\$ 1,192,813

The accompanying notes are an integral part of this statement.

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL GENERAL FUND TYPE
FOR THE YEAR ENDED SEPTEMBER 30, 2009

REVENUES	Budget	Final	Actual	Variance- Favorable (Unfavorable)
Taxes	\$ 5,867,237	\$ 5,867,237	\$ 5,456,750	\$ 410,487
License and Permits	39,000	39,000	34,467	4,533
Intergovernmental	425,000	425,000	642,209	(217,209)
Charges for Services	2,581,000	2,581,000	2,745,495	(164,495)
Fines and Forfeitures	2,355,000	2,355,000	2,633,553	(278,553)
Sale of Equipment	172,000	172,000	31,366	140,634
Interest Earned	10,000	10,000	3,057	6,943
Miscellaneous and Other	245,000	245,000	365,296	(120,296)
Grants - Contributions	0	0	124,147	(124,147)
TOTAL REVENUES	\$ 11,694,237	\$ 11,694,237	\$ 12,036,340	\$ (342,103)
EXPENDITURES				
General Government	\$ 2,791,897	\$ 2,791,897	\$ 2,785,912	\$ 5,985
Public Safety	4,706,878	4,706,878	5,158,501	(451,623)
Sanitation	627,432	627,432	874,521	(247,089)
Landfill	222,542	222,542	33,885	188,657
Highways & Streets	1,065,406	1,065,406	1,178,921	(113,515)
Health	722,791	722,791	774,616	(51,825)
Welfare	283,080	283,080	347,129	(64,049)
Coroner	17,882	17,882	17,192	690
Library and Recreation	329,016	329,016	359,248	(30,232)
Economic, Industrial and Community Development	286,856	286,856	274,524	12,332
Grants	0	0	145,585	(145,585)
Other	100,399	100,399	338,614	(238,215)
TOTAL EXPENDITURES	\$ 11,154,179	\$ 11,154,179	\$ 12,288,648	\$ (1,134,469)
EXCESS OF REVENUES OVER EXPENDITURES	\$ 540,058	\$ 540,058	\$ (252,308)	\$ (1,476,572)
FUND BALANCE AT OCTOBER 1, 2008			\$561,342	
FUND BALANCE AT SEPTEMBER 30, 2009			\$ 309,034	

The accompanying notes are an integral part of this statement.

DOOLY COUNTY, GEORGIA
 FEDERAL DRUG FUND
 STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES-BUDGET AND ACTUAL
 FOR THE YEAR ENDED SEPTEMBER 30, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Variance- Favorable Unfavorable</u>
REVENUES			
Drug Enforcement Agency	\$180,000	\$ 150,478	\$ (29,522)
Other Income	5,000	3,819	(1,181)
Equipment Sold	25,000	69,441	44,441
Interest	15,000	8,776	(6,224)
TOTAL REVENUES	<u>\$225,000</u>	<u>\$ 232,514</u>	<u>\$ 7,514</u>
EXPENDITURES			
Public Safety	\$225,000	\$ 362,557	(137,557)
TOTAL EXPENDITURES	<u>\$225,000</u>	<u>\$ 362,557</u>	<u>(137,557)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>\$ -</u>	<u>\$(130,043)</u>	<u>\$ (130,043)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES		<u>\$(130,043)</u>	
FUND BALANCE BEGINNING		<u>460,866</u>	
FUND BALANCE ENDING		<u>\$ 330,823</u>	

DOOLY COUNTY, GEORGIA
COMPARATIVE STATEMENT OF FIDUCIARY FUNDS
ASSETS AND LIABILITIES- AGENCY FUNDS
September 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
<u>Assets</u>		
Cash and cash equivalents	\$787,150	\$821,145
Due from others	<u>0</u>	<u>0</u>
Total Assets	<u><u>\$787,150</u></u>	<u><u>\$821,145</u></u>
<u>Liabilities</u>		
Due to others	<u>\$787,150</u>	<u>\$821,145</u>

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

**DOOLY COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009**

Summary of Significant Accounting Policies

A. REPORTING ENTITY

Dooly County, Georgia (hereinafter the County) a political subdivision of the State of Georgia, is governed by a five-member elected board of commissioners.

The accompanying financial statements report on the financial activity for Dooly County, Georgia for the year ended September 30, 2009. The financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units.

The reporting entity consists of (a) the 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 and incomplete.

For financial reporting purposes, in accordance with the criteria set forth in GASB 14, the County includes all funds over which the County exercises financial accountability. The criteria used to determine financial accountability is evidenced by the following:

1. Ability to impose will on an organization by being able to significantly influence the programs, projects or activities of, or the level of services performed or provided by, the organization.
2. Financial benefit to or burden on primary government including responsibility for financing debts, entitlements to surpluses and guarantees or moral responsibility for debt.
3. Fiscal dependency for matters including authority over funds and budgetary appropriations.
4. Ability of primary government to appoint a voting majority of an organization's governing body.

The Governmental Accounting Standards Board (GASB) has issued Statement No. 34. This Statement establishes new financial reporting requirements for state and local governments throughout the United States. Its implementation creates new information and restructures much of the information that governments have presented in the past.

The GASB's intent is to make annual reports more comprehensive and easier to understand.

GASB 34 takes effect for entities the size of Dooly County, Georgia during the fiscal year ending September 30, 2004. Some of the more significant changes in GASB Statement 34 incurred:

**DOOLY COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009**

Summary of Significant Accounting Policies (continued)

A. Reporting Entity (Continued)

1. The presentation of a government-wide statement of net assets that includes infrastructure (roads, bridges, etc.) and all debt.
2. The presentation of current and accumulated depreciation by activity.
3. The presentation of a government-wide statement of activities using full accrual accounting.
4. The presentation of the original adopted budget as well as the final amended budget in the budgetary comparison statements.

Legally separate entities, over which the County exercises financial accountability, whose operations are, in substance, part of the County's operations are blended or combined with the data from the County.

Entities, over which the County exercises financial accountability, whose operations are distinct from those of the County are discretely presented in a separate column in the government-wide financial statements.

Included for financial reporting purposes using these criteria are:

COMPONENT UNITS

In evaluating how to define the County for financial reporting purposes, management has considered all potential component units. The criteria set forth in GAAP and GASB number 14 are used to determine any potential component units. The basic, but not the only, criteria for including a potential component unit within the reporting entity is the governing body's ability to exercise financial accountability for the appointment of a voting majority of the component unit's board (simple accountability). Other criteria used to evaluate potential component units for including or exclusion from the reporting entity is ability to impose its will, the existence of financial benefit or burden, the fiscal dependency and designation of management.

In accordance with the above criteria the County has determined that the Dooly County Board of Health should be included as a discretely presented component unit. It is presented in a separate column to emphasize that it is legally separate from the County and has a fiscal year end of June 30, 2009. Separately audited general purpose financial statements may be obtained from the County Commissioners office or the Health Department.

Excluded from financial reporting using this criteria are:

1. The Middle Flint Regional Development Center, a joint venture described in Note T.
2. There are various other related organizations for which the County appoints board members but has no further accountability.

**DOOLY COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009**

Summary of Significant Accounting Policies (continued)

B. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net assets and the operating statements present increases (revenues) and the decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The County considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for recognition of all other Governmental Fund revenues. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

The revenues susceptible to accrual are property taxes, franchise fees, licenses, charges for service, interest income and intergovernmental revenues. Sales taxes collected and held by the state at year end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received.

C. BASIS OF PRESENTATION

The government-wide financial statements (i.e., the statement of net assets and statement of activities) display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. These statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

DOOLY COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

Summary of Significant Accounting Policies (continued)

C. BASIS OF PRESENTATION (continued)

The fund financial statements reflect the activities of the County's individual funds. Funds are organized into three categories: governmental, capital projects, and special revenue. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the County (i.e., the general fund) or meets the following criteria:

- a. Total assets, liabilities, revenues or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County has elected to apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989 in the government-wide financial statements unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails.

As a general rule, the effects of internal activity have been eliminated from the government-wide statements. Exceptions to this general rule are administrative charges between the County's general fund and special revenue funds. Eliminations of these charges would distort the direct costs and program revenues for the various functions concerned.

Program revenues are derived directly from a particular program or from parties outside the County's taxpayers or citizenry. 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. All taxes are included in general revenues.

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

**DOOLY COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009**

Summary of Significant Accounting Policies (continued)

C. Basis of Presentation (Continued)

Columnar Headings and Description of Funds

The County uses funds to report financial position and the results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

The County reports the following major governmental funds:

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

Federal Drug Fund – to account for revenues derived from specific taxes, grants and other sources which are designated to finance particular activities of the County.

Capital Project Fund:

1. Capital Project Housing – to account for revenues derived from specific taxes, grants and other sources which are designated to finance particular activities of the County.
2. Capital Project CHIP – to account for revenues derived from specific taxes, grants and other sources which are designated to finance particular activities of the County.

Capital Project Housing CHIP Fund – to account for revenues derived from specific taxes, grants and other sources which are designated to finance particular activities of the County.

Special Local Option Sales Tax Fund – to account for revenues derived from specific taxes, grants and other sources which are designated to finance particular activities of the County. The Capital Project funds consist of the Special Use Local Option Tax Fund.

Additionally, the County reports the following fund type:

Fiduciary Funds – account for assets held, as an agent, for individuals, private organizations, other governments and other funds. These funds are accounted for on the accrual basis.

D. BUDGET LAW AND PRACTICE

The County Clerk submits an annual budget to the Commissioners prior to the beginning of each fiscal year. The Commissioners adopt annual fiscal year appropriated budgets for County operating funds. These include the General and Special Revenue Funds. Once approved, the Commissioners may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

The legal level of budgetary control is the department level.

The budgets for the operating funds are prepared on the modified accrual basis. Revenues are budgeted in the year receipt is expected; and expenditures, which include accounts payable are budgeted in the year that the applicable purchase orders are expected to be issued. The budget and actual financial statements are reported on these bases.

**DOOLY COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009**

Summary of Significant Accounting Policies (continued)

D. Budget Law and Practice: (Continued)

BUDGETARY CONTROL

Each fund's appropriated budget is prepared on a detailed line item basis. Revenues and expenditures are budgeted by source. All budget revisions are subject to final review by the Commissioners.

The budget is incorporated into the accounting system, and used and compared to actual receipts and disbursements to insure fiscal responsibility.

Excess expenditures over budgeted appropriations before other financing sources in individual funds were as follows:

Federal Drug Fund
Special Use Local Option Tax Funds

The nature of these funds lends itself to budget variances. The excess expenditures were funded with prior year's cash.

There were several areas where expenditures were in excess of appropriated budgeted amounts. There are various reasons for this, all of which the County is aware of. The general fund expenditures exceeded budgeted amounts by \$1,342,133. Financial Statements (page 9).

Commissioners are aware and have approved the variances; however, the budget was not formerly amended.

Material budget violations for the following departments:

Public Safety	\$ (451,623)
Sanitation	(247,089)
Health	(51,825)
Welfare	(64,049)
Highways & Streets	(113,515)
Other	(238,215)
Grants	(145,585)
Library & Recreation	(30,232)
Total	<u>\$ (1,342,133)</u>

E. ENCUMBRANCES

Encumbrance accounting is not used by Dooly County. At September 30, 2009 there were no material encumbrance type items outstanding.

**DOOLY COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009**

Summary of Significant Accounting Policies (continued)

F. INVENTORY AND PREPAID ITEMS

Expendable supplies are recorded as expenditures at the time items are purchased. The County does not record inventories of supplies on the books due to immateriality.

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

G. ACCOUNTS RECEIVABLE

These are amounts paid by Dooly County which are to be reimbursed during the next fiscal year. The amount is considered fully collectible.

Garbage fees are billed in advance and collected on a monthly basis. Accounts receivable are \$55,042 less allowance for bad debt of \$10,000 for a net total of \$45,042.

H. PROPERTY TAXES RECEIVABLE AND PROPERTY TAX CALENDAR

Property taxes receivable are uncollected property taxes from 2006 and prior years.

The County levies property taxes October 1 of each year and the taxes are due by December 20 of each year. All taxes not collected are shown as taxes receivable with a reserve for uncollectible. Lien dates for personal and real property taxes are June 20.

I. ACCUMULATED UNPAID VACATION, SICK PAY, AND OTHER EMPLOYEE BENEFIT AMOUNTS

Accumulated unpaid sick pay and other employee benefit amounts are not accrued in governmental funds (using the modified accrual basis of accounting. At September 30, 2009, unrecorded liabilities included approximately \$168,016.

J. ACCOUNTS PAYABLE AND ACCRUED EXPENSE

These are amounts due or accrued as of September 30, 2009.

K. TIME WARRANTS

Time warrants outstanding at September 30, 2009 was \$750,000.

L. CASH, INVESTMENTS AND DEPOSITS

At September 30, 2009, the bank account balances totaled \$1,640,581. Cash and time deposits include amounts in demand deposits, passbook savings as well as certificates of deposits. All cash is separately held and reflected in its respective fund. Cash equivalents are short term, highly liquid investments with a maturity date of three months or less that can be converted to known amounts of cash.

**DOOLY COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009**

Summary of Significant Accounting Policies (continued)

L. CASH, INVESTMENTS AND DEPOSITS (continued)

The County's deposit policy limits deposit choices to checking accounts, money market accounts and certificates of deposits with local banks. All deposits are to be secured as required by state statutes. The state statute requires the deposits to be secured at an amount equal to the total deposits less FDIC insurance, and then multiplied by 110 percent.

The County's investment policy limits investment choices to investments complying with state statutes. These investments are limited to obligations of states, obligations issued by the U.S. government, obligations fully insured or guaranteed by the U.S. government, or by a government agency of the United States, obligations of any corporation of the U.S. government, the local government investment pool established by state law and obligations of other political subdivisions of the State of Georgia.

Deposits:

Custodial Risk- Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County has a deposit policy for custodial credit risk.

M. CAPITAL ASSETS

Capital assets, which include property, plant, equipment and infrastructure assets (i.e., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities column in government-wide financial statements. Capital assets are defined by the County as assets with an initial cost of \$5,000 or more and an estimated life of more than one year. All capital assets (governmental and proprietary) are valued at historical cost or estimated historical cost if actual cost is not available. Donated capital assets are valued at their fair market value when donated. Interest costs on debt incurred for the construction of capital assets are capitalized net of interest earned on the invested proceeds of construction debt over the same period. Major improvements that extend the life of an asset are capitalized. Normal maintenance and repairs are charged to expense as incurred. Preliminary and interim costs incurred by governmental and proprietary funds for capital projects are reported as "construction in progress." Costs related to abandoned projects are expensed when the project is abandoned.

The County has recorded all infrastructure assets acquired subsequent to October 1, 2003 and is currently reviewing its infrastructure to ensure that all such assets are recorded before the phase-in date for retroactive general infrastructure reporting under Governmental Accounting Standards Board Statement.

Capital assets are depreciated over their estimated lives using the straight-line method as follows:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Furniture and Fixtures	5 to 7 Years
Machinery and Equipment	5 to 15 Years
Buildings	20 to 50 Years
Infrastructure	50 Years

**DOOLY COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009**

Summary of Significant Accounting Policies (continued)

M. CAPITAL ASSETS (Continued)

Capital asset activity for the year ended September 30, 2009 was as follows:

	Balance Oct. 1	Additions / Completions	Retirements/ Adjustments	Balance Sept. 30
Governmental Activities:				
Capital assets not being depreciated				
Land	\$ 1,592,861	\$ 17,498	\$ -	\$ 1,610,359
Total Capital assets not being depreciated	<u>\$ 1,592,861</u>	<u>\$ 17,498</u>	<u>\$ -</u>	<u>\$ 1,610,359</u>
Infrastructure	\$ 370,103	\$ 89,819	\$ -	\$ 459,922
Building	13,036,626	-	-	13,036,626
Vehicles	3,151,997	259,657	-	3,411,654
Heavy Equipment	2,439,127	-	100,953	2,540,080
Furniture, Fixtures & Equipment	688,326	209,446	-	897,772
Total Capital Assets being Depreciated	<u>\$ 19,686,179</u>	<u>\$ 558,922</u>	<u>\$ 100,953</u>	<u>\$ 20,346,054</u>
Total Capital Assets	<u>\$ 21,279,040</u>	<u>\$ 576,420</u>	<u>\$ 100,953</u>	<u>\$ 21,956,413</u>
Less Accumulated depreciation for:				
Infrastructure	\$ 3,044	\$ 7,133	\$ -	\$ 10,177
Building	2,055,869	203,401	-	2,259,270
Vehicles	2,036,774	115,640	-	2,152,414
Heavy Equipment	1,025,584	268,483	-	1,294,067
Furniture, Fixtures & Equipment	446,053	79,309	30	525,392
Total Accumulated Depreciation	<u>\$ 5,567,324</u>	<u>\$ 673,966</u>	<u>\$ 30</u>	<u>\$ 6,241,320</u>
Total Capital Assets being dep., net	<u>\$ 14,118,855</u>	<u>\$ (115,044)</u>	<u>\$ 100,923</u>	<u>\$ 14,104,734</u>
Governmental act. Capital Assets, net	<u>\$ 15,711,716</u>	<u>\$ (97,546)</u>	<u>\$ 100,923</u>	<u>\$ 15,715,093</u>

Depreciation expense was charged to Program/Functions of the Primary Government as follows:

Program Activities:	
General Government	\$ 285,300
Public Safety - Sheriff	36,742
Public Safety - Fire	88,308
Health and Welfare	24,998
Highway and Streets	197,034
Sanitation	41,584
	<u>41,584</u>
	<u>\$ 673,966</u>

**DOOLY COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009**

Summary of Significant Accounting Policies (continued)

M. CAPITAL ASSETS (Continued)

The County made an inventory of its governmental activities capital assets at September 30, 2003. Capital assets were adjusted for this inventory and for a change in its capital asset policy. Because of the above, governmental activities capital assets at September 30, 2003 will not agree with the previously released financial statements for September 30, 2003

Capital Leases

The government has entered into a lease agreement as lessee for financing the acquisition of road equipment. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the inception date.

N. GENERAL LONG TERM DEBT ACCOUNTS

These accounts are established to record the amount of unmatured long-term indebtedness which is backed by the full credit of the County and certain other assets pledged. Debt which is intended to be financed from tax revenues is reported on the Government-Wide Statement of Net Assets as time warrants and is to be repaid by December 31 of each year.

Schedule of Short Term Debt:

Balance	09-30-08	\$ 250,000
Debt (Received/Paid)		<u>500,000</u>
Balance	09-30-09	\$ <u>750,000</u>

The general long-term debt accounts represent a summary of the general obligation debt of the County all in the form of Capital Lease Purchase Agreements and one General Obligation Bond Issue. The leases carry various renewal and purchase options including some guaranteed buy back agreements and interest rates varying from 3.9 - 6.2%. The County carries the full amount of the lease as an obligation. Amounts are provided for the repayment of these debts by various budgeted revenues and when paid is charged to equipment rental expense or debt service.

The only general obligation bonds are the "Dooly County, Georgia General Obligation Jail Bonds, Series 1998" in the original amount of \$5,750,000. The bonds were issued to fund the cost of acquiring, constructing and equipping a new jail facility for Dooly County, Georgia. The interest rate on the bonds is at 4.55% per annum through 3-1-2005. At that time and at the end of each five year period the rate shall be at 62% of Prime as published by the Wall Street Journal, however, the rate shall not be less than 3.5% or greater than 6.25% per annum. In accordance with GASB guidance, the current rate of 5.3% per annum is used for purposes of minimum future payments.

Bond Debt:

The balance as of September 30, 2009 is:

Balance 10-1-08	\$4,519,988
Payments	<u>215,000</u>
Balance 9-30-09	<u>\$4,304,988</u>

**DOOLY COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009**

Summary of Significant Accounting Policies (continued)

N. General Long Term Debt Accounts (Continued)

Principal and Interest for the next five years is as follows:

YEAR OF MATURITY	PRINCIPAL AMOUNT	INTEREST AMOUNT	TOTAL
9-30-2010	230,000	223,092	453,092
9-30-2011	240,000	211,223	451,223
9-30-2012	255,000	198,536	453,536
9-30-2013	<u>270,000</u>	<u>184,950</u>	<u>454,950</u>
	<u>\$ 995,000</u>	<u>\$ 817,801</u>	<u>\$1,812,801</u>

Remaining principal and interest:

YEAR	PRINCIPAL	INTEREST	TOTAL
9-30-2014	\$ 285,000	\$ 170,306	\$ 455,306
9-30-2015	305,000	154,524	459,524
9-30-2016	325,000	137,671	462,671
9-30-2017	340,000	119,883	459,883
9-30-2018	365,000	101,024	466,024
9-30-2019	385,000	80,865	465,865
9-30-2020	410,000	59,400	469,400
9-30-2021	435,000	36,585	471,585
9-30-2022	<u>459,988</u>	<u>12,420</u>	<u>472,408</u>
	<u>\$ 3,309,988</u>	<u>\$ 872,678</u>	<u>\$ 4,182,666</u>

The County has entered into a number of Capital leases, which contain cancellation provisions and are special year to year leases. All capital leases are for heavy equipment.

The balance as of September 30, 2009 is:

Balance	9-30-08	\$1,237,212
Debt Service Expenditures		(496,786)
Other Financing Sources		<u>82,201</u>
Balance	9-30-09	<u>\$ 822,627</u>

Principal and interest for the next five years is as follows:

YEAR OF MATURITY	PRINCIPAL AMOUNT	INTEREST AMOUNT	TOTAL
9-30-2010	425,759	27,376	453,135
9-30-2011	249,645	15,411	265,056
9-30-2012	98,906	8,263	107,169
9-30-2013	47,021	5,081	52,102
9-30-2014	<u>1,296</u>	<u>7</u>	<u>1,303</u>
	<u>\$ 822,627</u>	<u>\$56,138</u>	<u>\$ 878,765</u>

**DOOLY COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009**

Summary of Significant Accounting Policies (continued)

N. GENERAL LONG TERM DEBT ACCOUNTS (Continued)

Long-Term Debt

On November 1, 2001, Dooly County entered in an installment sale agreement with the Dooly County Industrial Development Authority in the amount of \$1,500,000 (interest rate at 5.65% per annum) payable at \$12,443 per month for total of 15 years. The purpose of the loan is to build a building to serve as a Department of Family and Children Services (DFACS) office. This note is held by RBC Bank.

The balance as of September 30, 2009 is:

Balance 9-30-08	\$1,098,742
Payments	<u>88,749</u>
Balance 9-30-09	\$1,009,993

Principal and interest for the next five years is as follows:

Year of Maturity	Principal Amount	Interest Amount	Total
9-30-2010	\$ 93,886	\$55,433	\$ 149,319
9-30-2011	99,407	49,912	149,319
9-30-2012	105,125	44,194	149,319
9-30-2013	111,436	37,883	149,319
9-30-2014	<u>117,990</u>	<u>31,329</u>	<u>149,319</u>
	<u>\$527,844</u>	<u>\$218,751</u>	<u>\$746,595</u>

Remaining principal and interest:

Year of Maturity	Principal	Interest	Total
9-30-2015	\$ 124,930	\$ 24,389	\$ 149,319
9-30-2016	132,224	17,095	149,319
9-30-2017	140,053	9,266	149,319
9-30-2018	<u>84,942</u>	<u>1,631</u>	<u>86,573</u>
	<u>\$482,149</u>	<u>\$ 52,381</u>	<u>\$ 534,530</u>

USDA Revolving Loan Fund

During the year ending December 31, 2006, the County received a loan from USDA in the amount of \$99,999. This amount is to be used to facilitate the development of small and emerging private business enterprises in designated rural areas through a loan. These funds are not expected to be repaid.

Balance 10-1-08	\$ 99,999
Funds Advanced	<u>- 0 -</u>
Balance 9-30-09	<u>\$ 99,999</u>

**DOOLY COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009**

Summary of Significant Accounting Policies (continued)

O. MUNICIPAL SOLID WASTE LANDFILL CLOSURE AND POSTCLOSURE COSTS

State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The County ceased receiving waste on July 1, 1998.

The County has revised the estimates based on new estimates by the Georgia Department of Natural Resources, amounts already paid and adjustments based on management of Dooly County. Actual cost is expected to vary due to inflation, changes in technology or regulations, errors in estimates or other outside factors.

The original \$900,400 reported as total estimated liability for closure and post-closure care cost at September 30, 1998, represents estimated closure cost of \$72,400 and estimated post closure cost of \$828,000, which was based on outside engineers and management's estimates.

Changes in amount to be provided for payment of landfill closure and post closure are as follows:

	<u>Original Estimate</u>	<u>Revised Estimate</u>
Total Estimated Liability	\$ 900,400	\$ 317,000
Paid FYE 9/30/98	(927)	(927)
Paid FYE 9/30/99	(12,820)	(12,820)
Paid FYE 9/30/00	(13,721)	(13,721)
Paid FYE 9/30/01	(20,339)	(20,339)
Paid FYE 9/30/02	(23,780)	(23,780)
Paid FYE 9/30/03	(15,704)	(15,704)
Paid FYE 9/30/04	(14,286)	(14,286)
Paid FYE 9/30/05	(16,633)	(16,633)
Paid FYE 9/30/06	(15,713)	(15,713)
Paid FYE 9/30/07	(21,000)	(21,000)
Paid FYE 9/30/08	(6,965)	(6,965)
Paid FYE 9/30/09	<u>(12,761)</u>	<u>(12,761)</u>
Balance 9/30/09	<u>\$ 725,751</u>	<u>\$142,351</u>

Estimated payment for the year ending September 30, 2009 is \$10,000.

Financial assurance compliance requirements with the Georgia Department of Natural Resources, Environmental Protection Division for the FYE September 30, 2009 have not been met, but the County is in the process of meeting these requirements.

DOOLY COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009

Summary of Significant Accounting Policies (continued)

P. RISK MANAGEMENT

The County is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Pursuant to Title 34, Chapter 9, Article 5 of the Official Code of Georgia Annotated, the County became a member of the Association of County Commissioners of Georgia's Group Self Insurance Worker's Compensation Fund. The effective date of membership was October 1, 1982. The liability of the fund to the employees of any employer (Dooly County) is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and/or employer's liability.

As part of this risk pool, the County is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the fund, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the fund being required to pay any claim or 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 Fund is to defend, in the name of and on behalf of the members, any suits or other proceedings which may at any time be instituted against them on account of injuries or death within the preview of the Worker's Compensation Law of Georgia, or on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding of compensation therefore, although such suits, other proceedings, allegations or demands be wholly groundless, false or fraudulent. The fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

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

Relative to employee unemployment benefits which is administered on a cost reimbursement basis with the Georgia Department of Labor, no fund has been established or funded for this activity nor has any accrued estimated liability been recorded. However, based on prior experience the County does not expect any major claims, and contingencies are budgeted to include minor claims.

The County purchases commercial insurance to cover other risks of loss. The coverage amounts for these risks are in amounts to the extent deemed necessary by management. As of September 30, 2009 there were no outstanding claims that would, in management's opinion, have a material adverse effect on the County's financial condition.

Q. RECEIVABLES AND PAYABLES WITHIN THE REPORTING ENTITY

There were no receivables and payables within the reporting entity.

**DOOLY COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009**

Summary of Significant Accounting Policies (continued)

R. CONTINGENT LIABILITIES

Dooly County, Georgia (the County) entered into a contract with the Hospital Authority of Dooly County (the Authority) on April 1, 1996. The Authority issued Revenue Certificates, Series 1996 in the amount of \$2,740,000. The proceeds were to refinance Series 1991 and to be used by Dooly Medical Center (the Hospital) in order to acquire and construct certain additions, extensions and improvements to the Hospital.

The County, among other things, agreed that should all other moneys, revenues and receipts arising out of or in connection with the ownership and operations of the Hospital be insufficient to pay the principal and interest on the Revenue Certificates as the same becomes due and payable, the County will be liable to pay such principal and interest in the amount of such insufficiency, if any. Any such deficiency would be funded by an annual tax levy within the 7 mill limit as required by law.

On September 16, 2005, the Dooly County Commissioners received \$398,188 from Dooly Medical Center from the proceeds of the sale of the hospital property by the Dooly County Hospital Authority.

For the year ended September 30, 2009, the County approved bond payments, including interest, totaling \$177,092 which was paid. These payments were made in lieu of indigent care payments made in prior years.

S. RETIREMENT BENEFITS

Defined Contribution Plan

The County adopted the following Defined Contribution Plan effective October 1, 2002. The County's contributions will only be contributed to the GebCorp program into a separate Section 401(A) Plan account for each employee. Employees will continue to have the choice of directing their contributions to either the GebCorp Section 457(k) program or the Nationwide Section 457(k) program. Plan provisions and contribution requirements are established by county statutes and may be amended by the county.

A vesting schedule for employees went into effect on October 1, 2002 for the County Match funds only. Employees with less than 5 years of full-time employment will not be 100% vested in any County Match funds that are contributed to their account after October 1, 2002. The proposed vesting schedule is: 25% - after two years of full-time employment; 50% - after three years of full-time employment; 75% - after four years of full-time employment; and, 100% - after five years of full-time employment.

Effective October 1, 2002, County contributions to eligible employees; GebCorp (401) accounts will be based on the following:

- (1) After one year of full-time employment, the County will contribute \$10/biweekly pay period;

**DOOLY COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009**

Summary of Significant Accounting Policies (continued)

S. RETIREMENT BENEFITS (continued)

- (2) After one year of full-time employment, the County will make a matching contribution on behalf of each eligible employee, equal to 100% of the employee's contribution to a Section 457(k) Plan, up to \$1,000/year (maximum County Match will be \$40/biweekly pay period);
- (3) After ten years of full-time employment, the County will make a matching contribution on behalf of eligible employee, equal to 150% of the employee's contribution to a Section (457K) Plan, up to \$1,500/year (Maximum County Match will be \$70.00/biweekly pay period). The County made a contribution of \$143,800 for the year ended September 30, 2009.

Probate Judge's Retirement Fund of Georgia

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

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.

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

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

T. JOINT VENTURES

Under Georgia Law, the County, in conjunction with other cities and counties in the eight county west central Georgia area, is a member of the River Valley Regional Commission (RVRC) and is required to pay annual dues thereto. During its year ended September 30, 2009, the County paid \$5,534 in such dues. Membership in an RVRC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RVRC in Georgia. The RVRC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-30.1 provides that the member governments are liable for any debts or obligations of an RVRC. Separate financial statements may be obtained from RVRC.

U. OTHER

Certain previously reported amounts have been reclassified to conform to FYE September 30, 2004, report classifications.

V. LITIGATION

The County has been advised by council that there are no material claims against the County.

**DOOLY COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2009**

Summary of Significant Accounting Policies (continued)

W. E911 AUTHORITY

In December 2002, the Middle Flint Regional E-911 Authority was formed by the following counties: Dooly, Macon, Marion, Schley, Sumter, Taylor and Webster. In 2005, the Authority began providing Enhanced 911 services to the member counties. The phone companies remit the 911 surcharges directly to the Authority. In addition to the phone surcharges, each member county also provides supplemental funding to the Authority. For FYE 09/30/2009, Dooly County provided a total of \$39,340 to the Authority.