Barrow County, Georgia

COMPREHENSIVE

ANNUAL

FINANCIAL

REPORT

FOR YEAR ENDED SEPTEMBER 30, 2010

BARROW COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED September 30, 2010

Prepared by: DEPARTMENT OF FINANCE

Rose Kisaalita, CPA

Chief Financial Officer

BARROW COUNTY

1914

BOARD of COMMISSIONERS

Barrow County, Georgia

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION	
Letter of Transmittal ……..	1- 3
Principal Officials……	4
Organization Chart……	5
FINANCIAL SECTION	
Independent Auditors' Report……	7
Management Discussion and Analysis……	8 - 16
Basic Financial Statements:	17
Government-Wide Financial Statements:	
Statement of Net Assets……	18
Statement of Activities……..	19
Fund Financial Statements:	
Balance Sheet – Governmental Funds……	20
Statement of Revenue, Expenditures, and Changes in Fund Balances – Governmental Funds……	21
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities……	22
Statement of Revenues, Expenditures and Changes in Fund Balances- Budget to Actual- General Fund……	23
Statement of Fund Net Assets- Proprietary Funds ……	24
Statement of Revenues, Expenses, and Changes in Fund Net Assets- Proprietary Funds……	25
Statement of Cash Flows- Proprietary Funds……	26 - 27
Statement of Fiduciary Net Assets- Agency Funds ……	28
Notes to Basic Financial Statements	
The notes are an integral part of the "liftable" basic financial statements……	29 - 50
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Funding Progress……	51
Schedule of Employer Contributions……	51
COMBINING STATEMENTS AND SCHEDULES	
Statement of Revenues, Expenditures and Changes in Fund Balances- Budget to Actual- General Fund (Detailed)……	52 - 55
Combining Balance Sheet—Non-Major Governmental Funds ……	57
Combining Statement of Revenues, Expenditures and Changes in Fund Balances—Non-Major Governmental Funds……	58

Barrow County, Georgia
Annual Financial Report
Fiscal Year Ended September 30, 2010

Table of Contents

	Page
Schedule of Revenues, Expenditures, and Changes in Fund Balances- Budget and Actual Non-Major Governmental Funds:	
Emergency 911	59
Confiscated Assets	60
Law Library	61
Commissary	62
Stormwater	63
Revolving Loan	64
Statement of Net Assets- Non-Major Enterprise Funds Stormwater	66
Statement of Revenues, Expense and Changes in Fund Net Assets Non-Major Enterprise Funds- Stormwater	67
Statement of Cash Flows- Non-Major Enterprise Fund Stormwater	68
Combining Balance Sheet- Fiduciary Funds	70
Combining Statement of Changes in Assets and Liabilities Fiduciary Funds	71 - 72

STATISTICAL SECTION

SCHEDULE 1	Net Assets by Component- Last Six Fiscal Years	75
SCHEDULE 2	Changes in Net Assets- Last Six Fiscal Years	76 - 77
SCHEDULE 3	Fund Balances, Governmental Funds- Last Six Fiscal Years	78
SCHEDULE 4	Changes in Fund Balances, Governmental Funds- Last Six Fiscal Years	79
SCHEDULE 5	Assessed Value and Actual Value of Taxable Property- Last Ten Calendar Years	80
SCHEDULE 6	Direct and Overlapping Property Tax Rates- Last Ten Calendar Years	71
SCHEDULE 7	Principal Property Taxpayers- Current and Last Nine Years	82
SCHEDULE 8	Property Tax Levies and Collections- Last Ten Calendar Years	83
SCHEDULE 9	Sales Tax Collections	84
SCHEDULE 10	Ratios of Outstanding Debt by Type- Last Ten Fiscal Years	85
SCHEDULE 11	Ratio of General Bonded Debt Outstanding- Last Ten Calendar Years	86
SCHEDULE 12	Direct and Overlapping Governmental Activites Debt	87
SCHEDULE 13	Legal Debt Margin Information- Last Ten Fiscal Years	88
SCHEDULE 14	Pledged Revenue Bond Coverage- Last Six Fiscal Years	89
SCHEDULE 15	Demographic and Economic Statistics- Last Ten Calendar Years	90
SCHEDULE 16	Principal Employers- Current Year and Last Nine Years Ago	91
SCHEDULE 17	Full-time Government Employees by Function- Last Ten Fiscal Years	92
SCHEDULE 18	Operating Indicators by Function/Department- Last Six Fiscal Years	93
SCHEDULE 19	Capital Asset Statistics by Function/Department- Last Six Fiscal Years	94

COMPLIANCE SECTION

Independent Auditor's Report on Schedule of Special Purpose Local Option Sales Tax	96
Schedule of Expenditure of Special Purpose Local Option Sales Tax Proceeds- 2001 Issue	97
Schedule of Expenditure of Special Purpose Local Option Sales Tax Proceeds- 2005 Issue	98
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Aduiting Standards*	99
Schedule of Findings and Questioned Costs- Federal Awards	100
Schedule of Findings and Questioned Costs	101 - 102
Summary of Schedule of Prior Year Audit Findings and Questioned Costs	103

Introductory Section

- Letter of Transmittal
- Principal Officials.
- Organization Chart

Barrow County Board of Commissioners

233 East Broad Street, Winder, Georgia 30680

March 28, 2011

Citizens of Barrow County
And the Board of Commissioners
Barrow County, Georgia

The Comprehensive Annual Financial Report of Barrow County, Georgia (the Government) for the year ended September 30, 2010, is submitted in accordance with the Official Code of Georgia 36-81-7. Responsibility for the accuracy, completeness and fairness of the presented data, including all disclosures, rests with the Government. We believe the data, as presented, is accurate in all material aspects. This form of presentation is designed to facilitate a better understanding of the financial operations of the Barrow County Government. In developing and refining the Government's accounting system, consideration is given to the adequacy of internal accounting controls. We have achieved the goals of sound internal accounting controls through a combination of written procedures, implementation of working checks and balances, sound information systems, periodic reviews of systems and results, and special reviews of new and emerging issues.

The Government has prepared the financial statements to meet the current applicable requirements of the Governmental Accounting Standards Board (GASB). The basic financial statements in this report have been audited by Geer & Associates, LLC. Independent certified public accountants. Based on their audit, Geer & Associates, LLC have concluded that there is a reasonable basis for rendering an unqualified opinion that the Government's financial statements for the year ended September 30, 2010, and are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first part of the Financial Section of this report.

BARROW COUNTY GOVERNMENT

Barrow County was created in 1914 out of portions of Gwinnett, Jackson and Walton counties and is located in the northeast portion of the State of Georgia, Barrow County ranks 148th in size, and claims 162.2 square miles within its boundaries. Barrow County has six municipalities contained within its borders. The City of Auburn and the Town of Carl are located on the western end; the City of Bethlehem is located on the southern end; the City of Statham is located on the eastern end; and the City of Winder is located in the center of the county.

The governing authority of the Government is composed of six district commissioners and a Chairperson. According to the Government's charter, the Chairperson is elected by the qualified electors of the entire county. The Chairperson is the Chief Executive Officer of the County, with authority and responsibility to implement the actions of the Board and generally to supervise, direct, control, and provide for the administration of the affairs of Barrow County. The Chairperson and Commissioners, elected on a staggered basis, serve four-year terms. Additional information about current activities of the Government can be obtained at our web site, www.barrowga.org.

As required by generally accepted accounting principles, this report includes all the funds of Barrow County (the primary government) and its component units. Component units are legally separate entities for which the primary government is financially accountable. Blended component units, although legally separate entities, are in substance, part of the primary government's operations and are included as part of the primary government. Additional information about the Government as a reporting entity is provided in the Notes to the Financial Statements.

THE BUDGET PROCESS

In accordance with State Law, Barrow County adopts an Annual Operating and Capital Budget consistent with generally accepted accounting principles. The budget process establishes a foundation which assists management in carrying out the daily operations of the Government's various services that it provides. The budget is developed on a line item basis with the focus on the cost of services. The Government's budget is adopted by the Board of Commissioners after a required public hearing and two public notices. The legal level of budgetary control is at the department level. Budgetary control is maintained using an encumbrance system and through management's monthly financial statement review and analysis. .

BARROW COUNTY'S ECONOMIC CONDITION AND OUTLOOK

Barrow County's 2010 population is estimated at 72,158 people. This is a 56% increase from the 2000 census, which reported 46,144 people. In 2008, Barrow County's per capita income was $27,357. The County's per capita income has grown from _____ in 2004 to 8.49% in 2009. The area's three largest industries and employers are the Barrow County School System, which employs more than 1,800, Harrison Poultry is second with 876 employees and the Barrow County Commission is third with approximately 550 employees.

Barrow County is located within Georgia's Innovation Crescent region which is an association of more than 12 counties and entities that are a focused

on life sciences and economic development in the area. The region starts in Atlanta, home to the nation's busiest airport, and ends in Athens-Clarke, home of the University of Georgia. There are 12 Fortune 500 companies and 26 Fortune 1000 companies headquartered in the region. The Innovation Crescent offers a certified workforce for the highly regulated life science clinical, research and manufacturing facilities. More than 250 life science companies call the Innovation Crescent Region home.

Barrow Crossings, a new retail center along highway 316, is attracting shoppers from surrounding counties, while also keeping Barrow County shoppers at home. Big box anchors include Belk, Target, Publix, Staples and Pet Smart. New additions to this list include Home Depot and Chic-fil-A which opened in April, 2010.

Barrow County also received a Georgia Ready Accelerated Development (GRAD) site designation. GRAD sites are a pool of pre-qualified, available industrial sites across the state, which are highly favored by incoming industry. This 104 +/- is one of eight in the State. Communities that offer these sites have the most favorable chance of attracting new industry to the area. Barrow's GRAD site is located within the highly sought after Innovation Crescent Region.

Trends in the local economy indicate that Barrow County's business outlook remains stable. The building sector has been hit hardest by the downturn in the economy over the past couple of years, which in turn has significantly slowed the number of building permits issued in recent years Barrow County's foreclosures totaled about 2,061 during Fiscal Year 2010. The Government's property tax digest increased 2.97% for the 2009 property tax year reflecting $73 million less in taxable property. Barrow County's unemployment level is currently 9.8%, while the national unemployment rate is presently at 8.9%, as of February 2011.

LONG TERM FINANCIAL PLANNING

Barrow County citizens voted to extend the current SPLOST for another six years beginning June 1, 2005, to fund an additional $92 million of capital improvements. The newest SPLOST program, SPLOST 2005, will fund thirteen projects that include: a new criminal justice facility, a new E-911 center, a new fire station, a new training center and renovation of the court house.

The Roads and Bridges Department graded and paved the driveway and parking lot for the new Animal Control Facility; they also completed Barrow Park Drive to Pearl Pentecost Road. In a joint venture between Barrow County and the Georgia Department of Transportation (GDOT), a turn lane from Hwy 211 onto Barrow Park Drive was begun in FY2010 and completed in FY2011. The County patched and resurfaced 3.81 miles of County roads which GDOT paid for resurfacing under LARP; these included Cooks Road, Doc McLocklin Road, Tom Miller Road, McElhannon Road and Thomas Drive. The County also milled and patched 4.0 miles of County roads including Bill Rutledge Road, Wellington Drive and other portions of Tom Miller Road and Thomas Drive.

The Wastewater Services Department completed Phase 1 of the Hwy 53/316 sewer project. The Kerala Gardens pump station and gravity sewer is in progress. A number of Wastewater projects are currently in the planning phase for the County.

The Water Department purchased the Fire Station located at 625 Hwy 211 N.E., and is under contract with Carter Watkins and Associates Architects for design services in remodeling of the Water Department facility. In 2010 the Water Department equipped itself to handle repair service requirements in lieu of using an outside contractor.

There are a number of projects scheduled for FY2011 including remodeling of the Courthouse Annex and Historical Courthouse on Broad Street; construction of a fire training center, and roadwork at Hoyt King & 81. These are SPLOST projects; the County will receive partial reimbursement from GDOT for the work at Hoyt King & 81. Recent weather events necessitate focus on road repairs in 2011. Also required are additional traffic line striping and pavement markings for various County roads.

CASH MANAGEMENT IN FISCAL YEAR 2010

The Government currently invests substantially most of its temporarily idle cash, in the State's local government investment pool, Georgia Fund 1.

RISK MANAGEMENT

The County is exposed to various risks of losses related to: torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County's liability insurance is with Traveler's. The County participates in the Association of County Commissioners of Georgia 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. 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 Funds' being required to pay any claim of loss. The County is also obligated 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.

PENSION PLAN

Under Georgia law, the County, in conjunction with other counties and cities in the area, is a member of the Northeast Georgia Regional Development Center (RDC) and is required to pay annual dues thereto. Membership in a RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RDC in Georgia.

The RDC Board membership includes the chief elected official of each county and municipality of the area. OCGA Section 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RDC. The County contributes to the Association County Commissioners of Georgia ("ACCG") Defined Benefit Plan, an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia.

The specific benefit provisions of the County's plan ("the Plan") were established by an adoption agreement executed by the County Board of Commissioners. The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The ACCG Plan, in its role as the Plan Sponsor, has the sole authority to amend the provisions of the ACCG Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan, as provided in Section 19.02 of the ACCG Plan document.

OTHER POST EMPLOYMENT BENEFITS (OPEB)

In addition to providing pension benefits, the County provides funding for continued healthcare benefits to retired employees. The retired employees may become eligible for this benefit upon reaching the minimum age of 55 and having at least 10 years of service. Continued healthcare benefits in the form of single coverage will be paid at 50 percent of the premium. This benefit is limited to a period until the employee becomes Medicare eligible or reaches age 65 whichever comes first. The County has the authority to amend or terminate this benefit.

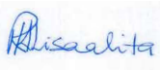
CERTIFICATE OF ACHIEVEMENT AND DISTINGUISHED BUDGET PRESENTATION AWARD

Barrow County has never participated in the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association (GFOA). This program was established by GFOA to promote education and recognition of excellence in governmental accounting and financial reporting. To be awarded a Certificate of Achievement, a Governmental unit must publish an easily readable and efficiently organized, comprehensive annual financial report, with content conforming to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe this report meets the requirements of the Certificate of Achievement Program, and we are submitting it to GFOA for review.

ACKNOWLEDGMENTS

The preparation of this report would not have been accomplished without the effective and dedicated services of the entire staff of the Department of Finance. We express our appreciation to all Barrow County officials and employees who assisted and contributed to the operations of the Government during Fiscal Year 2010 and the preparation of this report. We also thank Geer and Associates for their assistance.

Respectfully submitted,



Rose K. Kisaalita, CPA
Chief Executive Officer

BARROW COUNTY, GEORGIA

PRINCIPAL OFFICIALS

CHAIRMAN AND COMMISSIONERS

Daniel Yearwood, Jr.	Chairman
Larry Joe Wilburn	Commissioner
Eva S. Elder	Commissioner
H. Steve Worley	Commissioner
Isaiah Berry	Commissioner
Billy E. Parks	Commissioner
Ben Hendrix	Commissioner

ELECTED OFFICIALS

Brad Smith	District Attorney
Currie Mingledorff	Judge, Superior Court
David Crosby	Coroner
David Motes	Judge, Superior Court
Joseph Booth	Judge, Superior Court
Jud Smith	Sheriff
June Davis	Judge, Magistrate Court
Melinda Williams	Tax Commissioner
Regina McIntyre	Clerk of Superior Court
Tammy Brown	Judge, Probate Court

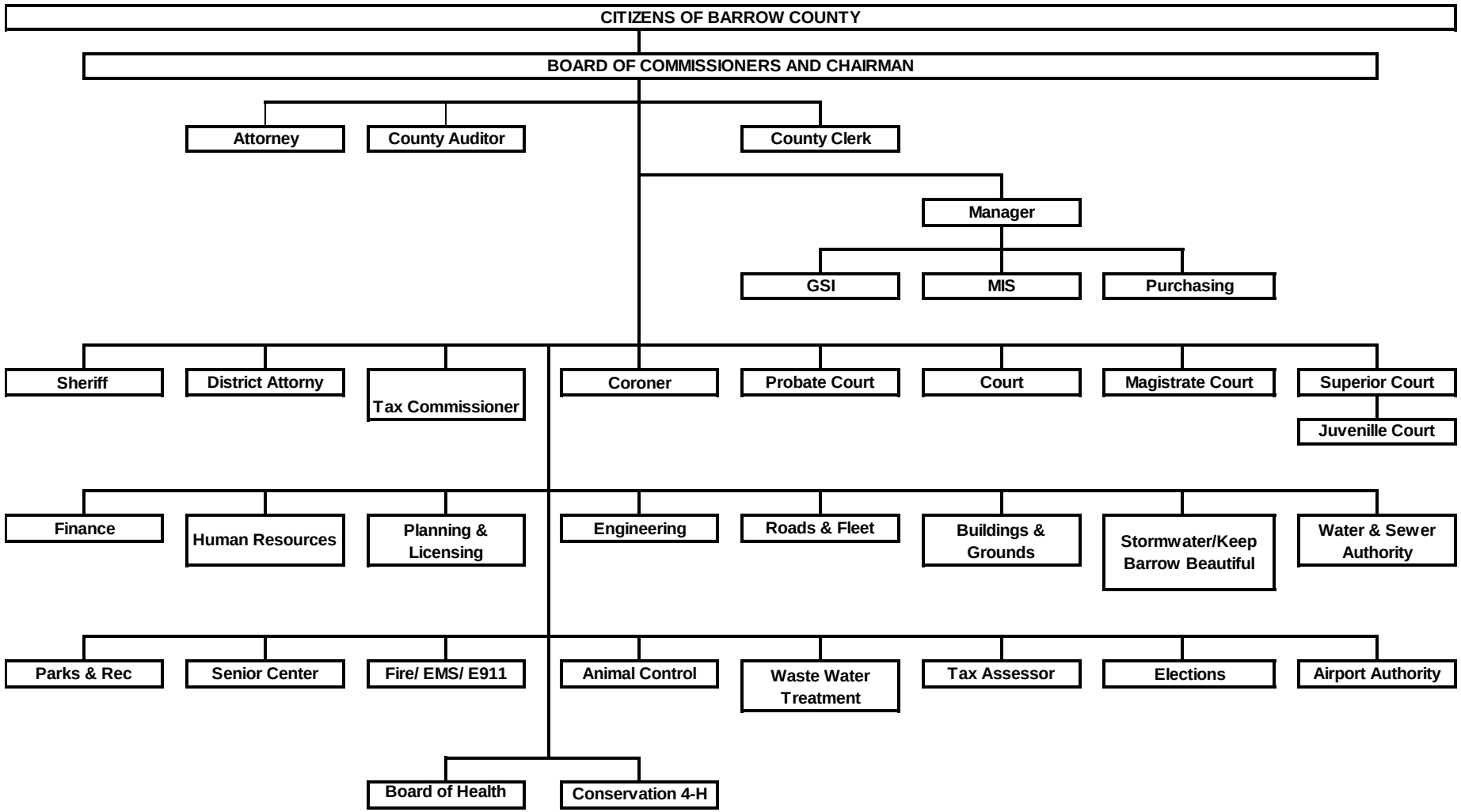
APPOINTED OFFICIALS

Angie Davis	Attorney
Kevin Guidry	Juvenile Judge (Judges appointment)
Michelle Sims	Clerk of Commission

DIRECTORS/SUPERVISORS

Britt West	Director of Cooperative Extension
Cecil Highfield	Chief Appraiser
Darrell Greeson	Director of Engineering
Dennis Merrifield	Chief of Emergency Services
Karen Townley	Director of Senior Center
Katie Ferm	Director of Elections and Registration
Kurt Cooper	Director of Recreation Services
Mark Whiddon	Director of Wastewater Services
Myron Garrett	Director of Water Authority
Nat Dukes	Director of Roads & Bridges/Fleet Maintenance
Rebecca Whiddon	Planning & License & Permits Supervisor
Robert Hohe	Operations Development Manager
Rose Kisaalita	Chief Financial Officer
Shannon Young	Director of KBB/Stormwater

BARROW COUNTY, GEORGIA
ORGANIZATIONAL CHART



Financial Section

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
    - Government-wide Financial Statements
    - Fund Financial Statements
- Required Supplementary Information
- Combining, Individual Fund Statements and Schedules

Geer & Associates
Certified Public Accountants, P.C.

Independent Auditor's Report

The Board of Commissioners
Barrow County Georgia

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Barrow County, Georgia as of and for the year ended September 30, 2010, which collectively comprise Barrow County, Georgia's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Barrow County, Georgia's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Barrow County Board of Health, which represents 3 % and 22 %, respectively, of the assets and revenue of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Barrow 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 the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of other auditors provides a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Barrow, Georgia, as of September 30, 2010, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2011 on our consideration of the Barrow County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

The management's discussion and analysis, the schedule of employer contributions and the schedule of funding progress (on pages 2 through 10 and page 46, respectively) are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Barrow County, Georgia's basic financial statements. The combining statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of Barrow County, Georgia. The schedule of expenditures of special purpose local option sales tax proceeds is presented for the purpose of additional analysis as required by Official Code of Georgia 48-8-121 and is also not a required part of the basic financial statements. The combining statements and schedule of expenditures of special purpose local option sales tax proceeds have been subjected to the auditing procedures applied in the audit of the basic statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic statements taken as a whole. The introductory, statistical, and disclosure sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Respectfully submitted,

Geer & Associates
Geer & Associates
March 14, 2011

Barrow County, Georgia
Management's Discussion and Analysis
For the Year Ended September 30, 2010

This section of the Barrow County, Georgia, annual financial report presents a narrative overview and an analysis of the financial activities of the Barrow County Board of Commissioners for the fiscal year ended SEPTEMBER 30, 2010. Management encourages readers to consider the information presented here in conjunction with the basic financial statements to enhance their understanding of the County's financial performance.

Financial Highlights

- The assets of Barrow County exceeded its liabilities at SEPTEMBER 30, 2010 by $74,579,805 (net assets). Of this amount, $4,386,036 (unrestricted net assets) may be used to meet the County's ongoing obligations to citizens and creditors. As of September30, 2010, Barrow County's governmental funds reported combined ending fund balances of $22,667,825, an increase of $1,030,620 or 4.67 % from the previous fiscal year. The majority of this increase was due to the various departments watching their spending.
- The General Fund reported an unreserved fund balance of $4,292,956 or 13.20% of total General Fund expenditures. Based on FY2010 general fund expenditures, the County's reserve balance will cover 1.61 months of General Fund operating expenditures.
- The net change in the General Fund balance for this fiscal year is a decrease of $408,193.

Overview of the Financial Statements

This discussion and analysis is intended to serve as introduction to the County's basic financial statements. These basic statements consist of three sections: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other information supplementary to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements provide both long-term and short-term information about the County's overall financial status. These statements use a format similar to a private-sector business. They include a Statement of Net Assets and a Statement of Activities, which appear on pages 18 and 19 of this report.

The Statement of Net Assets presents information on the County's assets and liabilities. Net Assets, the difference between these assets and liabilities, is a useful way to measure the County's financial health.

The Statement of Activities presents information showing how the County's net assets changed during this current fiscal year. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid. This statement separates program revenue (charges for services, grants, and contributions) from general revenue (including taxes) which shows the extent each program must rely on taxes for funding.

The Statement of Net Assets and the Statement of Activities for the County are divided into three categories:

- Governmental Activities – These activities are comprised of functions of the County which are primarily financed by taxes and intergovernmental revenues. Examples include judicial, public safety, public works, health and welfare, culture and recreation, housing and development and general government.

- Business-Type Activities – The County charges fees to cover the services it provides. These activities include stormwater and water and sewer services.

- Component Units – The County's statements include three component units for which the County is financially responsible: the Board of Health, Barrow County Airport Authority, and the Barrow County Water and Sewerage Authority. These component units are separately identified within the statements to show they are legally separate from the County.

Fund Financial Statements

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. A fund is a grouping of related accounts used to maintain control over resources which have been segregated for specific activities or objectives. Barrow County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of Barrow County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, this set of financial statements focuses on events which produce near term inflows and outflows of spendable resources as well as on the balances of spendable resources available at the end of the fiscal year. The fund statements also have a narrower focus than the government-wide financial statements.

By comparing functions between the two sets of statements for governmental funds and governmental activities, 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.

Barrow County's statements present two individual major funds: General Fund and the Special Local Option Sales Tax (SPLOST) Fund. Individually, Emergency 911, Confiscated Assets, Law Library, the Commissary, and the Revolving Loan special revenue funds are included in the form of Combining Statements and Individual Fund Statements and Schedules located in the supplementary information section following the notes to the financial statements.

Barrow County adopted an annual appropriated budget for the General Fund, Emergency 911, Confiscated Assets, Commissary and Law Library. A budgetary comparison statement is provided in order to present budgetary compliance. Major fund comparison statements can be found in the basic financial statements, while all non-major fund variances follow the notes to the financial statements. The basic governmental fund statements can be found on pages 18 through 23 of this report.

Proprietary funds – The financial statements of Barrow County include the Sewerage Treatment Fund and the Water Transmission Fund as major proprietary funds. Proprietary fund statements follow the governmental fund statements in this report. Stormwater fund has been reclassified from a nonmajor governmental fund to a nonmajor proprietary fund. The County prepares budgetary estimates for the enterprise funds. The budgetary estimates, upon which such budgets are adopted, are retained in memorandum form for budget control purpose and are utilized in the preparation of comparative operating statements. Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail, since both apply the accrual basis of accounting. The basic proprietary fund financial statements are found on pages 24 through 27 of this report.

Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements are found on page 28 of this report.

Notes to the financial statements – The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are found on pages 29 through 50 of this report.

Other information – In addition to the basic financial statements and notes, this report also includes certain supplementary information.

Combining statements and schedules referred to earlier, which present more detailed views, are found on pages 57 through 72 of this report.

Government-wide Financial Analysis

As noted earlier, changes in net assets over time can be a useful indicator of a government's financial position. At the end of fiscal year ending SEPTEMBER 30, 2010, the County's assets for governmental activities exceeded liabilities by $74,579,805.

Table 1

	Governmental Activities		Business Activities		Total		Percentage of Total	
	2010	2009	2010	2009	2010	2009	2010	2009
Assets:								
Current and other assets	$ 50,239,099	$ 54,722,799	$ 26,007,936	$ 28,237,723	$ 76,247,035	$ 82,960,522	35%	38%
Capital assets	110,948,645	108,981,950	28,666,520	28,209,059	139,615,165	137,191,009	65%	62%
Total assets	161,187,744	163,704,749	54,674,456	56,446,782	215,862,200	220,151,531	100%	100%
Liabilities:								
Current liabilities	3,400,417	7,413,290	646,809	1,418,195	4,047,226	8,831,485	4%	8%
Long-term liabilities	83,207,522	81,962,800	24,488,704	24,481,448	107,696,226	106,444,248	96%	92%
Total liabilities	86,607,939	89,376,090	25,135,513	25,899,643	111,743,452	115,275,733	100%	100%
Net assets:								
Investment in capital assets, net of debt	52,560,792	52,116,715	28,666,520	28,209,059	81,227,312	80,325,774	78%	77%
Restricted	17,632,977	16,344,560	-	-	17,632,977	16,344,560	17%	16%
Unrestricted	4,386,036	5,867,384	872,423	2,338,080	5,258,459	8,205,464	5%	8%
Total net assets	$ 74,579,805	$ 74,328,659	$ 29,538,943	$ 30,547,139	$ 104,118,748	$ 104,875,798	100%	100%

As illustrated in Table 1, the County's assets for business activities exceeded liabilities by $29,538,943 bringing the total primary government net assets to $104,118,748.

Of the $104,118,748 in net assets, Barrow County's investment in capital assets (e.g., land, buildings, machinery and equipment), less any outstanding related debt used to acquire the assets and accumulated depreciation, equals 78.01% of net assets. The County uses these capital assets to provide services to citizens and consequently these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the assets themselves cannot be used to liquidate these liabilities. Barrow County's net assets also include restricted net assets in the amount of $17,632,977 which is restricted for capital improvements only. Restricted net assets account for 16.94% of total net assets. Finally, unrestricted net assets of $5,258,459, or 5.05% of total net assets, may be used to meet the County's ongoing obligations to citizens and creditors. At the end of the current fiscal year, Barrow County reported positive balances in all categories of net assets.

Table 2

	Governmental Activities 2010	Governmental Activities 2009	Business-type Activities 2010	Business-type Activities 2009	Total 2010	Total 2009
Revenues:						
Program revenues						
Charges for services	$ 8,375,268	$ 8,113,409	$ 2,603,882	$ 2,490,402	$ 10,979,150	$ 10,603,811
Operationg Grants and Contributions	363,731	268,502	80,251	-	443,982	268,502
Capital Grants and Contributions	1,934,789	34,386	726,993	1,317,910	2,661,782	1,352,296
General revenues:						
Taxes:						
Property Taxes	15,192,798	14,457,124	-	-	15,192,798	14,457,124
Alcoholic beverage taxes	247,076	239,986	-	-	247,076	239,986
Vehicle taxes	1,537,961	1,760,015	-	-	1,537,961	1,760,015
Sales taxes	12,598,996	14,730,372	-	-	12,598,996	14,730,372
Other taxes	1,818,670	2,072,426	-	-	1,818,670	2,072,426
Investment earnings	143,610	2,053,837	535	76,612	144,145	2,130,449
Miscellaneous Income	1,002,071	412,550	-	-	1,002,071	412,550
Total revenues	43,214,970	44,142,607	3,411,661	3,884,924	46,626,631	48,027,531
Expenses:						
General government	8,813,008	7,039,912	-	-	8,813,008	7,039,912
Judicial	2,837,367	2,973,306	-	-	2,837,367	2,973,306
Public safety	21,916,777	21,110,029	-	-	21,916,777	21,110,029
Public Works	3,085,370	4,382,633	-	-	3,085,370	4,382,633
Health and Welfare	687,778	787,609	-	-	687,778	787,609
Culture and recreation	915,803	1,107,317	-	-	915,803	1,107,317
Housing and community development	453,395	2,283,521	-	-	453,395	2,283,521
Interest on long-term debt	3,251,404	2,747,504	-	-	3,251,404	2,747,504
Water	-	-	2,533,416	2,629,586	2,533,416	2,629,586
Sewage Treatment	-	-	2,596,396	1,653,951	2,596,396	1,653,951
Stormwater	-	-	292,967	-	292,967	-
Total expenses	41,960,902	42,431,831	5,422,779	4,283,537	47,090,714	46,715,368
Transfers	(1,002,922)	-	1,002,922	1,472,905	-	1,472,905
Increase in net assets	251,146	237,873	(1,008,196)	1,074,291	(757,050)	1,312,163
Net assets, beginning	74,328,659	75,130,454	30,547,139	30,566,407	104,875,798	105,696,861
Net assets, end of year	$ 74,579,805	$ 75,368,327	$ 29,538,943	$ 31,640,698	$ 104,118,748	$ 74,343,235

The above Table 2 is included for the purpose of comparing government wide financial statements and business-type activities for the year ended September 30, 2010 with 2009.

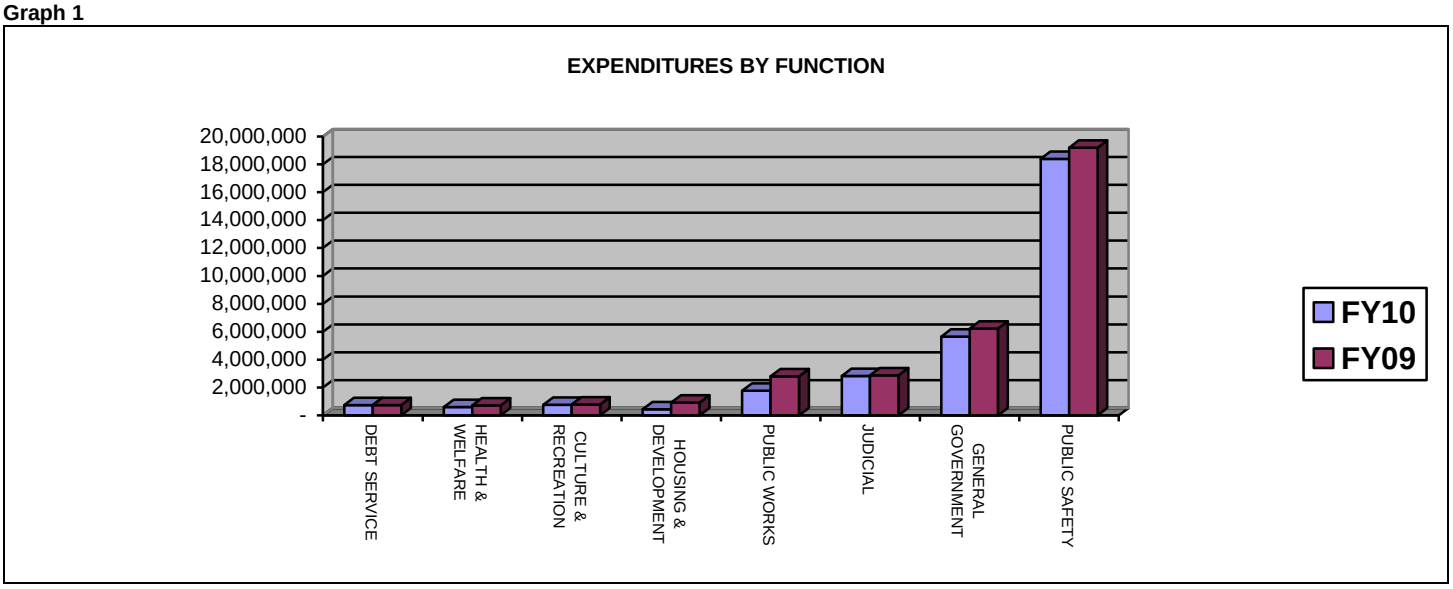
Barrow County, Georgia
Management's Discussion and Analysis
For the Year Ended September 30, 2010

Barrow County General Fund Highlights

The General Fund is the chief operating fund for the County. At SEPTEMBER 30, 2010, unreserved fund balance in the General Fund was $4,292,956. As a measure of liquidity of the General Fund, it is useful to compare unreserved fund balance to total fund expenditures. Unreserved fund balance represents 1.58 months of total General Fund expenditures.

Barrow County's General Fund expenditures totaled $32,069,732. The breakdown of expenditures by function is illustrated in the chart below. The majority of the expenses, $18,392,672 or 56.56%, was related to Public Safety.

Graph 1

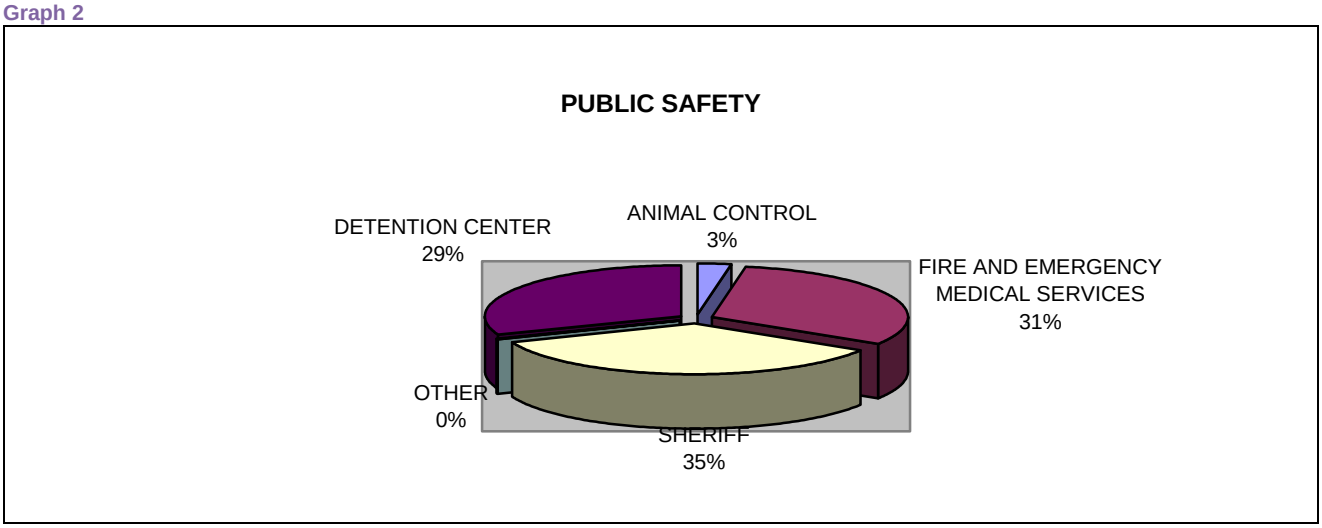


Illustrated in Graph 1 above, FY2010 expenses represent $1,510,257 or a 4.5% decrease over the previous fiscal year. FY2010 expenses totaled $32,069,732. The majority of the decrease is related to General Government, Public Safety and Public Works. None of the departments had increases in expenses.

The following data includes the breakdown of the Public Safety expenditures which represents over fifty percent of the total General Fund budget.

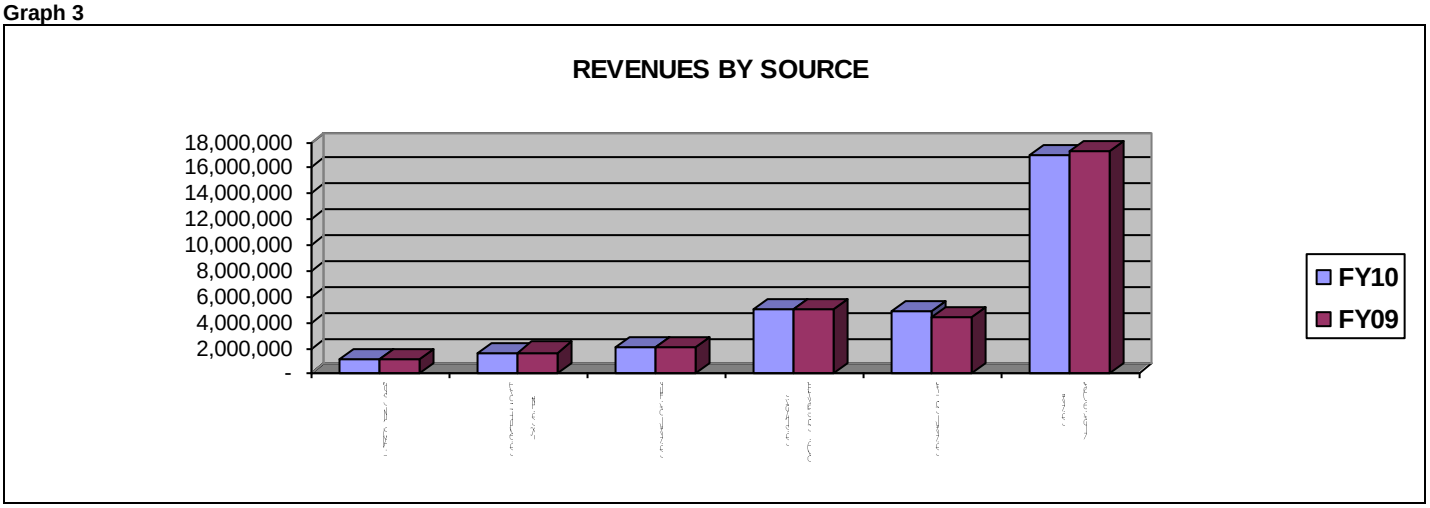
	FY2010
SHERIFF	$ 6,433,873
DETENTION CENTER	5,656,285
FIRE AND EMERGENCY MEDICAL SERVICES	5,700,421
ANIMAL CONTROL	518,229
OTHER	83,864
TOTAL	$ 18,392,672

Graph 2



Barrow County's General Fund revenues totaled $31,803,408 which represents a $34,749 decrease over the previous fiscal year. The major revenue sources are listed in the chart below. Property Tax collections accounted for $16,942,197 or 53% of total General Fund Revenues. Sales Tax collections accounted for $4,821,843 or 15% of General Fund revenues. Other revenue sources included charges for services, other taxes, fines and forfeitures, license and permits, earnings on investments, intergovernmental revenues and miscellaneous income.

Graph 3



General Fund Budgetary Highlights

Differences between the General Fund's original expenditure budget of $32,682,674 and the final amended budget of $33,244,968 amounted to $562,294 or a 1.72% increase. Because of the decline in revenues and the downturn in the economy, there were cuts in expenditure budgets in most departments. The original budget for revenues was $32,676,788; the final budget was $33,239,082. Total revenues for FY2010 were $31,803,408, a shortfall of $873,380 from the original budget and $1,435,674 from the amended budget.

General Fund Revenue Highlights

Total taxes collected by Barrow County were $23,829,786. This amount was $1,139,130 or 5% below the FY2010 budget amount. Local Option Sales Tax (LOST) revenues increased $349,763, or 8%, from the previous fiscal year. The County collected $128,157 less than anticipated in the FY2010 budget for LOST.

The County continued to experience a decline in license and permits revenue due to the related decline in the housing industry. FY2010 County permits revenue was $343,503, which represented a decrease of $52,439 from revenues in FY2009.

Inter-governmental revenues showed a negative variance of $89,495 over the revised budget. Intergovernmental revenues include state and federal grants as well as local government revenue received from surrounding counties.

Charges for services were over the revised budget by $271,504. The major component of the shortfall was in solid waste tipping fees.

Fines and forfeitures came in at $163,753 above the revised budget.

Investment income had a negative variance with the final budget of $16,744. This was a result of declining interest rates.

General Fund Position Highlights

The FY 2010 budget included 459 full-time positions. Per the Budget Ordinance, this represented the maximum employment level for such departments and agencies and could not be increased without the approval of the Chairman and Commission. The FY2010 Budget did not include any market adjustments or merit increases for the employees.

The FY2010 Budget established one new department, Fire Marshall. The following departments were merged:

MIS, Building and Grounds, Planning and Zoning, and Licenses and Permits were merged into one department called the Community and County Development.

Fleet Maintenance and Roads, and Bridges were merged into one department called Roads and Fleet Department.

Central Communications and Fire and Emergency Services were merged into one department called The Emergency Services Department.

GSI was merged into the Tax Assessor's Department.

Storm Water and Keep Barrow Beautiful were merged into one department.

For budget purposes, these departments are presented separately

General Fund Expenditure Highlights

Overall expenses for the general government were $5,652,466. Total general government expenses came in under the revised budget by $221,234 and over the original budget by $108,256. The positive variance was due mainly to measures instituted due to declining revenues.

Judicial expenses were $2,828,729. This was $197,869 below the revised budget and $37,820 below the original budget.

Public Safety expenses totaled $18,392,672 for the year. The expenditures were under the final budget by $419,907 and under the original budget by $160,162. All Public Safety departments came in under the original budget with the exception of Detention. Detention was over the original budget by $7,663, the majority of which was Prisoner Medical and Outside Prisoner Housing.

Public Works expenditures were $1,759,918. This amount was below the final budget by $130,856.

Health and Welfare expenditures were $591,718, which was $50,536 over the final budget.

Culture and Recreation expenses were $751,079, a positive variance from the final budget of $86852.

Housing and Development expenses were $438,473, which was $67,974, less than the final budget.

Debt service expenditures were $1,654,675. This was the amount budgeted for repayment of the capital lease and interest on the Industrial Building Authority debt.

Other financing sources (uses) totaled ($141,869) for the year. This included sale of fixed assets of $302,245, transfers in from Sewer Fund of $4,406 and transfers out to E-911 of $448,520.

Expenditures for the General Fund were below the original budget by $612,942 and below the revised budget by $1,175,236. This represents a 1.88% variance from the original budget.

General Fund Summary

At the end of FY2010, General Fund reserves were $4,292,956. The budgeted level of reserves at the end of FY2010 was $4,707,149. The actual impact on reserves for the year was $(408,193), which resulted in a year end reserve balance of $4,292,956 or 1.58 months. Declining revenues due to the downturn in the economy was the most significant factor affecting this increase in the use of reserves.

Financial Analysis of the Other County's Funds

Governmental funds – Governmental funds provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in assessing Barrow County's financing requirements. Unreserved fund balance is a useful measure of the County's net resources available for spending at the end of the fiscal year.

As of September 30, 2010, Barrow County's governmental funds reported combined ending fund balances of $22,667,825. Approximately 22%, $5,034,848 is made up of unreserved fund balance, which is available for spending at the County's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed.

The Capital Projects (SPLOST) fund has a total fund balance of $17,632,977. Current year total SPLOST revenues from taxes totaled $7,777,153. The major SPLOST projects for FY2010 were: the new E911 and Fire Training Facility, and the new Animal Control building. The new E911 and the new Animal Control building opened in FY2010.The Fire Training Center is on hold for now. With regard to renovations to the old courthouse facilities, focus in FY2010 was on the Historical Courthouse dome. It is projected to take Barrow County through FY2012 to fully complete this project."

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

The Sewerage Treatment fund had operating revenue in the amount of $917,725 for FY2010, an increase of $462,529 from FY2009. Operating expenses were $2,384,754. The Sewerage Treatment fund had an operating loss for the year of $1,467,029
.
The Water Transmission fund had operating revenue in the amount of $1,328,692 for FY2010, and operating expenses of $1,807,031. The Water fund had an operating loss of 478,339 for the year. Transfers in from SPLOST were used for the debt payment obligation on the Bear Creek Reservoir. The Water Fund had a decrease in net assets for the year of $910,619. The stormwater fund has been reclassified from being a governmental fund to an enterprise fund. The stormwater fund had operating revenue of 437,716 and operating expenses of $144,749. Change in net assets for the stormwater fund was $148,709.

Capital Assets and Debt Administration

BARROW COUNTY'S CAPITAL ASSETS AT YEAR-END
(net of depreciation)
Fiscal Years 2010 and 2009

	Governmental activities		Business-type activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
Land	$ 5,221,704	$ 5,568,428	$ 1,163,203	$ 1,163,203	$ 6,384,907	$ 6,731,631
Buildings and system	62,618,703	62,102,319	8,558,870	8,775,240	71,177,573	70,877,559
Improvements other than buildings	2,668,228	925,251	26,754	34,756	2,694,982	960,007
Machinery and equipment	4,563,067	5,404,745	117,463	140,267	4,680,530	5,545,012
Infrastructure	29,210,607	27,845,830	17,669,327	17,153,131	46,879,934	44,998,961
Construction in progress	6,666,336	7,135,377	1,130,903	942,462	7,797,239	8,077,839
Total	$ 110,948,645	$ 108,981,950	$ 28,666,520	$ 28,209,059	$ 139,615,165	$ 137,191,009

Capital Assets – Barrow County's investment in capital assets as of SEPTEMBER 30, 2010, for the primary government amounts to $110,948,645, net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, vehicles, machinery and equipment, and infrastructure.

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

- Completion of Hwy 316/53 Gravity Sewer – Phase I
- Completion of Animal Control Facility With Purchase of New Kennels
- Purchase of New Med Unit
- 2010 LARP Roadway Patching
- Completion of Barrow Park Drive
- Pavement Widening & Overlay for Turn Lanes @ S.R. 211 & Barrow Park Drive

Additional information regarding the County's capital assets can be found in the Notes to the Basic Financial Statements

BARROW COUNTY'S OUTSTANDING DEBT
General Obligation and Revenue Bonds
Fiscal Years 2010 and 2009

	Governmental activities		Business-type activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
Revenue bonds and capital leases	$ 52,990,066	$ 55,090,287	$ -	$ -	$ 52,990,066	$ 55,090,287
Certificates of participation	826,752	987,206	19,901,949	20,677,100	20,728,701	21,664,306
Other Revenue Debt	27,225,000	27,860,000	4,579,500	4,579,500	31,804,500	32,439,500
Total	$ 81,041,818	$ 83,937,493	$ 24,481,449	$ 25,256,600	$ 105,523,267	$ 109,194,093

Long-Term and Short Term Debt – At the end of the current fiscal year, Barrow County (excluding component units) has total bonded debt outstanding of $52,990,066. This amount represents the balance of the General Obligation Sales Tax Bond issuance. Additional County debt includes the following:

- Capital Lease Debt outstanding - $826,752.
- Compensated Absences - $1,262,455.
- Contracts Payable – Bear Creek Reservoir and City of Winder - $24,481,448
- Contracts Payable- Joint Development Authority and Industrial Building Authority - $27,225,000.

The above debt does not include any long-term or short-term debt related to the component units listed on the Barrow County Government-Wide Financial Statements. The component units include the Barrow County Board of Health, Barrow County Water and Sewerage Authority and the Barrow County Airport Authority.

Additional information on the County's debt can be found in the Notes to the Basic Financial Statements.

Other Matters

The following factors are expected to have a significant effect on the County's financial position or results of operations and were taken into account in developing the FY2011 budget.

- As a result of the declining economy, the Fiscal Year 2011General Fund Budget was $1,203,343 lower than the Fiscal Year 2010. The budget for taxes was reduced by $1,264,862, 5% decrease compared to Fiscal Year 2010. Charges for Services, Fines and Forfeitures and intergovernmental revenue budgets were increased by $564,134, 8.55% increase compared to Fiscal Year 2010.
- The Fiscal Year 2011 budget included $42,028 to be added to Reserve.
- $414,326 was budgeted from reserves in order to balance the budget.
- Due to the recent economic downturn, there were no new positions added and the County did not include any merit or cost of living increases for County employees.

Requests for Information

The financial report is designed to provide a general overview of Barrow County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Chief Financial Officer, Barrow County Financial Administration, 233 East Broad Street, Winder, GA 30680.

BASIC

FINANCIAL STATEMENTS

BARROW COUNTY, GEORGIA
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2010

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Board of Health	Barrow County Airport Authority	Barrow County Water and Sewer Authority
ASSETS						
Cash and cash equivalents	$ 12,404,026	$ 768,150	$ 13,172,176	$ 731,809	$ 222,243	$ 1,246,221
Investments	8,122,442	-	8,122,442	-	-	4,651,915
Taxes receivable	2,191,279	-	2,191,279	-	-	-
Accounts receivable	537,707	220,492	758,199	131,443	1,836	288,463
Interest receivable	1,944	-	1,944	-	-	-
Due from other governments	325,150	32,997	358,147	-	-	-
Due from component unit	108,216	281,852	390,068	-	-	-
Internal balances	533,025	(533,025)	-	-	-	-
Prepaid items	158,669	-	158,669	-	-	5,253
Inventory	49,989	-	49,989	-	-	-
Other assets	2,613,357	-	2,613,357	-	-	-
Restricted assets:						
Cash and cash equivalents	-	-	-	-	-	1,038,869
Deferred charges	2,020,017	-	2,020,017	-	-	229,785
Capital assets (non-depreciable)	11,888,040	2,294,106	14,182,146	-	3,446,270	1,074,636
Capital assets (net of accumulated depreciation)	99,060,605	26,372,414	125,433,019	4,678	3,752,714	14,229,188
Other noncurrent assets	21,173,278	25,237,470	46,410,748	-	-	-
Total assets	161,187,744	54,674,456	215,862,200	867,930	7,423,063	22,764,330
LIABILITIES						
Accounts payable	705,828	213,338	919,166	4,311	13,917	71,994
Salaries and wages payable	669,860	11,971	681,831	-	-	-
Accrued liabilities	344,865	-	344,865	-	-	9,581
Due to other funds -primary government	-	-	-	-	47,053	343,015
Other liabilities	451,278	-	451,278			
Net OPEB obligation	449,834	-	449,834	-	-	
Accrued interest payable	1,682,001	-	1,682,001	-	-	72,312
Capital leases due within one year	608,912	-	608,912	-	-	-
Capital leases due in more than one year	217,840	-	217,840	-	-	-
Bonds payable due within one year	2,075,000	-	2,075,000	-	-	605,000
Bonds payable due in more than one year (net of unamortized premiums)	50,915,066	-	50,915,066	-	-	10,335,000
Compensated absences due within one yr	1,009,964	20,204	1,030,168	13,025	6,387	21,089
Compensated absences due in more than one year	252,491	5,052	257,543	46,293	1,597	5,272
Deferred revenue	-	403,500	403,500	-	8,529	-
Contracts payable due within one year	355,000	801,501	1,156,501		-	
Contracts payable due in more than one year	26,870,000	23,679,947	50,549,947	-	-	-
Total liabilities	86,607,939	25,135,513	111,743,452	63,629	77,483	11,463,263
NET ASSETS						
Investment in capital assets, net of related debt	52,560,792	28,666,520	81,227,312	4,678	7,198,984	4,363,824
Restricted for:						
Debt service	-	-	-	-	-	677,311
Capital improvements	17,632,977	-	17,632,977	-	-	-
Grants	-	-	-	333,240	-	-
Unrestricted	4,386,036	872,423	5,258,459	466,383	146,596	6,259,932
Total net assets	$ 74,579,805	$ 29,538,943	$ 104,118,748	$ 804,301	$ 7,345,580	$ 11,301,067

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

BARROW COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets					
					Primary Government			Component Units		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**	**Board of Health**	**Barrow County Airport Auth**	**Barrow County Water and Sewer Authority**
Primary government:										
Governmental activities:										
General government	$ 8,813,008	$ 1,967,868	$ -	$ 1,921,152	$ (4,923,988)	$ -	$ (4,923,988)	$ -	$ -	$ -
Judicial	2,837,367	2,727,946	59,690	-	(49,731)	-	(49,731)	-	-	-
Public safety	21,916,777	2,772,503	144,713	-	(18,999,561)	-	(18,999,561)	-	-	-
Public works	3,085,370	-	-	13,637	(3,071,733)	-	(3,071,733)	-	-	-
Health and welfare	687,778	-	159,328	-	(528,450)	-	(528,450)	-	-	-
Culture and recreation	915,803	206,620	-	-	(709,183)	-	(709,183)	-	-	-
Housing and development	453,395	700,331	-	-	246,936	-	246,936	-	-	-
Interest on long-term debt	3,251,404	-	-	-	(3,251,404)	-	(3,251,404)	-	-	-
Total governmental activities	41,960,902	8,375,268	363,731	1,934,789	(31,287,114)	-	(31,287,114)	-	-	-
Business-type activities:										
Sewerage treatment	2,533,416	837,474	80,251	726,993	-	(888,698)	(888,698)	-	-	-
Water	2,596,396	1,328,692	-	-	-	(1,267,704)	(1,267,704)	-	-	-
Stormwater	292,967	437,716	-	-	-	144,749	144,749	-	-	-
Total business-type activities	5,422,779	2,603,882	80,251	726,993	-	(2,011,653)	(2,011,653)	-	-	-
Total primary government	$ 47,383,681	$ 10,979,150	$ 443,982	$ 2,661,782	$ (31,287,114)	$ (2,011,653)	$ (33,298,767)	$ -	$ -	$ -
Component units:										
Board of Health	$ 913,981	$ 332,013	$ 674,297	$ -	$ -	$ -	$ -	$ 92,329	$ -	$ -
Barrow County Airport Authority	573,022	325,813	-	-	-	-	-	-	(247,209)	-
Barrow County Water and Sewerage Authority	2,217,900	2,443,720	870,154	-	-	-	-	-	-	1,095,974
Total component units	$ 3,704,903	$ 3,101,546	$ 1,544,451	$ -	$ -	$ -	$ -	$ 92,329	$ (247,209)	$ 1,095,974
General Revenues:										
Property taxes					15,192,798	-	15,192,798	-	-	-
Alcoholic beverage taxes					247,076	-	247,076	-	-	-
Vehicle taxes					1,537,961	-	1,537,961	-	-	-
Sales taxes					12,598,996	-	12,598,996	-	-	-
Franchise taxes					243,729	-	243,729	-	-	-
Other taxes					1,574,941	-	1,574,941	-	-	-
Unrestricted investment earnings					143,610	535	144,145	1,226	1,486	10,097
Miscellaneous					699,826	-	699,826	-	-	-
Sale of assets					302,245	-	302,245	-	-	1,156
Transfers					(1,002,922)	1,002,922	-	-	-	-
Total general revenues and transfers					31,538,260	1,003,457	32,541,717	1,226	1,486	11,253
Change in net assets					251,146	(1,008,196)	(757,050)	93,555	(245,723)	1,107,227
Net assets, beginning of year					74,328,659	30,547,139	104,875,798	710,746	7,591,303	10,193,840
Net assets, end of the year					$ 74,579,805	$ 29,538,943	$ 104,118,748	$ 804,301	$ 7,345,580	$ 11,301,067

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

BARROW COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2010

ASSETS	General	Capital Projects SPLOST	Other Governmental Funds	Total Governmental Funds
Cash and cash equivalents	$ 1,700,783	$ 10,258,443	$ 444,800	$ 12,404,026
Investments	1,271,903	6,850,539	-	8,122,442
Receivables:				
Taxes	1,558,144	633,135	-	2,191,279
Accounts	537,324	-	383	537,707
Interest	1,944	-	-	1,944
Due from other governments	325,150	-	-	325,150
Due from other funds	533,025	37,508	215,647	786,180
Due from component unit	108,216	-	-	108,216
Inventory	49,989	-	-	49,989
Prepaid items	155,586	-	3,083	158,669
Other assets	451,278	-	210,156	661,434
Total assets	$ 6,693,342	$ 17,779,625	$ 874,069	$ 25,347,036
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 451,403	$ 146,648	$ 107,777	$ 705,828
Salaries and wages payable	645,460	-	24,400	669,860
Accrued liabilities	344,865	-	-	344,865
Due to other funds	253,155	-	-	253,155
Deferred revenue	705,503	-	-	705,503
Total liabilities	2,400,386	146,648	132,177	2,679,211
FUND BALANCES				
Fund balances:				
Reserved for:				
Capital improvements	-	17,632,977	-	17,632,977
Unreserved, reported in:				
General fund, undesignated	4,292,956	-	-	4,292,956
Special revenue funds, undesignated	-	-	741,892	741,892
Total fund balances	4,292,956	17,632,977	741,892	22,667,825
Total liabilities and fund balances	$ 6,693,342	$ 17,779,625	$ 874,069	

Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets and other assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	110,948,645
Other long-term assets are not available to pay for current-period expenditures, therefore, are deferred in the funds.	705,503
Net pension asset that is not a financial resource used in governmental activities and therefore, not reported in governmental funds.	539,330
Other long-term assets that are not a financial resource used in governmental activities and, therefore, not reported in governmental funds.	22,134,593
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	(82,416,091)
Net assets of governmental activities	$ 74,579,805

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

BARROW COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	General	Capital Projects SPLOST	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	$ 23,829,786	$ 7,777,153	$ -	$ 31,606,939
Licenses and permits	343,503	-	-	343,503
Intergovernmental	39,477	13,637	-	53,114
Grant income	363,731	-	-	363,731
Charges for services	5,081,495	-	1,096,350	6,177,845
Fines and forfeitures	1,678,018	-	175,902	1,853,920
Investment income	58,636	83,251	1,723	143,610
Miscellaneous revenue	408,762	-	251,587	660,349
Total revenues	31,803,408	7,874,041	1,525,562	41,203,011
EXPENDITURES				
Current:				
General government	5,652,466	3,416	393	5,656,275
Judicial	2,828,729	-	4,124	2,832,853
Public safety	18,392,672	-	1,519,009	19,911,681
Public works	1,759,918	-	-	1,759,918
Health and welfare	591,718	-	-	591,718
Culture and recreation	751,079	-	-	751,079
Housing and development	438,473	-	-	438,473
Intergovernmental- Pmt to other agencies	-	568,082	-	568,082
Capital outlay	-	2,281,372	9,585	2,290,957
Debt service:				
Principal	708,621	2,181,469	63,106	2,953,196
Interest	946,056	2,500,349	3,344	3,449,749
Total expenditures	32,069,732	7,534,688	1,599,561	41,203,981
Excess (deficiency) of revenues over (under) expenditures	(266,324)	339,353	(73,999)	(970)
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	302,245	-	-	302,245
Transfers in	4,406	-	448,520	452,926
Transfers out	(448,520)	(356,942)	(224,124)	(1,029,586)
Total other financing sources (uses)	(141,869)	(356,942)	224,396	(274,415)
Net change in fund balances	(408,193)	(17,589)	150,397	(275,385)
FUND BALANCE, beginning of year	4,701,149	16,344,560	591,496	21,637,205
Prior period adjustment		1,306,006		
FUND BALANCE, end of year	$ 4,292,956	$ 17,632,977	$ 741,893	$ 22,667,826

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

BARROW COUNTY, GEORGIA

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES WITH THE STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

Net change in fund balances - total governmental funds (page 21)	$ (275,385)
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the in statement of net assets and allocated over their estimated lives as annual depreciation expenses in the statement of activities.	
Capital outlays	2,290,957
Depreciation expense	(3,966,422)
Capital assets transferred to enterprise funds	(426,262)
Capital assets adjustments	1,958,439
Donated assets from developers	1,921,152
Changes in net pension assets increase or decrease net assets of governmental activities but do not affect governmental funds as they are not current financial resources	84,892
Changes in revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds	(211,438)
Expenses for compensated absences are reported for governmental activities but do not require the use of current financial resources, thereforethere are not reported as expenditures for governmental funds	(113,601)
The issuance of long-term debt, (e.g. bonds, leases), provide current financial resources to governmental funds, while the repayment of the principal consumes the current financial resources of governmental funds. Neither transactions, however, has an effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, wheres these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:	
Principal paid in FY2010	3,104,767
Fiscal Year 2009 accrued interest that was paid in Fiscal Year 2010	1,728,775
Fiscal Year 2010accrued interest that was paid in Fiscal Year 2011	(1,682,001)
2009 IBA and JDA fund balances	(4,162,727)
Change in net assets of government-wide activities	$ 251,146

The accompanying notes are an integral part of these financial statements

BARROW COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET(GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Original	Final	Actual Amounts	Variance Positive (Negative)
REVENUES				
Taxes	$ 24,968,916	$ 24,968,916	$ 23,829,786	$ (1,139,130)
Licenses and permits	372,745	372,745	343,503	(29,242)
Intergovernmental	290,706	492,703	403,208	(89,495)
Charges for services	4,794,991	4,809,991	5,081,495	271,504
Fines and forfeitures	1,514,265	1,514,265	1,678,018	163,753
Investment income	75,380	75,380	58,636	(16,744)
Miscellaneous revenue	659,785	1,005,082	408,762	(596,320)
Total revenues	32,676,788	33,239,082	31,803,408	(1,435,674)
EXPENDITURES				
General government	5,544,210	5,873,700	5,652,466	221,234
Judicial	2,866,549	3,026,598	2,828,729	197,869
Public safety	18,552,834	18,812,579	18,392,672	419,907
Public works	2,077,774	1,890,774	1,759,918	130,856
Health and welfare	642,254	642,254	591,718	50,536
Culture and recreation	837,931	837,931	751,079	86,852
Housing and development	506,447	506,447	438,473	67,974
Debt service	1,654,675	1,654,685	1,654,677	8
Total expenditures	32,682,674	33,244,968	32,069,732	1,175,236
Excess (deficiency) of revenues over (under) expenditures	(5,886)	(5,886)	(266,324)	(260,438)
Other financing sources (uses)				
Sale of capital assets	450,000	450,000	302,245	(147,755)
Transfers in	4,406	4,406	4,406	-
Transfers out	(448,520)	(448,520)	(448,520)	-
Total other financing sources	5,886	5,886	(141,869)	(147,755)
Net change in fund balance	-	-	(408,193)	(408,193)
Fund balance, beginning of year	4,701,149	4,701,149	4,701,149	
Fund balance, end of year	$ 4,701,149	$ 4,701,149	$ 4,292,956	$ (408,193)

The accompanying notes are an integral part of these financial statements

BARROW COUNTY, GEORGIA
STATEMENT OF FUND NET ASSETS
PROPRIETARY FUNDS
SEPTEMBER 30, 2010

	Business-type Activities - Enterprise Funds			
	Sewerage Treatment Fund	Water Fund	Other Enterprise Fund	Total
Assets:				
Current assets:				
Cash and cash equivalents	$ 195,014	$ 189,855	$ 383,281	$ 768,150
Accounts receivable, net of allowances	111,124	109,368	-	220,492
Due from other funds	-	-	-	-
Due from component unit	166,842	115,010	-	281,852
Due from other governments	32,997	-	-	32,997
Total current assets	505,977	414,233	383,281	1,303,491
Noncurrent assets:				
Capital assets:				
Land	1,055,300	107,902	-	1,163,202
Buildings	10,134,805	-	-	10,134,805
Infrustructure	11,015,649	9,590,247	-	20,605,896
Site improvements	240,502	-	-	240,502
Machinery and equipment	318,795	56,265	43,336	418,396
Construction in progress	1,130,904	-	-	1,130,904
Total capital assets	23,895,955	9,754,414	43,336	33,693,705
Less accumulated depreciation	(3,525,671)	(1,462,138)	(39,376)	(5,027,185)
Other assets	8,308,000	16,929,470	-	25,237,470
Total noncurrent assets	28,678,284	25,221,746	3,960	53,903,990
Total assets	29,184,261	25,635,979	387,241	55,207,481
Liabilities:				
Current liabilities:				
Accounts payable	11,812	201,392	134	213,338
Salaries and wages payable	5,447	1,324	5,200	11,971
Due to other funds	121,396	411,629	-	533,025
Notes payable, current portion	-	-	-	-
Accrued interest payable	-	-	-	-
Compensated absences payable	12,050	895	7,259	20,204
Deferred revenue	403,500	-	-	403,500
Contract payable	143,025	658,476	-	801,501
Total current liabilities	697,230	1,273,716	12,593	1,983,539
Long-term liabilities:				
Compensated absences payable	3,013	224	1,815	5,052
Contract payable	7,872,771	15,807,176	-	23,679,947
Total long-term liabilities	7,875,784	15,807,400	1,815	23,684,999
Total liabilities	8,573,014	17,081,116	14,408	25,668,538
Net assets:				
Invested in capital assets	20,370,284	8,292,276	3,960	28,666,520
Restricted for debt service	-	-	-	-
Unrestricted	240,963	262,587	368,873	872,423
Total net assets	$ 20,611,247	$ 8,554,863	$ 372,833	$ 29,538,943

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

BARROW COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Sewerage Treatment Fund	Water Fund	Other Enterprise Fund	Totals
Operating revenues:				
Charges for services	$ 837,474	$ 1,328,692	$ 437,716	$ 2,603,882
Sewer sales	-	-	-	-
Intergovernmental	80,251	-	-	80,251
Other fees and charges	-	-	-	-
Total operating revenues	917,725	1,328,692	437,716	2,684,133
Operating expenses:				
Personnel costs	209,691	53,322	211,520	474,533
Contracted services	-	501,403	-	501,403
Professional and technical services	158,660	-	5,188	163,848
Supplies	23,029	5,572	5,901	34,502
Other operating expenses	1,007,008	504,677	70,358	1,582,043
Depreciation	490,366	205,427	-	695,793
Amortization	496,000	536,630	-	1,032,630
Total operating expenses	2,384,754	1,807,031	292,967	4,484,752
Operating income (loss)	(1,467,029)	(478,339)	144,749	(1,800,619)
Nonoperating income (expenses)				
Interest income	392	143	-	535
Interest expense	(148,662)	(789,365)	-	(938,027)
Total nonoperating income (expenses)	(148,270)	(789,222)	-	(937,492)
Income (loss) before contributions and transfers	(1,615,299)	(1,267,561)	144,749	(2,738,111)
Capital contributions - from developers	726,993	-	-	726,993
Capital contributions - from other funds	422,302	-	3,960	426,262
Transfers in	-	356,942	224,124	581,066
Transfers out	(4,406)	-	-	(4,406)
Change in net assets	(470,410)	(910,619)	372,833	(1,008,196)
Net assets, beginning	21,081,657	9,465,482	-	30,547,139
Net assets, ending	$ 20,611,247	$ 8,554,863	$ 372,833	$ 29,538,943

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

BARROW COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Business-type Activities - Enterprise Funds			
	Sewerage Treatment Fund	Water Fund	Other Enterprise Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	$ 848,087	$ 1,209,869	$ 437,716	$ 2,495,672
Payments to employees	(211,895)	(52,397)	(197,246)	(461,538)
Payments to supplies for goods and services provided	(1,318,856)	(453,936)	(81,313)	(1,854,105)
Net cash provided by operating activities	(682,664)	703,536	159,157	180,029
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfer to other funds	(4,406)	-	-	(4,406)
Transfer from other funds	-	356,942	224,124	581,066
Net cash provided by (used in) noncapital financing activities	(4,406)	356,942	224,124	576,660
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal payments on contracts payable	(143,025)	(658,476)	-	(801,501)
Interest payments on long-term borrowings	(148,662)	(789,365)	-	(938,027)
Net cash used in capital and related financing activities	(291,687)	(1,447,841)	-	(1,739,528)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	392	143	-	535
Net cash provided by investing activities	392	143	-	535
Net increase (decrease) in cash and cash equivalents	(975,352)	(387,921)	383,281	(982,304)
Cash and cash equivalents, beginning of year	1,170,365	577,776	-	1,748,141
Cash and cash equivalents, end of year	$ 195,013	$ 189,855	$ 383,281	$ 768,149

(Continued)

BARROW COUNTY, GEORGIA
STATEMENT OF CASH FLOWS - CONTINUED
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

		Business-type Activities - Enterprise Funds		
	Sewerage Treatment Fund	Water Fund	Stormwater Fund	Total
Reconciliation of operating income (loss) to net cash provided in operating activities:				
Operating income (loss)	$ (1,467,029)	$ (478,339)	$ 144,749	$ (1,800,619)
Adjustments to reconcile net operating income (loss) to net cash provided by operating activities:				
Depreciation	490,366	205,427	-	$ 695,793
Amortization	496,000	536,630	-	1,032,630
Decrease (increase) in accounts receivable	(197,035)	(117,898)	-	(314,933)
Increase (decrease) in accounts payable	121,796	557,716	14,408	693,920
Decrease (increase) in deferred revenue	(126,761)	-	-	(126,761)
Net cash used in operating activities	$ (682,663)	$ 703,536	$ 159,157	$ 180,030
Noncash capital financing activities:				
Capital assets acquired through contributions from other funds	$ 1,149,295	$ -	$ 3,960	$ 1,153,255

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

BARROW COUNTY, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - FIDUCIARY FUNDS
SEPTEMBER 30, 2010

	Agency Funds
ASSETS	
Cash	$ 1,707,710
Taxes receivables	4,492,407
Total assets	$ 6,200,117
LIABILITIES	
Due to others	$ 6,200,117
Total liabilities	$ 6,200,117

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Barrow County, Georgia (the "County") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governments. The Governmental Accounting Standards Board (the "GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

A. Reporting Entity

The County operates under a County Commission form of government. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of Barrow County, Georgia (the "primary government") and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationship with the County. In conformity with generally accepted accounting principles, as set forth in Governmental Accounting Standards Board Statement No. 14, the financial statements of the component units are discretely presented in the financial statements.

The Barrow County Board of Health (the "Board of Health") provides various health services for the citizens of Barrow County under a contract with the Georgia Department of Human Resources (DHR). The Health Department receives financial support from Barrow County, Georgia, the State of Georgia and the Federal Government. The County Commission appoints a majority of the Board of Directors. The presentation of the Board of Health's financial information was taken from its audited financial report at June 30, 2010. Separate financial statements for the Barrow County Board of Health can be obtained at the Barrow County Health Department, 233 E. Broad Street, Suite A, Winder, Georgia 30680.

The Barrow County Airport Authority (the "Airport Authority") operates as a separate statutory authority comprised of a seven-member board that oversees the operations of the airport. The Airport Authority is dependent upon the County for funding, and its board is appointed by the County Commissioners. Separate financial statements are not prepared for the Airport Authority.

The Barrow County Water and Sewerage Authority (the "Water Authority") operates as a separate statutory authority comprised of a seven-member board that oversees the operations of the Water Authority. The board is appointed by the County Commissioners and as of October 1, 2004, Barrow County began providing services related to management of the Water Authority's water system after the Water Authority's contract with Jones and Goulding, Inc. was not renewed during FY2004. Separate financial statements are prepared for the Water Authority and can be obtained at the Barrow County Water and Sewerage Authority, 106 Lanthier Street, Winder, Georgia 30680.

B. Government-wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment.

Program revenues include 1) charges to those 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, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide 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 are the proprietary fund and the fiduciary fund financial statements. Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period. 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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, sales taxes, intergovernmental grants, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds

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

The ***capital projects SPLOST fund*** accounts for the financial resources provided from the 2005 General Obligation Sales Tax Bonds and the 2001 and 2005 one percent Special Purpose Local Option Sales Tax. Such resources are to be used for roads, streets, and bridges, recreational facilities, Bear Creek debt payments, water projects, and sewer lines. The 2005 SPLOST will be used for roads, Bear Creek debt payments, new Criminal Justice Facility, Animal Control Facility, Cultural Arts Facility, E911 Facility, Fire Station(s), Fire Training Center, Courthouse Renovations, Health Department, West Winder By-Pass, recreational facilities, sewer facilities and airport improvements.

The County reports the following major proprietary funds:

The ***Sewerage Treatment Fund*** accounts for the activities of the sewage treatment plant, sewage pumping stations and collections systems.

The ***Water Fund*** accounts for the activities of the water distribution system.

Additionally, the County reports the following fund types:

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

Fiduciary funds – the agency funds are used to account for the collection and disbursement of monies by the County on behalf of other government and individuals.

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 County has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the County's water and sewer function and various other functions of the County. Elimination of these charges would distort the direct costs reported for the various functions concerned
.
Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges for goods and services provided. Operating expenses of the enterprise funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

D. Cash and Investments

For purposes of the statement of cash flows, the Enterprise Funds consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

E. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Prepaid Items

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. Management Estimates

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

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of $5,000 or more and an estimated useful life of five years or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities) the County chose to include all such items regardless of their acquisition date or amount. The County was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the County constructs or acquires additional capital assets each year, including infrastructure, they are capitalized and reported at historical cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment of the primary government are depreciated using the straight line method over the following useful lives:

Asset	Years
Improvements	15
Infrastructure	50
Buildings	50
Machinery and Equipment	10
Furniture and Fixtures	10
Vehicles	5
Special Purpose Vehicle	20

I. Long-Term Obligations

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

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

J. Compensated Absences

All full-time employees of the County are eligible to accrue personal leave based upon their years of service and position held. Generally, employees are entitled to up to a maximum of 240 hours of accrued personal leave upon termination. Additionally, any accrued personal leave that cannot be utilized shall be credited towards years of service if the employee retires from the County.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Compensated Absences (Continued)

In accordance with the provisions of Statement of Governmental Accounting Standards No. 16,"Accounting for Compensated Absences", no liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

All paid time off is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

K. Fund Equity

Generally, fund balance represents the difference between current assets and current liabilities. The County reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available, spendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods. Designations are management's intent to set aside these resources for specific services.

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net assets are reported as unrestricted.

L. Inventory

Inventory consists of other supplies, which are recorded as assets at the time of purchase and as expenditures as the supplies are used. These inventories are valued at cost using the first-in, first-out (FIFO) method

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net assets

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets.

One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and therefore are not reported in the funds." The details of this $ (82,416,091) difference are as follows:

Bonds payable	$ (52,175,000)
Bond premium	(815,066)
Cost of bond issuance	2,020,017
Capital leases	(826,752)
Compensated absences	(1,262,455)
Contracts payable	(27,225,000)
Accrued interest	(1,682,001)
OPEB	(449,834)
Net adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	$ (82,416,091)

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* is reported in the government-wide statement of activities.

An element of that reconciliation states that "Certain operating expenses are measured by the amounts earned or expended during the year and, therefore, are not reported as expenditures in governmental funds." The details of this $ 3,104,767 difference are as follows:

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

Bond Principal payment	$	2,005,000
Capital lease principal payments		987,206
Amortization of bond issuance cost		199,072
Amortization of bond premium		(86,511)
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities	$	3,104,767

NOTE 3. LEGAL COMPLIANCE- BUDGETS

Barrow County, Georgia follows these procedures in establishing the budgetary data reflected in the basic financial statements:

1. The County's annual budgets are prepared based on anticipated revenues and expected expenditures. Revenue anticipation, generally conservative, is designed to help insure fiscal responsibility and maintain a balanced budget. Budgeting is the responsibility of the Commission Chairman and the County Commissioners. The Financial Administration Office compiles the budget requests that are submitted by the department directors and elected officials.

2. Public hearings are conducted to obtain taxpayer comments.

3. Prior to September 30, the budget is legally enacted by passage of an ordinance.

4. Budgets of the General Fund and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). SPLOST Funds are adopted on a project length budget approved by the citizens of Barrow County. The County prepares budgetary estimates for the enterprise funds. The budgetary estimates, upon which such budgets are adopted, are retained in memorandum form for budget control purpose and are utilized in the preparation of comparative operating statements. The level of budgetary control is the department level.

5. Annual budgets are adopted for the General Fund, Special Revenue Funds, and Proprietary Funds. Capital Projects Fund Budgets are adopted on project-length basis rather than an annual basis.

None of the General Fund departments had excesses of actual expenditures over appropriations for the fiscal year ended September 30, 2010.

NOTE 4. DEPOSITS AND INVESTMENTS

Credit risk. State statues authorize the County to invest in obligations of the State of Georgia or other 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 corporations of the U.S. government; prime banker's acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia

As of September 30, 2010, the County had the following investment:

Investment	Maturities	Fair Value
Certificate of deposit	August 19, 2011	$1,016,500
Georgia Fund 1		$11,774,357

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

Custodial credit risk – deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statues require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of September 30, 2010, the County's accounts were fully collateralized according to state statues.

NOTE 5. RECEIVABLES

Receivables at September 30, 2010 for the County's individual major funds and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	General	Capital Projects SPLOST	Enterprise Water	Enterprise Sewer	Nonmajor and Other Funds	Total
Receivables:						
Taxes	$ 1,558,144	$ 633,135	$ -	$ -	4,492,407	$ 6,683,686
Accounts	698,115	-	109,368	111,124	383	918,990
Gross receivables	2,256,259	633,135	109,368	111,124	4,492,790	7,602,676
Less allowance for uncollectibles	(158,847)	-	-	-	-	(158,847)
Net total receivables	$ 2,097,412	$ 633,135	$ 109,368	$ 111,124	$ 4,492,790	$ 7,443,829

The County's property taxes were levied on the assessed values of all real and personal property with utilities, including mobile homes and motor vehicles, located in the County.

The tax billing cycle for fiscal year 2010 is as follows:

Levy date:	October 21, 2009
Tax bills mailed:	October 21, 2009
Payment due date:	December 21, 2009
Delinquency date:	December 22, 2009
Lien date:	Varies beginning in October 2010

NOTE 6. CAPITAL ASSETS

Primary Government :

Governmental activities:	Balance October 1, 2009	Increases	Decreases	Transfers	Balance September 30, 2010
Capital assets, not being depreciated:					
Land	$ 5,568,428	$ -	$ (6,440)	$ (340,284)	$ 5,221,704
Construction in progress	7,135,377	1,750,569	-	(2,219,610)	6,666,336
Total	12,703,805	1,750,569	(6,440)	(2,559,894)	11,888,040
Capital assets, being depreciated:					
Buildings and improvements	70,351,152	96,224	(153,000)	1,952,626	72,247,002
Land improvements	2,077,631	1,578,179	-	326,669	3,982,479
Furniture and equipment	6,190,422	47,846	(356,027)	(44,511)	5,837,730
Vehicles	7,550,377	319,852	(127,962)	(46,635)	7,695,632
Infrastructure	51,151,297	942,756	-	1,515,723	53,609,776
Total	137,320,879	2,984,857	(636,989)	3,703,872	143,372,619
Less accumulated depreciation for:					
Buildings and improvements	(8,248,833)	(1,532,466)	153,000	-	(9,628,299)
Land Improvements	(1,152,380)	(161,871)	-	-	(1,314,251)
Furniture and equipment	(3,554,972)	(406,632)	348,154	40,550	(3,572,900)
Vehicles	(4,781,082)	(771,751)	108,806	46,632	(5,397,395)
Infrastructure	(23,305,467)	(1,093,702)	-	-	(24,399,169)
Total	(41,042,734)	(3,966,422)	609,960	87,182	(44,312,014)
Total capital assets, being depreciated, net	96,278,145	(981,565)	(27,029)	3,791,054	99,060,605
Governmental activities capital assets, net	$ 108,981,950	$ 769,004	$ (33,469)	$ 1,231,160	$ 110,948,645

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

Business-type Activities:	Balance October 1, 2009	Increases	Decreases	Transfers	Balance September 30, 2010
Capital assets, not being depreciated:					
Land	$ 1,163,202	$ -	$ -	$ -	$ 1,163,202
Construction in progress	942,462	422,304	-	(233,862)	1,130,904
Total	2,105,664	422,304	-	(233,862)	2,294,106
Capital assets, being depreciated:					
Buildings	10,134,805	-	-	-	10,134,805
Land Improvements	231,526	8,976	-	-	240,502
Furniture and equipment	233,991	-	-	44,510	278,501
Vehicles	93,263	-	-	46,632	139,895
Water and Sewer System	19,654,018	951,878	-	-	20,605,896
Total	30,347,603	960,854	-	91,142	31,399,599
Less accumulated depreciation for:					
Buildings	(1,359,564)	(216,371)	-	-	(1,575,935)
Land Improvements	(196,771)	(16,977)	-	-	(213,748)
Furniture & Equipment	(107,874)	(19,836)	-	(40,550)	(168,260)
Vehicles	(79,113)	(6,928)	-	(46,632)	(132,673)
Water and Sewer System	(2,500,887)	(435,682)	-	-	(2,936,569)
Total	(4,244,209)	(695,794)	-	(87,182)	(5,027,185)
Total capital assets, being depreciated, net	26,103,394	265,060	-	3,960	26,372,414
Business - type activities capital assets, net	$ 28,209,058	$ 687,364	$ -	$ (229,902)	$ 28,666,520

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

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

General government	$ 377,566
Judicial	4,038
Public safety	1,988,417
Public works	1,322,028
Health and welfare	95,697
Culture and recreation	164,096
Housing and development	14,579
Total depreciation expense - governmental activities	$ 3,966,421
Business-type activities:	
Sewerage treatment	$ 659,974
Water	380,253
Total depreciation expense - business-type activities	$ 1,040,227

B. Discretely Presented Component Unit - Health Department

	Balance October 1, 2009	Increases	Decreases	Balance September 30, 2010
Capital assets, being depreciated:				
Machinery and Equipment	$ 117,225	$ -	$ (1)	$ 117,224
Less accumulated depreciation for:				
Machinery and Equipment	(105,587)	(6,959)	-	(112,546)
Total capital assets, being depreciated, net	$ 11,638	$ (6,959)	$ (1)	$ 4,678

NOTE 6. CAPITAL ASSETS (CONTINUED)

C. Discretely Presented Component Unit - Airport Authority

	Balance October 1, 2009	Increases	Decreases	Balance September 30, 2010
Capital assets, not being depreciated:				
Land	$ 3,446,270	$ -	$ -	$ 3,446,270
Total	3,446,270	-	-	3,446,270
Capital assets, being depreciated:				
Buildings	2,814,856	-	-	2,814,856
Buildings Improvements	68,068	-	-	68,068
Land improvements	5,037,051	34,100	-	5,071,151
Furniture and equipment	399,474	-	-	399,474
Vehicles	20,000	-	-	20,000
Total	8,339,449	34,100	-	8,373,549
Less accumulated depreciation for:				
Buildings	(1,774,032)	(112,594)	-	(1,886,626)
Buildings Improvements	(33,674)	(5,034)	-	(38,708)
Land Improvements	(2,136,502)	(189,867)	-	(2,326,369)
Furniture and equipment	(342,110)	(7,022)	-	(349,132)
Vehicles	(20,000)	-	-	(20,000)
Total	(4,306,318)	(314,517)	-	(4,620,835)
Total capital assets, being depreciated, net	4,033,131	(280,417)	-	3,752,714
Total capital assets, net	$ 7,479,401	$ (280,417)	$ -	$ 7,198,984

NOTE 6. CAPITAL ASSETS (CONTINUED)

D. Discretely Presented Component Unit-Water & Sewerage Authority

	Balance October 1, 2009	Increases	Decreases	Transfers	Balance September 30, 2010
Capital assets, not being depreciated:					
Land	$ 7,172	$ -	$ -	$ -	$7,172
Construction in progress	1,054,414	13,050	-	-	1,067,464
Total	1,061,586	13,050	-	-	1,074,636
Capital assets, being depreciated:					
Buildings	-	300,000	-	-	300,000
Improvements	103,196	-	-	-	103,196
Machinery and equipment	50,307	40,825	(15,402)		75,730
Vehicles	133,317	37,825	(12,584)	-	158,558
Infrastructure	17,225,689	-	-	-	17,225,689
Total	17,512,509	378,650	(27,986)	-	17,863,173
Less accumulated depreciation for:					
Buildings	-	(3,000)	-	-	(3,000)
Improvements	(7,453)	(6,880)	-	-	(14,333)
Machinery and equipment	(37,406)	(4,284)	15,402	-	(26,288)
Vehicles	(108,400)	(13,730)	12,584	-	(109,546)
Infrastructure	(3,128,458)	(352,359)	-	-	(3,480,817)
Total	(3,281,717)	(380,253)	27,986	-	(3,633,984)
Total capital assets, being depreciated, net	14,230,792	(1,603)	-	-	14,229,189
Total capital assets, net	$ 15,292,378	$ 11,447	$ -	$ -	$ 15,303,825

NOTE 7. LONG-TERM DEBT AND CAPITAL LEASE

A. Primary Government

The following is a summary of long-term debt transactions of the County for the year ended September 30, 2010:

	2009	Additions	Reductions	2010	One Year
Governmental activities:					
2005 series general obligations bonds	$ 54,180,000	$ -	$ (2,005,000)	$ 52,175,000	$ 2,075,000
Unamortized bond premium	910,287	-	(95,221)	815,066	-
Total general obligation bonds	55,090,287	-	(2,100,221)	52,990,066	2,075,000
Capital leases	1,774,948	-	(948,196)	826,752	608,912
Compensated absences	1,148,854	1,397,704	(1,284,103)	1,262,455	1,009,964
Total	$ 58,014,089	$ 1,397,704	$ (4,332,520)	$ 55,079,273	$ 3,693,876

	Balance October 1, 2009	Additions	Reductions	Balance September 30, 2010	Due Within One Year
Business-type assets					
Contracts payable	$ 25,256,600	$ -	$ (775,152)	$ 24,481,448	$ 801,501
Compensated absences	15,413	39,660	(29,818)	25,255	20,204
Total	$ 25,272,013	$ 39,660	$ (804,970)	$ 24,506,703	$ 821,705

For governmental activities, compensated absences are generally liquidated by the General Fund.

NOTE 7. LONG-TERM DEBT AND CAPITAL LEASE (CONTINUED

General Obligation Bonds. During the year ended September 30, 2006, the County issued a $58,000,000 General Obligation Sales Tax Bond, Series 2005 (the "Series 2005 Bond"), with an interest rate of 3.5% to 5.00%. The Series 2005 Bond was issued for the purpose of providing funds to pay or to be applied toward the cost of capital outlay projects. The County made interest payments in April and October, with the principal due in October. The principal payments are to be made through October 2026.

Annual debt service requirements for the maturity of the Series 2005 Bond as of September 30 are as follows:

Fiscal Year	Principal	Interest	Total
2011	$ 2,075,000	$ 2,415,673	$ 4,490,673
2012	2,145,000	2,325,910	4,470,910
2013	2,220,000	2,233,248	4,453,248
2014	2,335,000	2,130,472	4,465,472
2015	2,450,000	2,010,848	4,460,848
2016-2020	14,215,000	8,324,418	22,539,418
2021-2025	18,145,000	4,503,625	22,648,625
2026-2027	8,590,000	434,750	9,024,750
Total	$ 52,175,000	$ 24,378,944	76,553,944

Capital Lease. The County has entered into capital lease agreements for financing the acquisition of equipment. The lease agreement qualify as a capital lease for accounting purposes (title transfers at the end of the lease term) and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of inception.

The County had $3,708,000 of leased assets under capital leases as of September 30, 2010.

The following is a schedule of the future minimum lease payments under the capital lease, and the present value of the net minimum lease payments as of September 30, 2010:

Fiscal Year Ending September 30	
2011	$ 621,674
2012	219,454
Total minimum lease payments	841,128
Less amount representing interest	(14,376)
Present value of future minimum lease payments	826,752
Less current maturities	608,913
Net of current maturities	$ 217,839

NOTE 7. LONG-TERM DEBT AND CAPITAL LEASE (CONTINUED)

Revenue Bonds

Governmental activities:	October 1 2009	Additions	Reductions	September 30, 2010	Within One Year
Contracts payable					
Series 2006 Revenue Bonds	$ 15,440,000	$ -	$ (340,000)	$ 15,100,000	$ 355,000
Series 2007 Revenue Bonds	12,420,000		(12,420,000)	-	
Series 2010 Revenue Bonds	-	12,125,000	-	12,125,000	-
Total	$ 27,860,000	$ 12,125,000	$ (12,760,000)	$ 27,225,000	$ 355,000

In June 2006, the County entered into an intergovernmental agreement with the Barrow County Industrial Building Authority (BCIBA). In June 2006, the BCIBA issued $15,440,000 of Taxable Revenue Bonds (Barrow County Economic Development Project), Series 2006 with annual interest rates ranging from 5.4% to 6.2%. The proceeds were used to acquire 275.62 acres of property on Highway 53 and Highway 316. This land will be used for future development. Barrow County has agreed to provide debt servicing for the bonded debt. A contract payable and other asset item are reflected in the governmental activities on the statement of net assets.

Annual debt service requirements for the maturity of the Series 2006 Bonds as of September 30, 2010 are as follows:

Fiscal Year	Principal	Interest	Total
2011	$ 355,000	$ 897,156	$ 1,252,156
2012	375,000	877,264	1,252,264
2013	395,000	856,183	1,251,183
2014	420,000	833,770	1,253,770
2015	440,000	809,900	1,249,900
2016-2020	2,610,000	3,626,518	6,236,518
2021-2025	3,500,000	2,712,905	6,212,905
2026-2030	4,695,000	1,476,253	6,171,253
2031-2032	2,310,000	145,390	2,455,390
Total	$ 15,100,000	$ 12,235,339	$ 27,335,339

NOTE 7. LONG-TERM DEBT AND CAPITAL LEASE (CONTINUED)

In June 2006, the County entered into an intergovernmental agreement with the Joint Development Authority of Winder-Barrow County, Georgia (JDA). In June 2007, the JDA issued $12,420,000 of Revenue Bonds Series 2007 with annual interest rates ranging from 3.75% to 4.6%. The proceeds from the sale of the Series 2007 Bonds will be used for the purpose of acquiring and improving land, a portion of which will be used for an industrial park and a portion will be conveyed to the Barrow County Airport Authority for its airport. Barrow County, Georgia has agreed to provide debt servicing for the bonded debt. In September 2010, the government together with the JDA Authority refunded the outstanding balance of the series 2007 JDA Bonds with the 2010 Series in the amount of $12,420,000. The new bonds were issued at a discount totaled $12,125,000 with annual interest rates ranging from 1.25% to3.70%. Contracts payable and other asset items are reflected in the government-wide statements..

Annual debt service requirements for the maturity of the Series 2010 Bonds as of September 30, 2010 are as follows:

Fiscal Year	Principal	Interest	Total
2011	$ -	$ 272,560	$ 272,560
2012	-	352,955	352,955
2013	-	352,955	352,955
2014	725,000	348,424	1,073,424
2015	740,000	337,418	1,077,418
2016-2020	3,950,000	1,431,576	5,381,576
2021-2025	4,615,000	791,076	5,406,076
2026-2027	2,095,000	77,777	2,172,777
	$ 12,125,000	$ 3,964,741	$ 16,089,741

B. Discretely Presented Component Unit- Water and Sewerage Authority

Long-term debt activity for the year ended September 30, 2010 is as follows

:

	Beginning Balance 10/1/2009	Increases	Decreases	Ending Balance 9/30/2010	Due Within One Year
Revenue Bonds	$ 11,525,000	$ -	$ 585,000	$ 10,940,000	$ 605,000
Compensated Absences	21,923	30,059	(25,621)	26,361	21,089
Total	$ 11,546,923	$ 30,059	$ 559,379	$ 10,966,361	$ 626,089

NOTE 7. LONG-TERM DEBT AND CAPITAL LEASE (CONTINUED)

REVENUE BONDS

The Authority issued bonds where the Authority pledges Authority revenues derived from the acquired or constructed assets to pay debt service. Revenue bonds outstanding at September 30, 2010 are as follows:

	Year	Interest Rate	Interest Dates	Issue Date	Maturity Date	Authorized and Issued	Outstanding
Water system improvements	2005	3.72%	2/1: 8/1	10/1/2005	8/1/2025	$ 10,000,000	$ 8,195,000
Water system improvements	2002	4.70%	2/1: 8/1	2/1/2002	8/1/2021	4,230,000	2,745,000
							10,940,000
				Current maturities			(605,000)
				Long-term maturities			$ 10,335,000

Revenue bonds debt service requirements to maturity as follows:

Year Ending September 30,	Principal	Interest	Total
2011	$ 605,000	$ 433,869	$ 1,038,869
2012	635,000	408,652	1,043,652
2013	660,000	383,821	1,043,821
2014	685,000	357,162	1,042,162
2015	715,000	329,475	1,044,475
2016-2020	4,055,000	1,188,640	5,243,640
2021-2025	3,585,000	389,037	3,974,037
Total	$ 10,940,000	$ 3,490,656	$ 14,430,656
Less current portion	(605,000)		
	$ 10,335,000		

NOTE 8. OTHER LONG-TERM LIABILITIES

In July 1996, the County entered into intergovernmental agreements with 50-year terms with the Upper Oconee Basin Water Authority (the "UOBWA"). Other counties involved include (at varying levels of participation) Athens-Clarke County, Jackson County and Oconee County. The purpose of the agreements is to provide water resources to the participating counties.

Since the formation of the UOBWA, there has been construction of a reservoir and water treatment facility that will provide water for the counties involved and additional agreements have been entered into between the County and the UOBWA. In December 1997, the UOBWA issued $60,770,000 of Water Revenue Bonds, Series 1997 with annual interest rates varying from 4.25% to 5.25%. The proceeds were used for the construction of the various projects mentioned herein. Barrow County has agreed to provide debt servicing for 37.52% of the bonded debt. Consequently, a contract payable amount is reflected in the Water Fund for the County's share of the bonded debt in an original amount of $21,465,192. The balance of the UOBWA revenue bonds at September 30, 2010 in the amount of $43,885,000 of which the County's share is $16,465,652.

A maturities schedule of the contract payable for the County's portion of the annual debt service of the UOBWA, is as follows for each of the fiscal years ending September 30:

Fiscal Year	Principal	Interest	Total
2011	$ 658,476	$ 774,286	$ 1,432,762
2012	684,740	749,129	1,433,869
2013	709,128	725,163	1,434,291
2014	735,392	698,374	1,433,766
2015	761,656	672,635	1,434,291
2016-2020	4,421,732	2,747,214	7,168,946
2021-2025	5,635,504	1,536,426	7,171,930
2026-2027	2,859,024	200,920	3,059,944
Total	$ 16,465,652	$ 8,104,147	$ 24,569,799

The County has obtained certain water rights associated with the liability addressed above. These water rights have been determined to be treated as an intangible asset which financial reporting standards require amortization over a 40-year life. The UOBWA began operations and serving county participants on July 1, 2002, and the amortization period has been determined to originate on that date. The asset's original cost is $21,465,192 with accumulated amortizations of $4,535,722 resulting in a carrying value of $16,929,470 as of September 30, 2010, and is reflected in the Water Fund.

In June 2006, the County entered into an intergovernmental agreement with a 22-year term with the City of Winder, Georgia ("City") to obtain sewage treatment capacity rights at the City's wastewater treatment facility. The contract price in the total amount of $10,416,000 is based upon the City's cost to construct the upgrade to the City's current facility in the amount of $5,832,000, plus a shared capacity charge in the amount of $4,584,000. The shared capacity payments are based on the number of tap fees sold by the County. The County will pay the City $1,500 for each residential equivalent unit of wastewater capacity until the $4,584,000 is paid in full. The balance of the County's obligation at September 30, 2010 is $3,436,298 for the construction costs and $4,579,498 for the capacity charge.

A maturities schedule of the contract payable, related to the cost of construction, is as follows for each of the fiscal years ending September 30:

Fiscal Year	Principal	Interest	Total
2011	$ 143,025	$ 142,950	$ 285,975
2012	148,975	137,000	285,975
2013	155,172	130,803	285,975
2014	161,627	124,348	285,975
2015	168,351	117,624	285,975
2016-2020	952,816	477,057	1,429,873
2021-2025	1,168,191	261,682	1,429,873
2026-2027	538,141	33,808	571,949
Total	$ 3,436,298	$ 1,425,272	$ 4,861,570

NOTE 8. OTHER LONG-TERM LIABILITIES (CONTINUED)

The County has obtained certain sewer rights associated with the liability addressed above. These sewer rights have been determined to be treated as an intangible asset. The asset's original cost is $10,416,000, with accumulated amortization of $2,108,000 resulting in a carrying value of $8,308,000 as of September 30, 2010, and is reflected in the Sewerage Treatment Fund.

NOTE 9. INTER-FUND RECEIVABLES, PAYABLES AND TRANSFERS

These balances resulted from the time lag between the dates that (1) inter-fund goods and services are provided or reimbursable expenditures occur and (2) payments between funds are made. Inter-fund receivables net to zero.

Transfers are used to (1) move revenues from the fund that statute or budget requires them to be collected to the fund that the 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 in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Inter-fund transfers net to zero.

Due To/Due From:

Receivable Fund	Payable Fund	Amount
General Fund	Sewage Treatment	$ 121,396
	Water Transmission	411,629
E911	General Fund	215,647
SPLOST	General Fund	37,508
		$ 786,180

Due to/from Primary Government and Discretely Presented Component Units:

Receivable Fund	Payable Fund	Amount
General Fund	Water Authority	$ 61,163
	Airport Authority	47,053
Sewage Treatment	Water Authority	166,842
Water Transmission	Water Authority	115,010
		$ 390,068

Transfers- Primary Government

	Transfers In				
	General Fund	Non-Major Governmental	Water Transmission	Stormwater	Total
Transfers Out:					
General Fund	$ -	$ 448,520	$ -	$ -	$ 448,520
SPLOST	-	-	356,942	-	356,942
Non-Major Governmental	-	-	-	224,124	224,124
Sewage Treatment	4,406	-	-	-	4,406
	$ 4,406	$ 448,520	$ 356,942	$ 224,124	$ 1,033,992

NOTE 10. JOINT VENTURE

Under Georgia law, the County, in conjunction with other counties and cities in the area, is a member of the Northeast Georgia Regional Development Center (RDC) and is required to pay annual dues thereto. During its fiscal year ended September 30, 2010, the County paid $70,000 in such dues. Membership in an RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RDC in Georgia.

The RDC Board membership includes the chief elected official of each county and municipality of the area. OCGA Section 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RDC. Separate financial statements may be obtained from:

Northeast Georgia Regional Development Center
305 Research Drive
Athens, Georgia 30605-2795

NOTE 11. RELATED ORGANIZATION

The County's governing board is responsible for all of the board appointments of the Winder-Barrow Industrial Building Authority. However, the County has no further accountability for this organization.

NOTE 12. DEFINED BENEFIT PENSION PLAN

The County contributes to the Association County Commissioners of Georgia ("ACCG") Defined Benefit Plan, an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia.

The specific benefit provisions of the County's plan ("the Plan") were established by an adoption agreement executed by the County Board of Commissioners. The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The ACCG Plan, in its role as the Plan Sponsor, has the sole authority to amend the provisions of the ACCG Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan, as provided in Section 19.02 of the ACCG Plan document. A separately issued financial report of the plan is not available.

Membership

At January 1, 2010, the Plan membership consisted of the following:

Retired participants and beneficiaries currently receiving benefits	67
Terminated participants and beneficiaries entitled to benefits, but not yet receiving benefits	146
Active participants	326
Total	539

Funding Policy. The County is required to contribute an actuarially determined amount annually to The Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by The ACCG Plan trustees and meet or succeed the minimum contribution requirement contained in State of Georgia statutes. Plan members are not required to contribute.

NOTE 12. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Annual Pension Cost. The County's annual pension cost and net pension obligation for the current year were determined as follows:

Derivation of Annual Pension Cost:	**January 1, 2010**	**January 1, 2009**
Annual required contribution	$ 1,458,362	$ 1,502,385
Interest on net pension obligation	(41,798)	(35,219)
Amortization of net pension obligation	44,723	37,684
Annual pension cost	$ 1,461,287	$ 1,504,850
Derivation of Net Pension Obligation:		
Annual pension cost for prior year	$ 1,504,850	$ 1,240,560
Actual contributions to plan for prior year	1,589,742	1,293,794
Increase in net pension obligation	(84,892)	(53,234)
Net pension asset as of January 1, 2008	(454,438)	(401,204)
Net pension obligation as of January 1, 2009	$ (539,330)	$ (454,438)

Basis of Valuation and Actuarial Assumptions	
Current valuation date	January 1, 2010
Annual return on invested plan assets	7.75%
Projected annual salary increases	5%-7.5%
Expected annual inflation	3.00%
Actuarial value of assets	Market Value
Actuarial funding method	Projected Unit Credit
Amortization method	Level Percent of Pay

The unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The weighted average remaining amortization period as of January 1, 2010 was 7 years.

The required schedule of funding progress immediately following the notes to the financial statements presents 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.

NOTE 13. RISK MANAGEMENT

The County is exposed to various risks of losses related to: torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in the Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Association of County Commissioners of Georgia 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. 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 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 fund is 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 workers compensation law of Georgia. 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.

There have been no significant reductions of insurance coverage from coverage in the prior year and settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 14. COMMITMENTS AND CONTINGENCIES

Contractual Commitments:

In addition to the liabilities enumerated in the balance sheet, at September 30, 2010, the County has contractual commitments on uncompleted contracts of approximately $1,392,833.

Litigation:

The County is involved in several pending lawsuits. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have or may have a material adverse effect on the financial position of the County.

Grant Contingencies:

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

NOTE 15. POST-EMPLOYMENT HEALTHCARE PLAN

In addition to providing pension benefits, the County provides funding for continued healthcare benefits to retired employees. The retired employees may become eligible for this benefit upon reaching the minimum age of 55 and having at least 10 years of service. Continued healthcare benefits in the form of single coverage will be paid at 50 percent of the premium. This benefit is limited to a period until the employee becomes Medicare eligible or reaches age 65 whichever comes first. The County has the authority to amend or terminate this benefit.

At September 30, 2010, the county has ten (10) employees receiving this benefit. The County has not advance funded or established a funding plan for the annual OPEB costs or net OPEB obligations but finances the plan on a pay-as-you-go basis. For the year ended September 30, 2010 the County paid $15,481 for this benefit.

The following table includes the County's annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the County's net OPEB obligation:

Normal cost	$ 360,735
Amortization of unfunded actuarial accrued liability	89,099
Annual required contribution	449,834
Expected employer benefit payments	-
Increase in net OPEB obligation	-
Net OPEB obligation, beginning of year	449,834
Net OPEB obligation, end of year	$ 449,834

Since this is the second year of implementation of GASB 45, multi-year trend data is not applicable. At September 30, 2010 the actuarial accrued liability was $2,331,668 and actuarial value of assets set aside to fund this liability was zero, the resulting unfunded accrued actuarial liability $2,331,668. The annual OPEB cost for the fiscal year 2010 was $449,834 of which $0 was contributed. The covered payroll was $19.3 million and the ratio of the unfunded actuarial liability to the covered payroll was 12.6 percent.

Actuarial valuations 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 and termination, mortality, and the healthcare cost trends. 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. Projections of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating members, and include the type of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

NOTE 15. POST-EMPLOYMENT HEALTHCARE PLAN (CONTINUED)

The County's actuarial valuation information is as follows:

Valuation date	1/1/2010
Actuarial cost method	Projected unit credit
Amortization method	Level percentasge of pay, open
Amortization period	30 years
Asset valuation method	N/A
Actuarial assumptions	
Investment rate of return	4.00%
Healthcare cost trend	11%-5.00%
Actuarial rates of increase	3.00%

NOTE 16. PRIOR PERIOD ADJUSTMENT

The fund balance for the Capital Project SPLOST fund has been increased by $1,306,006 to reflect a posting error in the September 30, 2009 statements. Certain accounts in the accounting system are used to balance the funds and should be used only by the accounting program. The 1.3 million was posted directly to one of these accounts which caused an error during fiscal year 2009 and did not get corrected until fiscal year 2010.

NOTE 17. SUBSEQUENT EVENTS

Loan from the Georgia Environmental Facilities Authority (GEFA)

On October 13, 2010, the Barrow County Board of Commissioner and GEFA entered into an agreement for GEFA to advance the county $3,000,000. This loan is used for construction of sewer line.

SCHEDULE OF FUNDING PROGRESS
2006-2010
(Unaudited)

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Accrued Liability	Funded Ration	Annual Covered Payroll	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll
January 1, 2010	$ 11,399,306	$ 16,086,402	$ 4,687,096	70.9%	$ 13,541,861	34.6%
January 1, 2009	9,828,906	13,757,079	3,928,173	71.4%	11,539,122	34.0%
January 1, 2008	9,005,685	12,262,474	3,256,789	73.4%	11,001,108	29.6%
January 1, 2007	7,538,383	10,532,889	2,994,506	71.6%	9,156,440	32.7%
January 1, 2006	6,248,371	9,165,561	2,917,190	68.2%	7,299,943	40.0%

SCHEDULE OF EMPLOYER CONTRIBUTIONS
(Unaudited)

Fiscal Period Beginning	Annual Pension Cost	Annual County Contribution	Percentage of Annual Pension Cost Contributed	Net Pension Obligation (Asset)
January 1, 2010	$ 1,461,287	N/A	N/A	$ (539,330)
January 1, 2009	1,504,850	1,589,742	106.0%	(454,438)
January 1, 2008	1,240,560	1,293,794	104.0%	(401,204)
January 1, 2007	1,152,449	1,223,072	106.0%	(330,581)
January 1, 2006	967,674	1,046,946	108.0%	(251,309)

Note: See assumptions used for these schedules disclosed in the notes to the financial statements.

BARROW COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET(GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
REVENUES				
Taxes:				
Property tax	$ 17,919,967	$ 17,919,967	$ 16,942,197	$ (977,770)
Sales and use tax	4,950,000	4,950,000	4,821,843	(128,157)
Beer and wine tax	215,205	215,205	247,076	31,871
Real estate transfer tax	47,196	47,196	60,070	12,874
Franchise tax	225,000	225,000	243,729	18,729
Intangible tax	311,806	311,806	234,255	(77,551)
Insurance premium tax	1,299,742	1,299,742	1,280,616	(19,126)
Total taxes	24,968,916	24,968,916	23,829,786	(1,139,130)
Licenses and permits:				
Beer and wine licenses	70,317	70,317	76,100	5,783
Zoning permits	46,722	46,722	36,971	(9,751)
County permits	107,117	107,117	86,652	(20,465)
Business licenses	84,805	84,805	93,888	9,083
Financial institution business license	63,784	63,784	49,892	(13,892)
Total licenses and permits	372,745	372,745	343,503	(29,242)
Intergovernmental revenues:				
Federal Grants	237,268	414,725	348,637	(66,088)
State Grants	7,700	32,240	15,094	(17,146)
Local Government Revenue	45,738	45,738	39,477	(6,261)
Total intergovernmental revenues	290,706	492,703	403,208	(89,495)
Charges for services:				
Clerk of Superior Court	529,442	529,442	534,660	5,218
Probate Court	85,000	85,000	131,969	46,969
Magistrate Court	164,640	164,640	207,397	42,757
Sheriff	221,849	221,849	358,011	136,162
Leisure Services	212,801	212,801	206,620	(6,181)
Emergency medical services	1,206,787	1,206,787	1,264,994	58,207
Animal Services	44,558	44,558	53,148	8,590
Solid waste tipping fees	823,644	823,644	700,331	(123,313)
Commissions on taxes, tags & titles	930,000	930,000	996,453	66,453
Other charges for services	576,270	591,270	627,912	36,642
Total charges for services	4,794,991	4,809,991	5,081,495	271,504

(Continued)

BARROW COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET(GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
Fines and forfeitures:				
Clerk of Superior Court	$ 460,070	$ 460,070	$ 474,616	$ 14,546
Probate Court	771,797	771,797	826,089	54,292
Magistrate Court	66,885	66,885	75,945	9,060
District Attorney - Pretrial Diversion	26,503	26,503	96,182	69,679
Other fines and forfeitures	122,547	122,547	151,401	28,854
Late tag penalties	66,463	66,463	53,785	(12,678)
Total fines and forfeitures	1,514,265	1,514,265	1,678,018	163,753
Investment income	75,380	75,380	58,636	(16,744)
Other revenues	659,785	1,005,082	408,762	(596,320)
Total revenues	32,676,788	33,239,082	31,803,408	(1,435,674)
EXPENDITURES				
Current:				
General government:				
Governing Body	84,434	126,934	117,581	9,353
Clerk of Commission	76,032	76,032	71,295	4,737
Commission Chairperson	91,182	91,182	81,129	10,053
Chief Administrator	124,091	124,091	123,524	567
Elections	189,812	189,812	173,153	16,659
Financial administration	498,456	478,746	440,232	38,514
Licensing	379,710	379,710	375,757	3,953
Purchasing	109,554	109,554	91,541	18,013
County Attorney	200,000	319,700	319,624	76
Data processing/MIS	268,917	268,917	258,149	10,768
Human Resources	226,635	226,635	213,242	13,393
Tax Commissioner	588,670	588,670	568,243	20,427
Tax Assessor	683,388	683,388	648,465	34,923
Board of equalization	5,437	5,437	1,623	3,814
Risk Management	2,700	2,700	3	2,697
Insurance	879,506	879,506	859,945	19,561
Building and grounds	902,393	1,089,393	1,088,464	929
Engineering	163,293	163,293	160,542	2,751
Northeast Georgia RDC - Dues	70,000	70,000	59,954	10,046
Total general government	5,544,210	5,873,700	5,652,466	221,234
Judicial:				
Superior Court	331,260	483,450	385,746	97,704
Clerk of Superior Court	641,491	641,491	598,762	42,729
District Attorney	713,599	710,966	694,860	16,106
Magistrate Court	293,999	293,999	282,918	11,081
Probate Court	372,022	372,022	364,537	7,485
Juvenile Court	216,478	216,478	193,752	22,726
Indigent Defense	297,700	308,192	308,154	38
Total judicial	2,866,549	3,026,598	2,828,729	197,869

(Continued)

BARROW COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET(GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
Public safety:				
Sheriff	$ 6,552,059	$ 6,564,654	$ 6,433,873	$ 130,781
Detention Center	5,648,622	5,808,422	5,656,285	152,137
Fire and Emergency Medical Services	5,718,088	5,790,438	5,700,421	90,017
Coroner	65,779	80,779	70,406	10,373
Animal control	550,293	550,293	518,229	32,064
Emergency Management Agency	17,993	17,993	13,458	4,535
Total public safety	18,552,834	18,812,579	18,392,672	419,907
Public works:				
Public Works Administration	550,000	550,000	510,285	39,715
Highways and Streets	1,406,891	1,219,891	1,146,924	72,967
Maintenance and Shop	120,883	120,883	102,709	18,174
Total public works	2,077,774	1,890,774	1,759,918	130,856
Health and welfare:				
Health Department	219,845	219,845	219,845	-
Advantage Behavioral	26,500	26,500	26,500	-
Dept of Family and Children	64,600	64,600	40,011	24,589
Aging program	328,309	328,309	302,362	25,947
Mental Center	3,000	3,000	3,000	-
Total health and welfare	642,254	642,254	591,718	50,536
Culture and recreation:				
Leisure Services	775,064	775,064	688,212	86,852
Piedmont Regional Library	62,867	62,867	62,867	-
Total culture and recreation	837,931	837,931	751,079	86,852
Housing and development:				
Keep Barrow Beautiful	29,923	29,923	14,876	15,047
Extension service	32,997	32,997	27,289	5,708
Soil conservation	8,000	8,000	7,875	125
Forrest resources	2,600	2,600	1,864	736
Planning and Zoning	226,453	226,453	191,532	34,921
GIS	141,474	141,474	130,037	11,437
Industrial Dev Authority	65,000	65,000	65,000	-
Total housing and development	506,447	506,447	438,473	67,974

(Continued)

BARROW COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET(GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
Debt service:				
Principal	708,619	708,629	708,621	8
Interest	946,056	946,056	946,056	-
Total debt service	1,654,675	1,654,685	1,654,677	(8)
Total expenditures	32,682,674	33,244,968	32,069,732	1,175,236
Excess (deficiency) of revenues over (under) expenditures	(5,886)	(5,886)	(266,324)	(260,438)
OTHER FINANCING SOURCES (USES)				
Transfers in	4,406	4,406	4,406	-
Sale of Fixed Assets	450,000	450,000	302,245	(147,755)
Transfers out	(448,520)	(448,520)	(448,520)	-
Total other financing uses	5,886	5,886	(141,869)	(147,755)
Net change in fund balances	-	-	(408,193)	(408,193)
FUND BALANCE, beginning of year	4,701,149	4,701,149	4,701,149	-
FUND BALANCE, end of year	$ 4,701,149	$ 4,701,149	$ 4,292,956	$ (408,193)

BARROW COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2010

	Special Revenue Funds
Emergency 911	To account for emergency services which are provided to all County taxpayers. Financing is provided through user fees and charges and contributions from the General Fund.
Confiscated Assets	To account for monies confiscated under federal and state law by Barrow County law enforcement officers related to controlled substance offenses. Such monies are restricted to defray the cost of complex complex investigations and to purchase equipment relating to said investigations.
Law Library	To account for revenues generated through special filing charges in the County court system which are used to acquire and maintain library materials.
Commissary	To account for the inmate activity at the County jail.
Stormwater	To account for stormwater fees collected through property tax bills and used to provide a stormwater program that protects Barrow County waterways from the effects of pollution and maintains compliance with state mandates. Stormwater fund has been reclassified from being a governmental fund to a non-major proprietary fund.
Revolving Loan .	Established to account for the proceeds of a $245,766 business incentive small program grant from the state department of community affairs

BARROW COUNTY, GEORGIA
COMBINING BALANCE SHEET
SEPTEMBER 30, 2010

ASSETS	Emergency 911	Confiscated Assets	Law Library	Commissary	Stormwater	Revolving Loan	Total
Cash and cash equivalents	$ 32,737	$ 164,713	$ 163,223	$ 45,211	$ -	$ 38,916	$ 444,800
Accounts receivable	383	-	-	-	-	-	383
Due from other funds	215,647	-		-	-	-	215,647
Prepaid items	3,083	-	-	-	-	-	3,083
Other Assets	-	-	-	-	-	210,157	210,157
Total assets	$ 251,850	$ 164,713	$ 163,223	$ 45,211	$ -	$ 249,073	$ 874,070
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable	$ 36,233	$ 71,544	$ -	$ -	$ -	$ -	$ 107,777
Salaries and Wages Payable	24,400	-	-	-	-	-	24,400
Total liabilities	60,633	71,544	-	-	-	-	132,177
FUND BALANCES							
Reserved							
Non-current loans receivable	-	-	-	-	-	210,157	$ 210,157
Unreserved	191,217	93,169	163,223	45,211	-	38,916	531,736
Total fund balance	191,217	93,169	163,223	45,211	-	249,073	741,893
Total liabilities and fund balances	$ 251,850	$ 164,713	$ 163,223	$ 45,211	$ -	$ 249,073	$ 874,070

BARROW COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2010

	Emergency 911	Confiscated Assets	Law Library	Inmate Commissary	Stormwater	Revolving Loan	Total
Revenues:							
Charges for services	$ 990,266	$ -	$ -	$ 106,084	$ -	$ -	$ 1,096,350
Fines and forfeitures	-	127,128	48,774	-	-	-	175,902
Interest	31	90	634	-	-	968	1,723
Contributions and donations	-	-	-	-	-	-	-
Other	46	-	-	5,775	-	245,766	251,587
Total revenues	990,343	127,218	49,408	111,859	-	246,734	1,525,562
Expenditures:							
Current:							
General government	-	-	-	-	-	393	393
Judicial	-	-	4,124	-	-	-	4,124
Public safety	1,291,643	126,356	-	101,010	-	-	1,519,009
Capital Outlay	-	-	9,585	-	-	-	9,585
Debt service:							
Principal	63,106	-	-	-	-	-	63,106
Interest	3,344	-	-	-	-	-	3,344
Total expenditures	1,358,093	126,356	13,709	101,010	-	393	1,599,561
Excess (deficiency) of revenues over expenditures	(367,750)	862	35,699	10,849	-	246,341	(73,999)
Other financing sources (uses):							
Transfers in	445,788	-	-	-	-	2,732	448,520
Transfers out	-	-	-	-	(224,124)	-	(224,124)
Total other financing sources	445,788	-	-	-	(224,124)	2,732	224,396
Net change in fund balances	78,038	862	35,699	10,849	(224,124)	249,073	150,397
Fund balanace, beginning	113,179	92,307	127,524	34,362	224,124	-	591,496
Fund balance, ending	$ 191,217	$ 93,169	$ 163,223	$ 45,211	$ -	$ 249,073	$ 741,893

BARROW COUNTY, GEORGIA

E - 911 SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND

CHANGES IN FUND BALANCES - BUDGET(GAAP BASIS) AND ACTUAL

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Original	Final	Actual Amounts	Variance With Final Budget
Revenues:				
Charges for services	$ 1,150,750	$ 1,150,750	$ 990,266	$ (160,484)
Interest	250	250	31	(219)
Other	-	-	46	46
Total revenues	1,151,000	1,151,000	990,343	(160,657)
Expenditures:				
Current:				
Public safety:				
E 911 department	1,530,088	1,530,088	1,291,643	238,445
Total public safety	1,530,088	1,530,088	1,291,643	238,445
Debt service:				
Principal retirement	63,106	63,106	63,106	-
Interest and fiscal charges	3,344	3,344	3,344	-
Total debt service	66,450	66,450	66,450	-
Total expenditures	1,596,538	1,596,538	1,358,093	238,445
Excess (deficiency) of revenues over (under) expenditures	(445,538)	(445,538)	(367,750)	(399,102)
Other financing sources (uses):				
Transfers in	445,788	445,788	445,788	-
Total other financing sources (uses)	445,788	445,788	445,788	-
Net change in fund balances	250	250	78,038	77,788
Fund balances - beginning	113,179	113,179	113,179	113,179
Fund balances - ending	$ 113,429	$ 113,429	$ 191,217	$ 190,967

BARROW COUNTY, GEORGIA

CONFISCATED SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND

CHANGES IN FUND BALANCES - BUDGET(GAAP BASIS) AND ACTUAL

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Original	Final	Actual Amounts	Variance With Final Budget
Revenues:				
Fines and forfeitures	$ 220,000	$ 220,000	$ 127,128	$ (92,872)
Interest	300	300	90	(210)
Total revenues	220,300	220,300	127,218	(93,082)
Expenditures:				
Current:				
Public safety:				
Sheriff	220,300	220,300	126,356	93,944
Total public safety	220,300	220,300	126,356	93,944
Deficiency of revenues under expenditures	-	-	862	(187,026)
Fund balances - beginning	92,307	92,307	92,307	-
Fund balances - ending	$ 92,307	$ 92,307	$ 93,169	$ (187,026)

BARROW COUNTY, GEORGIA

LAW LIBRARY SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND

CHANGES IN FUND BALANCES - BUDGET(GAAP BASIS) AND ACTUAL

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Original	Final	Actual Amounts	Variance With Final Budget
Revenues:				
Fines and forfeitures	$ 23,000	$ 23,000	$ 48,774	$ 25,774
Interest	300	300	634	334
Total revenues	23,300	23,300	49,408	26,108
Expenditures:				
Current:				
Judicial:				
Clerk of Superior Court	220,300	220,300	4,124	216,176
Total current expenditures	220,300	220,300	4,124	216,176
Capital outlay				
Judicial:				
Clerk of Superior Court	-	-	9,585	(9,585)
Total capital outlay	-	-	9,585	(9,585)
Total expenditures	220,300	220,300	13,709	206,591
Excess (deficiency) of revenues over (under) expenditures	(197,000)	(197,000)	35,699	(180,483)
Fund balances - beginning	127,524	127,524	127,524	-
Fund balances - ending	$ (69,476)	$ (69,476)	$ 163,223	$ (180,483)

BARROW COUNTY, GEORGIA

INMATE COMMISSARY SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND

CHANGES IN FUND BALANCES - BUDGET(GAAP BASIS) AND ACTUAL

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Original	Final	Actual Amounts	Variance With Final Budget
Revenues:				
Charges for services	$ 123,500	$ 123,500	$ 106,084	$ (17,416)
Other	-	-	5,775	5,775
Total revenues	123,500	123,500	111,859	(11,641)
Expenditures:				
Current:				
Public safety:				
Department of Sheriff	103,500	103,500	101,010	2,490
Total current expenditures	103,500	103,500	101,010	2,490
Capital outlay				
Public safety:				
Department of Sheriff	20,000	20,000	-	20,000
Total capital outlay	20,000	20,000	-	20,000
Total expenditures	123,500	123,500	101,010	22,490
Excess of revenues over expenditures	-	-	10,849	(34,131)
Fund balances - beginning	34,362	34,362	34,362	34,362
Fund balances - ending	$ 34,362	$ 34,362	$ 45,211	$ 231

BARROW COUNTY, GEORGIA

STORMWATER FUND

SCHEDULE OF REVENUES, EXPENDITURES AND

CHANGES IN FUND BALANCES - BUDGET(GAAP BASIS) AND ACTUAL

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Original	Final	Actual Amounts	Variance With Final Budget
Revenues:				
Charges for services	$ -	$ -	$ -	$ -
Interest	-	-	-	-
Total revenues	-	-	-	-
Expenditures:				
Current:				
Public works:				
Stormwater department	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Other financing sources (uses):				
Transfers out to Stormwater Enterprise	-	-	(224,124)	(224,124)
Total other financing sources (uses)	-	-	(224,124)	(224,124)
Net change in fund balances	-	-	(224,124)	(224,124)
Fund balances - beginning	224,124	224,124	224,124	224,124
Fund balances - ending	$ 224,124	$ 224,124	$ -	$ -

BARROW COUNTY, GEORGIA

REVOLVING LOAN SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-BUDGET AND ACTUAL

FOR FISCAL YEAR ENDED SEPTEMBER 30,2010

	Original	Final	Actual Amounts	Variance with Final Budget
Revenues:				
Interest	$ -	$ -	$ 968	$ 968
Other	-	-	245,766	245,766
Total revenues	-	-	246,734	246,734
Expenditures				
General government:				
Operations	-	-	393	(393)
Total expenditures	-	-	393	(393)
Excess of revenues over expenditures	-	-	246,341	247,127
Other financing sources:				
Transfers in	-	-	2,732	2,732
Total other financing sources	-	-	2,732	2,732
Net change in fund balances	-	-	249,073	249,859
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ -	$ -	$ 249,073	$ 249,859

NONMAJOR BUSINESS –TYPE FUNDS

ENTERPRISE FUNDS

Stormwater	To account for stormwater fees collected through property tax bills and used to provide a stormwater program that protects Barrow County waterways from the effects of pollution and maintains compliance with state mandates.

BARROW COUNTY, GEORGIA
STATEMENT OF FUND NET ASSETS
NONMAJOR PROPRIETARY FUND
SEPTEMBER 30, 2010

	Stormwater
Assets:	
Current assets:	
Cash and cash equivalents	$ 383,281
Total current assets	383,281
Noncurrent assets:	
Capital assets:	
Machinery and equipment	43,336
Total capital assets	43,336
Less accumulated depreciation	(39,376)
Total noncurrent assets	3,960
Total assets	387,241
Liabilities:	
Current liabilities:	
Accounts payable	134
Salaries and wages payable	5,200
Compensated absences payable	7,259
Total current liabilities	12,593
Long-term liabilities:	
Compensated absences payable	1,815
Total long-term liabilities	1,815
Total liabilities	14,408
Net assets:	
Invested in capital assets	3,960
Unrestricted	368,873
Total net assets	$ 372,833

BARROW COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS
NONMAJOR PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Stormwater
Operating revenues:	
Charges for services	$ 437,716
Total operating revenues	437,716
Operating expenses:	
Personnel costs	211,520
Professional and technical services	5,188
Supplies	5,901
Other operating expenses	70,358
Total operating expenses	292,967
Operating income (loss)	144,749
Income (loss) before contributions and transfers	144,749
Capital contributions	3,960
Transfers in	224,124
Change in net assets	372,833
Net assets, beginning	-
Net assets, ending	$ 372,833

BARROW COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Stormwater Fund
Cash flows from operating activities:	
Receipts from customers and users	$ 437,716
Payments to employees	(197,246)
Payments to supplies for goods and services provided	(81,313)
Net cash provided by operating activities	159,157
Cash flows from noncapital financing activities:	
Transfer from other funds	224,124
Net cash provided by (used in) noncapital financing activities	224,124
Net increase (decrease) in cash and cash equivalents	383,281
Cash and cash equivalents, beginning of year	-
Cash and cash equivalents, end of year	$ 383,281
Reconciliation of operating income (loss) to net cash provided in operating activities:	
Operating income (loss)	$ 144,749
Adjustments to reconcile net operating income (loss) to net cash provided by operating activities:	
Increase (decrease) in accounts payable	14,408
Net cash used in operating activities	$ 159,157
Noncash capital financing activities:	
Capital assets acquired through contributions from other funds	$ 3,960

The Tax Commissioner Fund accounts for all real, personal, intangible and intangible recording taxes collected and forwarded to the County and other governmental units.

The Sheriff's Office Fund accounts for collection of fees, proceeds from judicial sales, and cash bonds, which are disbursed to other agencies, the County, and individuals.

The following agency funds are used to account for fines, fees, and other monies collected by the courts and remitted to other parties in accordance with state statues and court orders:

Clerk of Superior Court
Probate Court
Magistrate Court

BARROW COUNTY, GEORGIA
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
AGENCY FUNDS
SEPTEMBER 30, 2010

	Tax Commissioner	Clerk of Superior Court	Probate Court	Magistrate Court	Sheriff	District Attorney	Total
ASSETS							
Cash	$ 451,484	$ 943,064	$ 144,747	$ 60,806	$ 71,624	$ 35,985	$ 1,707,710
Taxes receivable	4,492,407	-	-	-	-	-	4,492,407
Total assets	$ 4,943,891	$ 943,064	$ 144,747	$ 60,806	$ 71,624	$ 35,985	$ 6,200,117
LIABILITIES							
Due to others	$ 4,943,891	$ 943,064	$ 144,747	$ 60,806	$ 71,624	$ 35,985	$ 6,200,117

BARROW COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Balance October 1, 2009	Increases	Decreases	Balance September 30, 2010
Tax Commissioner				
ASSETS				
Cash	$ 562,658	$ 57,925,568	$ 58,036,742	$ 451,484
Taxes receivable	6,045,207	47,516,069	49,068,869	4,492,407
	$ 6,607,865	$ 105,441,637	$ 107,105,611	$ 4,943,891
LIABILITIES				
Due to others	$ 6,607,865	$ 105,441,637	$ 107,105,611	$ 4,943,891
Clerk of Superior Court				
ASSETS				
Cash	$ 867,631	$ 3,613,068	$ 3,537,635	$ 943,064
LIABILITIES				
Due to others	$ 867,631	$ 3,613,068	$ 3,537,635	$ 943,064
Probate Court				
ASSETS				
Cash	$ 18,022	$ 1,597,597	$ 1,470,872	$ 144,747
LIABILITIES				
Due to others	$ 18,022	$ 1,597,597	$ 1,470,872	$ 144,747
Magistrate Court				
ASSETS				
Cash	$ 9,107	$ 703,680	$ 651,981	$ 60,806
LIABILITIES				
Due to others	$ 9,107	$ 703,680	$ 651,981	$ 60,806

(Continued)

BARROW COUNTY, GEORGIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2010

	Balance October 1, 2009	Increases	Decreases	Balance September 30, 2010
Sheriff				
ASSETS				
Cash	$ 42,617	$ 942,225	$ 913,218	$ 71,624
LIABILITIES				
Due to others	$ 42,617	$ 942,225	$ 913,218	$ 71,624
District Attorney				
ASSETS				
Cash	$ 32,455	$ 13,060	$ 9,530	$ 35,985
LIABILITIES				
Due to others	$ 32,455	$ 13,060	$ 9,530	$ 35,985
TOTAL AGENCY FUNDS				
ASSETS				
Cash	$ 1,532,490	$ 64,795,198	$ 64,619,978	$ 1,707,710
Taxes receivable	6,045,207	47,516,069	49,068,869	4,492,407
	$ 7,577,697	$ 112,311,267	$ 113,688,847	$ 6,200,117
LIABILITIES				
Due to others	$ 7,577,697	$ 112,311,267	$ 113,688,847	$ 6,200,117

Statistical Section

STATISTICAL SECTION

This part of the Government's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Government's overall financial health.

Contents **Page**

Financial Trends (Schedules 1-4) 75 - 79

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

Revenue Capacity (Schedules 5-9) 80 - 84

These schedules contain information to help the reader assess the Government's most significant local revenue sources: the property tax and sales tax.

Debt Capacity (Schedules 10-14) 85 - 89

These schedules present information to help the reader assess the affordability of the Government's current levels of outstanding debt and the Government's ability to issue additional debt in the future.

Demographic and Economic Information (Schedules 15-16) 90 - 91

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Government's financial activities take place.

Operating Information (Schedules 17-19) 92 - 94

These schedules contain service and infrastructure data to help the reader understand how the information in the Government's financial report relates to the services the Government provides and the activities it performs.

For some schedules included in this section, a full ten years of data is not available.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Schedule 1
Barrow County, Georgia
Net Assets by Component
Last Eight Years
(accrual basis of accounting)

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental activities								
Invested in capital assets, net of related debt	$ 29,602,328	$ 35,251,565	$ 40,944,743	$ 44,262,873	$ 54,879,707	$ 41,732,373	$ 52,116,715	$ 52,560,792
Restricted	8,270,862	10,832,844	9,379,739	7,747,979	10,783,099	26,638,680	16,344,560.00	17,632,977
Unrestricted	10,737,241	11,001,702	12,300,403	14,878,025	9,467,648	6,997,274	5,867,384	4,386,036
Total governmental activities net assets	$ 48,610,431	$ 57,086,111	$ 62,624,885	$ 66,888,877	$ 75,130,454	$ 75,368,327	$ 74,328,659	$ 74,579,805
Business-type activities								
Invested in capital assets, net of related debt	$ 16,335,509	$ 16,481,085	$ 17,594,927	$ 19,219,498	$ 27,195,471	$ 27,933,031	$ 28,209,059	$ 28,666,520
Unrestricted	(22,766)	318,146	599,383	2,220,208	3,370,936	3,707,667	2,338,080	872,423
Total business-type activities net assets	$ 16,312,743	$ 16,799,231	$ 18,194,310	$ 21,439,706	$ 30,566,407	$ 31,640,698	$ 30,547,139	$ 29,538,943
Primary government								
Invested in capital assets, net of related debt	$ 45,937,837	$ 51,732,650	$ 58,539,670	$ 63,482,371	$ 82,075,178	$ 69,665,404	$ 80,325,774	$ 81,227,312
Restricted	8,270,862	10,832,844	9,379,739	7,747,979	10,783,099	26,638,680	16,344,560	17,632,977
Unrestricted	10,714,475	11,319,848	12,899,786	17,098,233	12,838,584	10,704,941	8,205,464	5,258,459
Total primary government net assets	$ 64,923,174	$ 73,885,342	$ 80,819,195	$ 88,328,583	$ 105,696,861	$ 107,009,025	$ 104,875,798	$ 104,118,748

Schedule 2
Barrow County, Georgia
Changes in Net Assets, Last Eight Fiscal Years

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Expenses								
Governmental Activities								
General government	$ 5,865,660	$ 5,520,703	$ 6,142,340	$ 6,281,798	$ 6,935,337	$ 7,039,912	$ 6,698,808	$ 8,813,008
Judicial	1,836,653	2,044,548	2,142,219	2,497,688	2,729,447	2,973,306	3,582,096	2,837,367
Public safety	11,165,019	12,203,227	14,241,444	17,582,029	20,312,720	21,110,029	21,475,769	21,916,777
Public works	4,400,260	2,002,576	5,319,571	3,066,980	2,690,236	4,382,633	3,732,911	3,085,370
Health and welfare	791,216	859,841	977,717	1,078,945	67,773	787,609	839,890	687,778
Culture and recreation	1,638,556	1,240,838	1,651,581	1,407,885	1,628,392	1,107,317	955,908	915,803
Housing and development	528,852	197,671	530,267	745,959	1,537,518	2,283,521	954,486	453,395
Interest on long term debt	171,967	129,383	101,932	1,353,488	1,534,713	2,747,504	2,838,927	3,251,404
Total governmental activities expenses	26,398,183	24,198,787	31,107,071	34,014,772	37,436,136	42,431,831	41,078,795	41,960,902
Business-type activities								
Sewerage treatment	292,527	349,814	464,969	685,992	1,400,014	1,653,951	1,641,405	2,533,416
Water transmission	2,460,786	2,493,695	2,652,971	2,525,526	2,722,634	2,629,586	2,501,833	2,596,396
Stormwater	-	-	-	-	-	-	-	292,967
Total business-type activities expenses	2,753,313	2,843,509	3,117,940	3,211,518	4,122,648	4,283,537	4,143,238	5,422,779
Total primary government expenses	$ 29,151,496	$ 27,042,296	$ 34,225,011	$ 37,226,290	$ 41,558,784	$ 46,715,368	$ 45,222,033	$ 47,383,681
Program Revenues								
Governmental Activities								
Charges for services								
General government	$ 1,631,392	$ 1,883,116	$ 2,259,500	$ 2,210,527	$ 2,246,952	$ 1,579,490	$ 1,499,288	$ 1,967,868
Judicial	1,847,216	2,304,867	2,018,388	2,072,682	2,687,788	2,262,923	2,287,329	2,727,946
Public safety	1,506,896	1,833,301	1,694,975	2,243,690	2,984,206	2,249,672	2,898,544	2,772,503
Public works	1,120,820	1,169,814	1,303,928	1,128,278	1,555,127	530,798	974,922	-
Health and welfare	-	-	-	-	-	-	-	-
Culture and recreation	175,518	186,901	212,835	322,701	331,655	243,624	229,779	206,620
Housing and development	-	-	-	-	-	1,205,656	910,783	700,331
Operating grants and contributions	420,402	650,637	194,702	903,221	1,132,978	268,502	304,511	363,731
Capital grants and contributions	5,874,107	2,714,715	3,591,841	402,036	473,563	34,386	9,442	1,934,789
Total governmental activities program revenues	12,576,351	10,743,351	11,276,169	9,283,135	11,412,269	8,375,051	9,114,598	10,673,788
Business-type activities								
Charges for services								
Sewerage treatment	124,016	417,901	494,931	810,650	2,136,643	1,230,244	455,196	837,474
Water transmission	391,761	779,752	1,011,123	1,125,242	1,370,731	1,260,158	1,254,231	1,328,692
Stormwater	-	-	-	-	-	-	-	437,716
Operating grants and contributions	-	-	-	-	-	-	-	80,251
Capital grants and contributions	10,487,368	525,393	867,830	226,650	8,471,759	1,317,910	854,975	726,993
Total business-type activities program revenues	11,003,145	1,723,046	2,373,884	2,162,542	11,979,133	3,808,312	2,564,402	3,411,126
Total primary government program revenues	$ 23,579,496	$ 12,466,397	$ 13,650,053	$ 11,445,677	$ 23,391,402	$ 12,183,363	$ 11,679,000	$ 14,084,914

(continued)

Schedule 2 (continued)
Barrow County, Georgia
Changes in Net Assets, Last Eight Fiscal Years
(accrual basis of accounting)

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Net (Expense)/Revenue								
Governmental Activities	$ (13,821,832)	$ (13,455,436)	$ (19,830,902)	$ (24,731,637)	$ (26,023,867)	$ (34,056,780)	$ (31,964,197)	$ (31,287,114)
Business-type activities	8,249,832	(1,120,463)	(744,056)	(1,048,976)	7,856,485	(475,225)	(1,578,836)	(2,011,653)
Total primary government net expense	$ (5,572,000)	$ (14,575,899)	$ (20,574,958)	$ (25,780,613)	$ (18,167,382)	$ (34,532,005)	$ (33,543,033)	$ (33,298,767)
General Revenues and Other Changes in Net Assets								
Governmental Activities								
Taxes								
Property taxes	$ 6,884,792	$ 8,864,030	$ 10,531,858	$ 12,098,054	$ 13,514,812	$ 14,457,127	$ 15,198,417	$ 15,192,798
Alcholic beverages taxes	172,036	189,642	195,857	216,761	244,332	239,986	244,946	247,076
Vehicle taxes	892,420	1,004,990	1,050,495	1,161,371	1,554,599	1,760,015	1,645,966	1,537,961
Sales taxes	10,145,303	11,552,174	12,642,388	15,337,695	14,925,419	14,730,372	11,672,732	12,598,996
Other taxes	1,562,368	1,640,842	1,920,734	2,045,279	179,646	213,217	224,078	1,818,670
Unrestricted investment earnings	375,694	285,099	703,905	2,233,137	1,967,181	1,859,209	2,080,469	143,610
Payments from primary government	-	-	-	-	2,983,897	2,053,837	708,687	-
Miscellaneous	161,800	-	-	190,727	152,725	453,795	270,745	699,826
Gain on sale of capital assets	-	-	-	-	-	-	-	302,245
Transfers	(1,526,550)	(1,605,662)	(2,099,903)	(4,287,395)	(1,257,167)	(1,472,905)	(1,121,511)	(1,002,922)
Total governmental activities	18,667,863	21,931,115	24,945,334	28,995,629	34,265,444	34,294,653	30,924,529	31,538,260
Business-type activities								
Unrestricted investment earnings	1,356	1,289	4,278	6,963	13,049	76,612	35,527	535
Transfers	1,526,550	1,605,662	2,099,903	4,287,395	1,257,167	1,472,905	449,750	1,002,922
Total business-type activities	1,527,906	1,606,951	2,104,181	4,294,358	1,270,216	1,549,517	485,277	1,003,457
Total primary government	$ 20,195,769	$ 23,538,066	$ 27,049,515	$ 33,289,987	$ 35,535,660	$ 35,844,170	$ 31,409,806	$ 32,541,717
Change in Net Assets								
Governmental Activities	$ 4,846,031	$ 8,475,679	$ 5,114,432	$ 4,263,992	$ 8,241,577	$ 237,873	$ (1,039,668)	$ 251,146
Business-type activities	9,777,738	486,488	1,360,125	3,245,382	9,126,701	1,074,292	(1,093,559)	(1,008,196)
Total primary government	$ 14,623,769	$ 8,962,167	$ 6,474,557	$ 7,509,374	$ 17,368,278	$ 1,312,165	$ (2,133,227)	$ (757,050)

Schedule 3
Barrow County, Georgia
Fund Balances, Governmental Funds
Last Eight Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
General Fund								
Reserved	$ 10,543	$ 55,684	$ 447,842	$ 20,623	$ -	$ -	$ -	$ -
Unreserved	9,812,252	10,777,160	8,931,897	7,727,356	9,022,937	6,723,716	4,701,149	4,292,956
Total general fund	$ 9,822,795	$ 10,832,844	$ 9,379,739	$ 7,747,979	$ 9,022,937	$ 6,723,716	$ 4,701,149	$ 4,292,956
All Other Governmental Funds								
Reserved								
Capital projects funds	$ 8,270,862	$ 10,210,795	$ 11,239,826	$ 70,617,702	$ 65,726,049	$ 26,638,679	$ 16,344,560	$ 17,632,977
Unreserved, reported in:								
Special revenue funds	991,832	695,301	819,459	576,665	408,389	273,556	591,496	741,892
Total all other governmental funds	$ 9,262,694	$ 10,906,096	$ 12,059,285	$ 71,194,367	$ 66,134,438	$ 26,912,235	$ 16,936,056	$ 18,374,869

Schedule 4
Barrow County, Georgia
Changes in Fund Balances, Governmental Funds
Last Eight Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Revenues								
Taxes	$ 19,691,862	$ 23,046,943	$ 26,247,391	$ 30,738,791	$ 32,348,783	$ 33,259,926	$ 31,141,280	$ 31,606,939
Licenses and permits	978,947	1,125,908	1,205,014	1,141,624	1,194,936	800,085	395,942	343,503
Intergovernmental	541,809	1,357,762	510,319	1,195,232	1,579,938	468,316	461,914	416,845
Charges for services	3,998,921	4,524,477	4,596,660	4,882,739	6,703,631	5,584,718	6,547,824	6,177,845
Fines and forfeitures	1,301,386	1,727,614	1,456,654	1,574,462	1,743,764	1,687,360	1,914,055	1,853,920
Interest	375,694	285,099	703,905	2,233,137	2,983,897	2,053,837	708,687	143,610
Other	182,399	179,440	269,524	679,805	342,725	288,365	214,250	660,349
Total revenues	27,071,018	32,247,243	34,989,467	42,445,790	46,897,674	44,142,607	41,383,952	41,203,011
Expenditures								
General government	5,677,959	5,072,328	5,884,197	6,139,944	6,697,914	6,686,345	6,236,591	5,656,275
Judicial	1,835,724	2,073,697	2,137,095	2,482,072	2,843,316	2,918,008	2,871,164	2,832,853
Public safety	13,785,716	12,114,387	15,110,544	17,800,236	19,844,926	20,308,616	20,680,850	19,911,681
Public works	3,955,294	1,930,488	1,957,816	2,820,667	3,080,709	2,798,327	2,346,593	1,759,918
Health and welfare	765,607	800,562	925,087	939,646	661,472	689,474	705,503	591,718
Culture and recreation	966,751	1,138,357	1,310,678	1,315,418	978,242	950,144	781,322	751,079
Housing and development	521,665	437,701	561,044	727,538	1,553,342	2,260,461	909,700	438,473
Intergovernmental	-	-	-	-	-	-	-	568,082
Capital outlay	-	3,188,925	4,161,669	3,631,923	14,236,465	44,128,152	12,032,730	2,290,957
Debt service								
Principal	1,055,000	1,095,000	1,195,966	1,185,000	345,628	2,567,800	2,859,016	2,953,196
Interest	179,000	136,683	97,084	46,893	1,363,655	2,709,518	2,874,090	3,449,749
Total expenditures	28,742,716	27,988,128	33,341,180	39,873,526	51,605,669	86,016,845	52,297,559	41,203,981
Excess (deficiency) of revenues over (under) expenditures	(1,671,698)	4,259,115	1,648,287	2,572,264	(4,707,995)	(41,874,238)	(10,913,607)	(970)
Other Financing Sources (Uses)								
Sale of general capital assets	-	-	151,700	-	140,191	157,719	36,372	302,245
Proceeds from capital lease	-	-	-	8,523	2,040,000	1,668,000	-	-
Proceeds from bond issuance	-	-	-	58,000,000	-	-	-	-
Premium on bond issuance	-	-	-	1,209,930	-	-	-	-
Transfers in	283,880	925,016	242,542	909,804	831,565	213,429	484,722	452,926
Transfers out	(1,810,430)	(2,530,678)	(2,342,445)	(5,197,199)	(2,088,732)	(1,686,334)	(1,606,233)	(1,029,586)
Total other financing sources (uses)	(1,526,550)	(1,605,662)	(1,948,203)	54,931,058	923,024	352,814	(1,085,139)	(274,415)
Net change in fund balance	$ (3,198,248)	$ 2,653,453	$ (299,916)	$ 57,503,322	$ (3,784,971)	$ (41,521,424)	$ (11,998,746)	$ (275,385)
Debt service as a percentage of noncapital expenditures	4.3%	5.0%	4.4%	3.4%	4.6%	12.6%	14.2%	16.5%

Schedule 5
Barrow County, Georgia
Assessed Value and Actual Value of Taxable Property
Last Ten Calendar Years
(in thousands of dollars)

Calendar Year Ended December 31	Real and Personal Property	Motor Vehicles	Mobile Homes	Public Utilities	Less Exempt Property (2)	Total Assessed Value	Less Exemptions On Taxable Property	Total Net Taxable Assessed Value	Total Direct Tax Rate (3)	Estimated Actual Taxable Value (1)	Assessed Value as a Percentage of Actual Value
2000	$ 880,228	$ 103,039	$ 10,447	$ 31,018	$ (57,030)	$ 967,702	$ (153,712)	$ 813,990	$ 8.62	$ 2,419,255	40.00%
2001	1,046,049	113,730	11,742	31,345	(66,234)	1,136,632	(198,396)	938,236	7.74	2,841,580	40.00%
2002	1,173,655	124,737	9,216	31,590	(79,225)	1,259,973	(242,900)	1,017,073	7.93	3,149,933	40.00%
2003	1,255,442	131,201	13,484	33,500	(84,812)	1,348,815	(258,875)	1,089,940	8.66	3,372,038	40.00%
2004	1,562,239	139,081	14,692	36,401	(96,888)	1,655,525	(366,298)	1,289,227	8.92	4,138,813	40.00%
2005	1,726,365	143,935	15,179	36,162	(109,255)	1,812,386	(393,189)	1,419,197	8.92	4,530,965	40.00%
2006	1,876,743	144,709	11,949	44,332	(111,561)	1,966,172	(402,316)	1,563,856	10.74	4,915,430	40.00%
2007	2,197,061	162,656	10,949	48,054	(133,969)	2,284,751	(484,398)	1,800,353	10.88	5,711,878	40.00%
2008	2,283,806	179,364	10,605	48,821	(144,151)	2,378,445	(468,760)	1,909,685	11.26	5,946,113	40.00%
2009	2,214,531	187,364	8,091	55,787	(169,077)	2,296,696	(460,483)	1,836,213	11.26	5,741,740	40.00%

Source: Tax Commissioner's Office.

Note: (1) Under Georgia law, property is assessed for taxes at 40% of fair market value.

(2) In 2002 the value of exempt property was updated.

(3) The direct tax rate is applied against the total net taxable assessed value to levy property taxes.

Schedule 6
Barrow County, Georgia
Direct and Overlapping Property Tax Rates (1)
Last Ten Calendar Years

	Barrow County Direct Rates			Overlapping Rates (2)		
Calendar Year	Basic Rate	Fire Rate	Total Direct Rate	State of Georgia	County School District	Total Direct & Overlapping Rates
2000	$ 7.12	$ 1.50	$ 8.62	$ 0.25	$ 29.47	$ 38.34
2001	6.33	1.40	7.74	0.25	28.84	36.83
2002	6.31	1.63	7.93	0.25	26.85	35.03
2003	6.77	1.90	8.66	0.25	27.82	36.73
2004	6.77	2.15	8.92	0.25	26.67	35.84
2005	6.77	2.15	8.92	0.25	26.67	35.84
2006	8.59	2.15	10.74	0.25	28.41	39.40
2007	8.43	2.45	10.88	0.25	28.09	39.22
2008	8.26	3.00	11.26	0.25	28.51	40.02
2009	8.26	3.00	11.26	0.25	28.51	40.02

Source: Tax Commissioner's Office.

Note: (1) Tax rates are per thousand dollars of assessed value.
(2) Barrow County property owners are subject to a property tax levy for the Government, State of Georgia, and the County School District.

Schedule 7
Barrow County, Georgia
Principal Property Taxpayers
Current Year and Nine Years Ago

	2009			2000		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total County Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total County Taxable Assessed Value**
Anderson Merchandisers	$ 39,697,054	1	2.20 %	$ -		- %
Johns Manville Products	16,441,602	2	0.89	4,374,017	8	0.53
Jackson EMC	15,783,749	3	0.86	7,123,350	4	0.90
stephan Company	15,316,707	4	0.83	12,627,039	3	1.50
Winder-Barrow Industrial Authority	12,502,143	5	0.68	-		-
Georgia Power Company	10,483,515	6	0.57	4,033,699	10	0.49
Winstream Georgia Company	9,820,442	7	0.53	-		-
Petxo Animal Supplies	9,725,882	8	0.52	-		-
Georgia Transmission	9,490,890	9	0.51	-		-
Chateau Elan Resort	8,552,296	10	0.47	-		-
Schuller Internationals co. AKA Manville	-	-	-	18,088,307	1	2.20
Fountainhead Development Corp. Inc.	-	-	-	12,752,163	2	1.60
Rhodia Winder Georgia Plant	-	-	-	8,118,318	5	0.99
Alltel Georgia Communications	-	-	-	6,366,783	6	0.78
Harrison Poulty Inc.	-	-	-	6,001,101	7	0.74
Olympic Steel	-	-	-	4,094,172.00	9	0.50
Total	$ 147,814,280		8.06 %	$ 83,578,949		10.2 %

Schedule 8

Barrow County, Georgia

Property Tax Levies and Collections
Last Nine Calendar Years

Calendar Year of Levy	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2001	$ 4,820,570	$ 4,626,161	97 %	$ 123,800	$ 4,749,961	98.50
2002	4,773,371	4,497,838	94	169,990	4,667,828	97.80
2003	5,807,960	5,570,710	96	223,368	5,794,078	99.8
2004	7,041,026	6,773,420	96	197,049	6,970,469	99.00
2005	7,835,395	7,562,431	97	319,787	7,882,218	100.0
2006	11,956,165	11,505,686	96	393,048	11,898,734	99.5
2007	13,474,840	12,716,634	94	597,496	40,476,651	99.8
2008	14,239,134	13,386,347	94	260,562	43,293,427	98.2
2009	14,662,109	13,811,735	94	348,411	45,986,052	94.2

Source: Tax Commissioner's Office.

Schedule 9
Barrow County, Georgia
Sales Tax Collections
Last Nine Fiscal Years

	Local Option Sales Tax (LOST)	Percent Increase (Decrease)	Special Purpose Local Option Sales Tax (SPLOST)	Percent Increase (Decrease)	Total Sales Taxes
2002	$ 3,267,826	- %	$ 5,921,783	- %	$ 9,189,609
2003	3,793,194	16.08	6,352,109	7.27	10,145,303
2004	4,351,840	14.73	7,200,334	13.35	11,552,174
2005	4,743,986	9.01	7,898,402	9.69	12,642,388
2006	5,891,193	24.18	9,446,502	19.60	15,337,695
2007	5,748,119	(2.43)	9,177,300	(2.85)	14,925,419
2008	5,647,673	(1.75)	9,082,699	(1.03)	14,730,372
2009	4,472,080	(20.82)	7,200,652	(20.72)	11,672,732
2010	4,821,843	7.82	7,777,153	8.01	12,598,996

Source: Barrow County Finance Department
Note: Both the LOST and SPLOST are $0.01tax on each dollar of taxable transactions.

Schedule 10
Barrow County, Georgia
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities			Business-type Activities					
Fiscal Year	General Obligation Bonds	Guaranteed Revenue Debt	Capital Leases	Water and Sewer Revenue Bonds	Sewerage Treatment Contracts Payable	Water Transmission Contracts Payable	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
2001	$ 5,500,000	$ -	$ -	$ 1,992,842	$ -	$ -	$ 7,492,842	0.64 %	$ 155
2002	4,475,000	-		4,085,000	-	22,348,788	30,908,788	2.60	606
2003	3,420,000	-	-	3,935,000	-	21,877,912	29,232,912	2.35	551
2004	2,325,000	-	-	3,780,000	-	21,386,400	27,491,400	2.03	489
2005	1,185,000	-	95,734	3,625,000	-	20,874,252	25,779,986	1.74	434
2006	58,000,000	-	27,821	13,155,000	4,832,000	18,958,856	94,973,677	5.92	1,506
2007	58,000,000	27,860,000	1,722,193	12,630,000	3,832,000	18,354,784	122,398,977	6.97	1,829
2008	56,120,000	27,860,000	2,693,964	12,085,000	3,705,437	17,726,324	120,190,725	6.25	1,711
2009	54,180,000	27,860,000	1,774,948	11,525,000	3,573,608	17,103,492	116,017,048	N/A	1,608
2010	52,175,000	27,225,000	826,752	10,940,000	3,436,297	16,465,652	111,068,701	N/A	N/A

Details regarding the Government's outstanding debt can be found in the Notes to the Financial Statements.

Note: (1) Calculated using amounts from Schedule 15.

Schedule 11
Barrow County, Georgia
Ratio of General Bonded Debt Outstanding
Last Ten Calendar Years

Calendar Year	General Obligation Bonds	Percentage of Total Assessed Value of Property	Per Capita (1)
2000	$ -	0.00% %	$ -
2001	5,500,000	0.48%	113
2002	4,475,000	0.36%	88
2003	3,420,000	0.25%	64
2004	2,325,000	0.14%	41
2005	1,185,000	0.07%	20
2006	58,000,000	2.95%	920
2007	58,000,000	2.54%	867
2008	56,120,000	2.36%	799
2009	54,180,000	2.36%	751

Note: (1) Population data can be found in the Schedule of Demographic and Economic Statistics on page .

Schedule 12
Barrow County, Georgia
Direct and Overlapping Governmental Activities Debt
As of September 30, 2010

	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Category of debt:			
Direct:			
General obligation bonds(1)	$ 52,175,000	100%	$ 52,175,000
Intergovernmental contracts(2)	51,706,449	100%	51,706,449
Capital leases(3)	826,753	100%	826,753
Total	104,708,202		104,708,202
Overlapping:			
Barrow county school district:			
General obligation bonds	60,680,000	100%	60,680,000
Intergovernmental contracts(2)	1,302,810	100%	1,302,810
Capital leases(3)	172,895	100%	172,895
Total	62,155,705		62,155,705
Winder:			
Intergovernmental contracts(2)	18,108,610	100%	18,108,610
Capital leases(3)	2,170,159	100%	2,170,159
Total	20,278,769		20,278,769
Braselton:			
Intergovernmental contracts(2)(4)	1,558,201	100%	1,558,201
Statham:			
Intergovernmental contracts(2)	3,110,900	100%	3,110,900
Capital leases(3)	6,073	100%	6,073
Total	3,116,973		3,116,973
Auburn:			
Intergovernmental contracts(2)	2,470,342	100%	2,470,342
Capital leases(3)	-		-
Total overlapping:	2,470,342		2,470,342
Total			
Bethlehem:			
Intergovernmental contracts(2)	10,654	100%	10,654
Capital leases(3)			
Total			
Total overlapping:	89,590,644		89,579,990
Total direct and overlapping:	$ 194,298,846		$ 194,288,192

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of Barrow County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Barrow County. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

(1) Represents general obligations of the governmental entity to which its full faith and credit are pledged. It consitutes debt for purposes of the constitutional debt limit described in "Legal Debt Margin of the County" here in. The county cannot incur long-term obligations payable out of general property taxes without the approval of a majority of the qualified voters voting at an election called to approve the obligation.

(2) Represents contractual obligations of the governmental entity to which its full faith and credit and taxing power are pledged. It does not constitute debt for the purposes of the constitutional debt limit. It includes loans from Georgia Environmental Facilities Authority and the State Relvolving Fund, which are generally paid with water and sewer revenues.

(3) Represents contractual obligations of the governmental entity that are subject to annual appropriations. It does not constitute debt for the purposes of the constitutional debt limit.

(4) Braselton lies within four counties. Includes only the portion allocable to Barrow County (24%).

Source: School district and the minicipalites

Schedule 13
Barrow County, Georgia
Legal Debt Margin Information
Last Ten Fiscal Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Debt Limit	$ 96,770,200	$ 113,663,200	$ 125,997,300	$ 134,881,500	$ 165,552,500	$ 181,238,600	$ 196,617,200	$ 228,475,100	$ 237,844,500	$ 229,669,600
Total net debt applicable to limit		5,500,000	4,475,000	3,420,000	2,325,000	1,185,000	58,000,000	58,000,000	56,120,000	54,180,000
Legal debt margin	$ 96,770,200	$ 108,163,200	$ 121,522,300	$ 131,461,500	$ 163,227,500	$ 180,053,600	$ 138,617,200	$ 170,475,100	$ 181,724,500	$ 175,489,600
Total net debt applicable to limit as a percentage of debt limit	0.00%	4.84%	3.55%	2.54%	1.40%	0.65%	29.50%	25.39%	23.60%	23.59%

Legal Debt Margin Calculation for Fiscal Year 2009

Assessed Value	$ 2,296,696,000
Debt Limit (10% of total assessed value)	229,669,600
Debt applicable to limit	54,180,000
Legal Debt Margin	$ 175,489,600

Note:
1. Under state law, the Government's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject
2. The county anticipates paying its general obligation bonds of $54,180,000 with the proceeds of a one percent sales and use tax levied by the county.

Schedule 14
Barrow County, Georgia
Pledged Revenue Bond and Contracts Coverage
Last Nine Fiscal years

Water and Sewer Revenue Bonds

Fiscal Year	Operating Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2002	$ 1,345,444	$ 1,029,112	$ 316,332	$ 1,993	$ 183,871	1.70
2003	1,684,937	1,243,610	441,327	341,995	192,821	0.83
2004	2,256,516	1,287,486	969,030	155,000	185,934	2.84
2005	2,691,805	1,460,310	1,231,495	155,000	176,872	3.71
2006	2,904,086	1,716,618	1,187,468	165,000	513,399	1.75
2007	3,127,142	1,804,342	1,322,800	525,000	519,459	1.27
2008	2,404,062	1,358,438	1,045,624	500,469	1,395,969	0.55
2009	2,376,734	1,333,748	1,042,986	560,000	476,237	1.01
2010	2,453,817	1,365,909	1,087,908	585,000	452,285	1.05

Sewerage Contracts

Fiscal Year	Charges for Services	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2002	$ 180,208	$ 108,895	$ 71,313	N/A	N/A	-
2003	124,016	143,215	(19,199)	N/A	N/A	-
2004	417,901	170,162	247,739	N/A	N/A	-
2005	494,931	268,028	226,903	N/A	N/A	-
2006	810,664	349,360	461,304	N/A	N/A	-
2007	2,136,643	527,098	1,609,545	1,000,000	-	1.61
2008	1,292,716	578,665	714,051	126,563	159,411	2.50
2009	483,520	532,260	(48,740)	131,828	154,146	(0.17)
2010	918,117	1,398,388	(480,271)	137,312	148,662	(1.68)

Transmission Contracts

Fiscal Year	Charges for Services	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2002	$ 79,215	$ -	$ 79,215	N/A	N/A	-
2003	393,117	598,608	(205,491)	470,876	1,196,282	(0.12)
2004	781,041	620,509	160,532	491,512	1,111,416	0.10
2005	1,015,401	877,126	138,275	512,148	866,586	0.10
2006	1,132,205	891,739	240,466	542,164	906,953	0.17
2007	1,383,780	1,271,730	112,050	607,072	719,913	0.08
2008	1,274,298	1,052,546	221,752	628,460	40,432	0.33
2009	1,261,434	963,490	297,944	622,832	803,397	0.21
2010	1,328,835	1,064,974	263,861	637,840	789,365	0.18

Note: Details regarding the Government's outstanding debt can be found in the Notes to the Financial Statements. Operating Revenues includes all charges for services, other revenues and interest revenues. Operating expense do not include interest, depreciation or amortization.

Schedule 15
Barrow County, Georgia
Demographic and Economic Statistics
Last Nine Calendar Years

Calendar Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2000	46,567	$ 1,082,402,000	$ 23,247	3.0 %
2001	48,468	1,177,055,000	24,291	3.9
2002	51,000	1,189,796,000	23,343	4.7
2003	53,092	1,241,915,000	23,412	4.7
2004	56,223	1,356,843,000	24,157	4.5
2005	59,354	1,477,976,000	24,901	4.7
2006	63,045	1,605,441,000	25,465	4.2
2007	66,926	1,754,944,000	26,222	4.3
2008	70,256	1,921,981,000	27,357	6.3

Source: The University of Georgia, The 2008 - 2009 Georgia County Guide

Schedule 16
Barrow County, Georgia
Principal Employers
Current Year and Four Years Ago

	2009			2005		
Employer	**Employees**	**Rank**	**Percentage of Total County Employment**	**Employees**	**Rank**	**Percentage of Total County Employment**
Barrow County School System	1,800	1	14.10%	1,757	1	7.36%
Harrison Poulty	876	2	6.86%	896	2	3.75%
Total Logistics Control	495	3	3.88%	201	10	0.08%
Chateau Elan Resort and Winery	464	4	3.64%	550	3	2.30%
Barrow County	456	5	3.57%	380	4	1.59%
Anderson Merchandisers	435	6	3.41%	489	5	2.05%
Johns Manville International	268	7	2.10%	330	6	1.38%
Akins Ford	235	8	1.84%	234	8	0.98%
Barrow Regional Medical Center	225	9	1.76%	225	9	0.09%
United Waste Services	215	10	1.68%	300	7	1.00%
Total	5,469		42.84%	5,362		20.58%

Source: Georgia Department of Labor
Chamber of Commerce
Note: Data for calender year 2010 is not yet available.

Schedule 17
Barrow County, Georgia
Full-time Government Employees by Function
Last Nine Fiscal Years

	Fiscal Year								
	2002	2003	2004	2005	2006	2007	2008	2009	2010
Function									
General government	56	60	65	67	64	68	67	67	55
Judicial	23	28	28	32	40	41	41	41	36
Public safety	180	202	218	246	273	286	327	326	310
Public works	26	28	28	29	42	44	47	49	35
Health and welfare	5	5	6	6	6	6	6	6	5
Culture and recreation	6	6	6	8	9	9	10	9	8
Housing and development	7	7	7	11	19	19	17	17	9
Total	303	336	358	399	453	473	515	515	458

Source: Barrow County Budget.

Schedule 18
Barrow County, Georgia
Operating Indicators by Function/Department
Last Eight Fiscal Years

Function/Department	Fiscal Year 2002	2003	2004	2005	2006	2007	2008	2009	2010
Public Safety									
Sheriff									
Total arrests		N/A	N/A	3,526	4,811	5,369	4,651	4,956	5,221
Inmates processed		N/A	N/A	3,526	4,811	5,369	4,651	4,956	5,221
Average inmates per day		N/A	N/A	120	130	137	150	253	255
Incident reports written	5,125	5,101	9,617	12,950	10,490	7,006	11,406	12,342	12,834
Calls received via 911									
Crimes investigated	2,417	2,354	3,050	3,296	3,366	5,501	4,512	4,964	6,543
E-911									
Calls received via 911	N/A	18,269	26,999	33,033	36,592	41,539	40,482	42,055	41,491
Fire									
Emergency responses	N/A	N/A	N/A	N/A	2,297	2,517	5,862	7,200	7,653
Inspections		N/A	N/A	N/A	N/A	N/A	N/A	137	126
Water Authority									
New water meters installed	342	531	547	670	427	352	90	43	22
Water business office bills prepared	28,056.0	33,754	39,399	46,940	53,880	59,416	61,162	60,761	61,090
Daily water treatment (in millions)	0.618	0.533	0.679	0.843	1.142	1.270	0.863	0.989	0.947
Number of plans reviewed	3	10	17	10	9	8	7	4	-
Public Works									
Major resurfacing/rehabilitation of pavement (centerline miles)	18	8	6	7	6	16	7	6	17
Traffic signal upgrades	-	-	1	-	-	-	-	-	-
Vehicles replaced	1	1	-	-	1	1	2	-	-
Number of Inspections	260	300	400	500	550	400	200	200	200
Airport									
Number of landings									
Gallons of fuel sold	268744	225,069	195,251	235,855	184,628	155,516	188,822	153,348	140,883
Culture and Recreation									
Leisure Services									
Number of program participants	1,600	1,600	1,490	1,490	1,872	2,800	3,094	3,424	3,213
Number of structures maintained	6	6	6	6	6	6	6	6	6

Sources: Various government departments.
Indicators are not available for the general government function.

Schedule 19
Barrow County, Georgia
Capital Assets by Function/Department
Last Eight Fiscal Years

	Fiscal Year								
Function/Department	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Public Safety									
Sheriff									
Vehicles	N/A	79	87	95	98	133	125	122	115
Fire									
Stations	6	6	6	6	6	6	6	6	6
Fire trucks	10	10	10	10	10	10	9	10	10
Public Works									
Public Works									
Lane miles owned and maintained	380	400	420	440	450	460	465	470	476
Traffic signals	2	2	6	1	-	-	-	1	1
Vehicles	17	18	18	18	18	19	23	23	23
Water Authority									
Vehicles	4	4	4	5	6	7	7	7	8
Culture and Recreation									
Culture and Recreation									
Community centers	1	1	1	1	1	1	1	1	1
Playgrounds	2	2	2	2	2	2	2	2	2
Baseball/Softball diamonds	7	7	7	7	7	7	7	10	10
Soccer/Football fields	1	1	1	1	1	1	1	1	1
Vehicles	2	2	3	3	3	3	3	4	4

Sources: Various government departments.
Indicators are not available for the general government function.

COMPLIANCE SECTION

Geer & Associates
Certified Public Accountants, P.C.

INDEPENDENT AUDITOR'S REPORT ON THE SCHEDULE OF SPECIAL PURPOSE LOCAL OPTION SALES TAX

Honorable Chairman and Members
Barrow County Commission
Winder, Georgia

We have audited the accompanying Schedule of Special Purpose Local Option Sales Tax for Barrow County, Georgia for the year ended September 30, 2010. This schedule is the responsibility of Barrow County, Georgia's management. Our responsibility is to express an opinion on the Schedule of Special Purpose Local Option Sales Tax based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United State 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 Schedule of Special Purpose Local Option Sales Tax is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedule of Special Purpose Local Option Sales Tax. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Schedule of Special Purpose Local Option Sales Tax. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Schedule of Special Purpose Local Option Sales Tax was prepared for the purpose of complying with the Official Code of Georgia Annotated, 48-8-121 on the modified accrual basis of accounting as described in Note 1 and is not intended to be a complete presentation of Barrow County, Georgia's revenues and expenditures.

In our opinion, the Schedule of Special Purpose Local Option Sales Tax referred to above presents fairly, in all material respects, the original estimated cost, the current estimated cost, and the current and prior year expenditures for each project in Barrow County, Georgia's resolution or ordinances calling for the tax for the year ended September 30, 2010, in conformity with accounting principles generally accepted in the United States of America.

Respectfully submitted,

Geer & Associates

Geer & Associates
March 14, 2011

BARROW COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
2001 ISSUE
FISCAL YEAR ENDED SEPTEMBER 30, 2010

PROJECT	ORIGINAL ESTIMATED COST	CURRENT ESTIMATED COST	PRIOR YEARS	CURRENT YEAR	TOTAL
ROADS, STREETS AND BRIDGES	$ 10,772,000	$ 10,772,000	$ 9,279,619	$ 82,486	$ 9,362,105
RENOVATION OF COUNTY ANNEX BUILDING	2,000,000	2,123,021	2,123,021	-	2,123,021
WORK RELEASE FACILITY	1,000,000	1,023,179	1,023,179	-	1,023,179
SENIOR CITIZENS CENTER	600,000	599,282	599,282	-	599,282
RECREATIONAL FACILITIES	2,500,000	2,500,000	2,428,740	21,738	2,450,478
BEAR CREEK DEBT PAYMENTS	10,000,000	10,000,000	10,000,000	-	10,000,000
PURCHASE OF LAND FOR FUTURE NEEDS	3,000,000	3,000,000	2,509,248	-	2,509,248
FIRE STATIONS	800,000	884,034	884,034	-	884,034
WATER PROJECTS	3,000,000	3,000,000	3,000,000	-	3,000,000
SEWER LINES	3,600,000	4,622,587	4,105,667	425,963	4,531,630
	$ 37,272,000	$ 38,524,103	$ 35,952,790	$ 530,187	$ 36,482,977

BARROW COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
2005 ISSUE
FISCAL YEAR ENDED SEPTEMBER 30, 2010

PROJECT	ORIGINAL ESTIMATED COST	CURRENT ESTIMATED COST	PRIOR YEARS	CURRENT YEAR	TOTAL
UNDIVIDED INTEREST IN BEAR CREEK	$ 5,400,000	$ 5,400,000	$ 2,682,541	$ 356,942	$ 3,039,483
$58,000,000 BOND PAYMENT	29,000,000	29,000,000	12,803,461	4,499,729	17,303,190
WACHOVIA LEASE PAYMENT	728,360	728,360	485,573	182,088	667,661
ROADS	8,649,030	8,649,030	3,081,184	658,146	3,739,330
CRIMINAL JUSTICE FACILITY	46,400,000	52,285,121	51,539,976	71,517	51,611,493
E-911 FACILITY	1,500,000	1,500,000	926,544	682,596	1,609,140
FIRE STATIONS AND TRAINING CENTER	2,500,000	2,500,000	2,069,594	142,783	2,212,377
COURTHOUSE RENOVATIONS	4,250,000	4,250,000	212,920	38,850	251,770
CULTURAL ARTS CENTER	3,000,000	3,000,000	121,060	-	121,060
WEST WINDER BYPASS	4,000,000	4,000,000	4,940	140,121	145,061
HEALTH DEPARTMENT FACILITY	1,000,000	1,000,000	997	-	997
PARK AND RECREATION FACILITIES	3,930,162	3,930,162	-	-	-
SEWER FACILITIES	1,716,862	1,716,862	-	-	-
AIRPORT IMPROVEMENTS	500,000	500,000	-	-	-
ANIMAL CONTROL FACILITIES	1,500,000	1,616,844	1,561,714	20,589	1,582,303
CITY OF AUBURN - STREETS	2,333,040	2,333,040	738,091	162,009	900,100
CITY OF BETHLEHEM - STREETS	307,726	307,726	96,921	21,274	118,195
TOWN OF CARL - STREETS	86,984	86,984	27,693	6,078	33,771
CITY OF STATHAM - STREETS	600,000	600,000	190,114	41,730	231,844
CITY OF WINDER - STREETS	4,500,736	4,500,736	1,423,994	312,562	1,736,556
TOWN OF BRASELTON - RECREATION	351,688	351,688	111,298	24,430	135,728
TOTAL	$122,254,588	$128,256,553	$78,078,615	$ 7,361,444	$85,440,059

The funds shown for the Criminal Justice Facility includes funds disbursed from funds received from the issuance of the $58,000,000 General Obligation Sales Tax Bond, Series 2005, Page 41.

The debt payments have previously been reported in the actual projects.

Geer & Associates
Certified Public Accountants, P.C.

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

Honorable Chairman and Members
Barrow County Commission
Winder, Georgia

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Barrow County, Georgia, as of and for the year ended September 30, 2010, which collectively comprise Barrow County, Georgia's basic financial statements and have issued our report thereon dated March 14, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Barrow County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Barrow County's financial statements that is more than inconsequential will not be prevented or detected by Barrow County's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Barrow County's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we consider items 2010-1 to 2010-3 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Barrow 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 also noted other additional matters that we reported to management of the County in a separate letter dated March 14, 2011. The County's responses to the findings identified in our audit are presented in the accompanying schedule of findings and questioned costs. We did not audit the County's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of management, Commission of Barrow County, Georgia, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

Geer & Associates

Geer & Associates
March 14, 2011

BARROW COUNTY, GEORGIA
SEPTEMBER 30, 2010
SCHEDULE OF FINDINGS & QUESTIONED COST

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unqualified			
Internal control over financial reporting:				
Significant deficiency(es) identified?	X	yes		no
Control deficiency(s) identified not considered to be material weakness(es)	X	yes		no
Noncompliance material to financial statements noted		yes	X	no

Federal Awards

There were no major federal award programs as of September 30, 2009.

Dollar threshold used to distinguish between Type A and Type B programs:	$300,000 $500,000			
Auditee qualified as low risk auditee?	X	yes		no

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

Finding Reference: **2010-1 Segregation of Duties**

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

Condition: Internal controls were not sufficient to inhibit the misappropriation of funds without such actions being detected during the normal course of business.

Context/Cause: During our review of internal controls, we noted the following areas in which the County lacked a proper segregation of duties:

- Sheriff- The Sheriff's office does not have a proper segregation between the person who reconciles the account and the person who is responsible for the investigation into any bank error or insufficient funded checks.
- Tax Commissioner- The Commissioner's office has the following lack of segregation of duties:
  - The Tax Commissioner prepares the bank reconciliation as well as handles the disbursement process, and no one is reviewing the reconciliations
  - The Tax Commissioner also has the ability to make an inter-bank transfer without the approval or review of any employees, while she disburses and reconciles the account.
- Magistrate- The Magistrate Court does not have a proper segregation in the following areas:
  - The same person is responsible for opening and receipting the mail
  - After the checks are signed, but prior to disbursement, the employee responsible for the checks is not independent of the disbursement and/or cash receipting process
  - The person performing the cash reconciliations is also able to disburse and occasionally receipt funds
- Clerk of Court- The Clerk of Court does not have a proper segregation in the following areas:
  - The custody of the checks, after signed for disbursement, is handled by an employee with cash receipting responsibilities
  - Bank reconciliations are performed by employees with cash receipting responsibilities
- Airport- The Airport Authority has no segregation of duties. The same person opens the mail, receipts the mail, prepares the checks for disbursements, is authorized to sign the checks and performs the reconciliation. Though we realize there is a small staff at the Airport Authority, we also note that there is potential for error or abuse. We recommend that the County consider taking the general ledger responsibilities in-house as well as the reconciliation process.

Effects or possible effects: Failure to properly segregate duties may allow for error or irregularities to occur and not be detected in a timely manner by employees in the normal course of performing their assigned functions.

Recommendation: We recommend the County segregate duties relative to the cash receipting process, check disbursing, the general ledger function, reconciling bank accounts and handling of checks after signature and before mailing.

Auditee's Response: We shall review our operations to determine the most efficient and effective solution to properly segregate duties.

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

Finding Reference: **2010-2 Unidentified Fund and Inefficient Receipting- Clerk of Court**

Criteria: Agency funds are used to account for resources held by the County in a purely custodial capacity, which means that all funds are owed to other governments, organizations, or individuals. Due to the nature of these funds, it is important that adequate records be maintained to account for receipts, disbursements, and any residual funds that are held to be paid at a later date. Such listings should be reconciled to the respective cash balances maintained.

Condition: Internal controls were not sufficient to identify the parties to whom monies held by the Clerk of Court were owed at September 30, 2010.

Context/Cause: During our testing of the Clerk of Court's office, the Court was not able to identify all the funds it has collected. The Court operates as an agency fund, in that money that the Court collects is to be remitted to other entities. The Court should be able to identify all the funds it has collected. There is unidentified money in the Probation fee account. The Court has contracted with a third party to collect their probation fees. The third party collector deposits their collections daily into the Court's Probation bank account. A list is provided to the Court of the individual cases accounted for in each deposit. The Court transfers these fees from the Probation fee account into the Costs and Fines account. However, the Court is not able to match the all of the cases due to the case information not being entered into the Court system in a timely manner.

Effects/Possible Effects: As a result of the inadequate record keeping in the Clerks Office, they currently hold unidentified funds, which can not be properly disbursed as of September 30, 2010.

Recommendation: We recommend that the Court take the necessary steps to catch up in both their case entering as well as their receipting of the cash/checks.

Auditee's Response: We concur with the finding. We shall take necessary steps in the future to ensure that the appropriate subsidiary ledgers are maintained and that the necessary steps are taken to ensure all receipts are properly entered into the supportive court software.

Finding Reference: **2010-3 Winder-Barrow County Airport Authority**

Criteria: The Airport Authority should maintain their general ledgers in accordance with generally accepted accounting standards. Expenditures should be recorded as they are incurred, instead of when the invoice is paid. Revenues and receivables should be properly valued and recorded when earned and reconciled monthly. Capital assets should be properly recorded and reconciled to supporting subsidiary ledgers. Debt activity should be recorded as a liability when incurred and debt service payments should be charged against the liabilities.

Condition: Internal controls were not sufficient to detect material misstatements in the reporting of the Airport Authorities financial statements.

Context/Cause: During our testing of the Airport Authority, significant audit adjustments were required to correct current and prior year amounts. The nature of these adjustments is as follows:

- An adjustment was required to properly reconcile opening equity, as they had not properly recorded all the necessary adjustments at the close of the prior year's audit
- An adjustment was required to properly book the sinking fund cash account, which is funded by monthly payments from the County.
- An adjustment was required to properly record the debt service payment made by the Airport Authority from the sinking fund
- Adjustments were required to record the current year activity for the capital assets of the airport.

Effects: Significant audit adjustments were needed to correctly report the financial statements of the Airport Authority.

Recommendation: We recommend the County become involved with the bookkeeping of the Airport, and consider taking the accounting in-house, as this is a problem that has persisted for several years. The Airport does not have sufficient staff to maintain their finance records and general ledger in a timely manner.

Auditee's Response: We concur with the finding. We shall take necessary

Finding Reference: **2009-1 thru 2009-3**

Mitigated, see current year findings

Barrow County
Finance Department
233 East Broad Street
Winder, Georgia 30680