Comprehensive Annual Financial Report

Year Ended December 31, 2010

Jackson County, Georgia

The new Hoschton Park located on Highway 53 in Hoschton officially opened on September 11, 2010. The park is the latest addition to Jackson County's multi-use park system that ranges from a historic village area to walking trails to state-of the-art ball fields. You are sure to find a place for just about any type of leisure activity in Jackson County.

Prepared by:
The Office of Financial Administration

Jackson County
Lifestyle. Opportunity.

JACKSON COUNTY, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED December 31, 2010

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JACKSON COUNTY
BOARD OF COMMISSIONERS

67 ATHENS STREET • JEFFERSON, GEORGIA 30549 • 706-367-6312

Hunter Bicknell
Chairman

Tom Crow
District 1

Chas Hardy
District 2

Bruce Yates
District 3

Dwain Smith
District 4

June 16, 2011

The Honorable Hunter Bicknell, Chairman,
Members of the Board of Commissioners, and
The Citizens of Jackson County Georgia

The Official Code of Georgia as Amended (OCGA) requires that county governments publish, within six months of the end of each of their fiscal years, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report (CAFR) of Jackson County, Georgia (the "County") for the fiscal year ended December 31, 2010.

This report consists of management's representation concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and responsibility of all the information presented in this CAFR. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed both to protect the County's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the costs of internal controls should *not* outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this CAFR is complete and reliable in all material respects.

The County's financial statements have been audited by Bates Carter & Co., LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the County for the fiscal year ended December 31, 2010 are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and, evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County's financial statements for the fiscal year ended December 31, 2010, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this CAFR.

As a recipient of federal and state financial assistance, the County is also responsible for ensuring that adequate internal controls are in place to assure compliance with applicable

laws and regulations related to those programs. Thus internal controls are subject to periodic evaluation by management.

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. In 2003, the County adopted the new reporting model required by GASB Statement No. 34 (GASB # 34). As part of the requirements contained in GASB # 34, management is to present a narrative introduction, overview and analysis to accompany the basic financial statements in the form of *Management's Discussion and Analysis* (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A is found directly following the independent auditor's opinion in the financial section of this CAFR.

Geographical and Economic Profile of the County

Jackson County is located on the upper fringes of the Piedmont Plateau in northeastern Georgia. The City of Jefferson serves as the County Seat, and is located approximately five miles off of U.S. Interstate Highway 85 (I-85). I-85 runs from southwest to northeast from Montgomery, Alabama to its confluence with I-95 in Richmond, Virginia. The City of Atlanta is less than one hour's travel time along I-85 from most sections of the County. Jefferson is about 20 miles from Athens, which is the home of the state's flagship institution of higher learning, the University of Georgia.

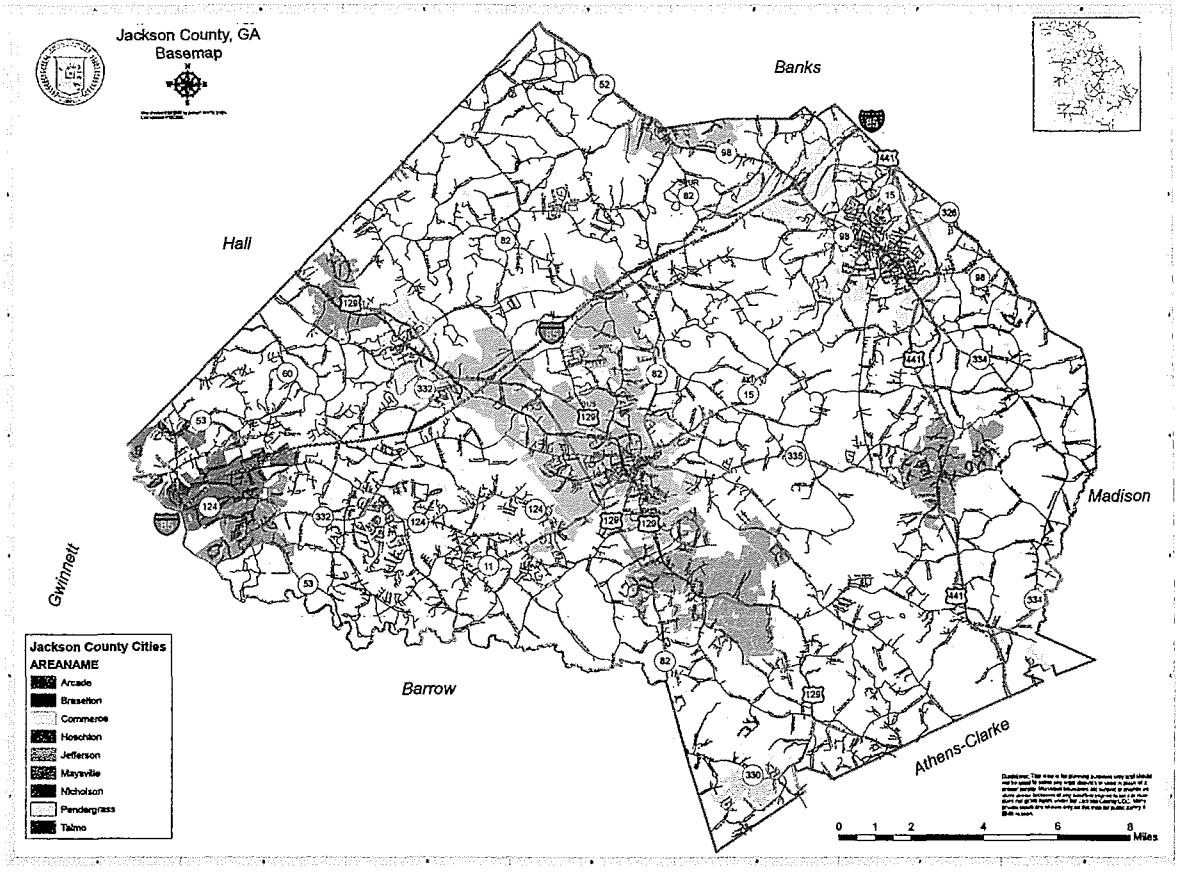
With the close proximity of I-85, and other major highways and railways, the County has become home to several large warehousing and manufacturing facilities and continues to attract quality economic development because of the location and available workforce. Among these businesses are Haverty's Furniture near Braselton, Toyota Industries of North America, Denso Corporation facilities near Pendergrass, and The Kubota Corporation near Jefferson. The City of Commerce has several major retail outlet malls along the I-85 corridor which provide employment and sales tax revenues to the County. U.S. Highway 441, which runs north and south from Knoxville, Tennessee to the state of Florida, also runs through Commerce, giving it ready access from virtually any point within the four-state area of Tennessee, North Carolina, South Carolina and Georgia. Commerce is served by the Norfolk Southern and CSX rail lines.

Despite the downturn in the economy, Jackson County is well positioned for economic growth. Recently there have been several new construction and expansion of industrial projects in the county. Tiger Direct, a Systemax Company, recently opened a combination distribution center and retail outlet in Jefferson. The Aldi Corporation recently completed construction of a $40 million distribution center and has begun operations. The Roper Pump Company announced an expansion worth $3 million. The Louisiana-Pacific building that closed last year now has a contract to sell the facility for unknown millions and the company will invest an additional $23 million in the facility. Additionally, existing distribution centers will become home to more major national and international companies within the next year such as Safelite Auto Glass in Braselton. There are signs that the economic outlook for 2011 for industrial development is very good. During the first quarter of 2011 the county responded to several more potential economic development projects. Retail growth has been slow for Jackson County but the county did see some new retail establishments open last year. Most of them were small businesses not associated with major chains.

Jackson County has also continued to sustain many of its locally-owned and national chain restaurants throughout 2010. There were less numbers of business closings and layoffs in the past year, and Jackson County still saw positive growth in terms of population and business. This trend is expected to continue in 2011.

Due to the overall prosperity of business and industry the County was listed by the U.S. Census Bureau in July, 2010 as the 22nd fastest-growing county in the United States for the period of July 1, 2000 – June 30, 2009. The official 2010 Census places the growth rate at 45.4% since 2000 with an official population of 60,485. Jackson County also ranked as the 6th fastest-growing county in Georgia in the 2009-2010 estimates. Despite this growth, the County has managed to balance a rural atmosphere with the suburban character of business and residential developments. Land use studies show the County's area is about 40% commercial, 40% residential and 20% agricultural. The County has been able to avoid some of the pitfalls of rapid growth through wise planning and management of its resources, although the fallout from the home building bust has left many subdivision developments incomplete. However, there continues to be constant and growing demands for additional County services, the County school system, as well as the City school systems of Commerce and Jefferson, which are acutely feeling the pains of growth even today.

The Jackson County Airport has now been upgraded to a Category Two Airport Facility to accommodate corporate and general aviation traffic as a boost to economic development. Construction has been completed on the main runway extension to 5,000 feet, which enables most corporate and private aircraft to use the facility. The runway extension project was completed in late 2009 with small peripheral improvements made during 2010. The Airport is less than five miles off of I-85 and is located near Jefferson. In addition, Atlanta's Hartsfield-Jackson International Airport, which serves virtually all major U.S. and international airlines, is within 1½ hours of the County.



Jackson County, Georgia

Municipalities of the County

The County has nine incorporated municipalities, which compose approximately 40% of the County's population according to the official 2010 U.S Census. The municipalities are Commerce (6,544), Jefferson (9,432), Arcade (1,786), Nicholson (1,696), Hoschton (1,377), Braselton (part) (1,763), Maysville (part) (872), Talmo (180) and Pendergrass (422). Parts of the Town of Braselton are located in four different counties, while parts of the City of Maysville are located in both Jackson and Banks Counties. The City of Commerce provides full municipal services including electricity, gas, fire, water and sewerage. Hoschton and Braselton offer water and sewerage services.

School Systems

The County has a county-wide school system as well as two city school systems. The Jackson County School System operates elementary and middle schools in various parts of the County, and two high schools, the Jackson County Comprehensive High School and the East Jackson High School. The Commerce City School System and the Jefferson City School System are operated as component units of their respective municipalities. The Jackson County School System is fiscally independent of the County BOC and, consequently, its financial statements are separately issued and are not included within the County's financial statements.

Form of Government

The County operates under the commission/manager form of government. Four members of the Board of Commissioners (BOC) are elected from geographically distinct, single-member districts, while the chairman is elected at-large county-wide. The members serve four-year staggered terms. The BOC hires a county manager to serve as the administrative head of the county government. The manager in turn hires department heads and managers to implement BOC policies and to operate the various functions of county government.

Every four years citizens of the County elect persons to serve the constitutional offices of sheriff, clerk of superior court, tax commissioner, and probate court judge. Other elected officials include the magistrate court judge, solicitor general, district attorney, superior court judges and the state court judge.

County Services

The County provides a full range of services including law enforcement; construction and maintenance of highways, streets, bridges and other infrastructure; emergency services; recreational and cultural activities, limited transportation, and solid waste disposal. Fire protection (outside the municipalities which have full-time fire departments) is provided by nine volunteer fire departments which levy property taxes within their districts to fund their operations. Water and sewer services outside of the municipalities (which offer such services) are provided by a legally separate Water and Sewer Authority which has been included as a component unit in the County's financial statements. The County is also financially accountable for a legally separate Health Department and a legally separate Airport Authority, both of which are reported as component units of the County. Additional information on these component units may be found in Note 1 in the notes to the financial statements.

Financial and Budgetary Matters

The County maintains budgetary controls to ensure compliance with state law. The level of budgetary control is at the department/fund level, i.e., expenditures may not exceed the total for any department within a fund. Transfers of appropriations within a department shall require only approval of the Finance Director. Transfers between or among departments or funds or an increase in the overall appropriation for a department or fund shall require the approval of the BOC in accordance with the enabling legislation. Department heads and management personnel are directed to operate within budgetary limits to avoid "emergency" situations which would require supplementary appropriations.

Annual budgets are adopted on a basis consistent with GAAP for the general, special revenue funds, and debt service fund, and are integrated into the general ledgers of such funds. Project length budgets are adopted for Capital Projects Funds. The County's proprietary fund, the Solid Waste Fund, is budgeted for management and control purposes. No budget is prepared for the Mayfield Treatment Plant Proprietary Fund. Departments prepare, in conjunction with the Finance Department, revenue and expenditure estimates, as well as capital needs. These

budget requests are then reviewed by the BOC and the proposed budgets are presented at a public hearing as required by state law.

Capital Projects Recently Completed and for the Future

On March 15, 2005, the voters of Jackson County approved the continuation of a six-year Special Purpose Local Option Sales Tax (SPLOST). The special purpose tax was imposed July 1, 2005 and will expire June 30, 2011. It is anticipated that the tax will yield just over the estimated $51,000,000 over the six-year period. The Special Purpose Local Option Sales Tax (SPLOST #4) was passed, in part, to pay for the construction of a new County Jail and to complete the construction of new Health Department Facilities in the City of Commerce.

On November 2, 2010, the voters approved another continuation of the SPLOST, this being SPLOST #5. This revenue accounts for the financial resources provided from a six-year, one-cent special purpose local option sales tax approved by voters in 2010 for the purpose of resurfacing, paving, widening and repairing certain roads and bridges; expansions, renovations, developments of parks and recreations facilities, construction of emergency services facilities and equipment, and debt reduction on bonds used to build a new jail. In addition, over $13.7 million in funds will be provided to the various cities within Jackson County. Jackson County's SPLOST #5 has been estimated to collect $7,920,000 per year or $47,520,000 over the six-year period beginning on July 1, 2011 and expiring on June 30, 2017.

Jail Project

The development of a new $33 million jail facility is complete. Construction was performed by New South Construction and its progress was on schedule. The facility as designed includes a combination of direct and indirect supervision housing units in a podular design to accommodate up to 424 general population inmates, with capability to segregate the following classifications: Maximum Security Male, Medium Security Male, Minimum Security Male, Female (all classifications), Administrative and Disciplinary Segregation.

Funds for this project were included in the new Special Purpose Local Option Sales Tax (SPLOST). The 125,000 square foot jail project was completed in August of 2009. However, full staffing of the new jail was postponed until fiscally feasible however most positions have been hired through 2010. Some hiring for training, transition, and acclimation occurred in August, 2009 as the jail construction came to a close when the Sheriff's Department administration division moved into the new facility. Shortly thereafter in early October, 2009, the inmates and all remaining jail operations were incorporated into the new facility.

Renovation of Historic Courthouse

The Board of Commissioners has appropriated $2,000,000 for the restoration and renovation of the Historic Jackson County Courthouse that was constructed in 1879. Primary funding for this project comes from the issuance of 2007 Series "A" Revenue Bonds. Repayment of principle and interest on these bonds is to be paid through the Debt Service Fund.

A committee of Jackson County citizens has been appointed by the Board to assist with the restoration effort. At the end of 2010, exterior construction completed. Additional funding from a variety of sources including grants will be utilized to complete the interior. Barker, Cunningham, Barrington, PC Architects was hired to prepare the restoration/renovation plans for the exterior of the Historic Courthouse.

Public Safety Training Facility

This project was financed with Special Purpose Local Option Sales Tax (SPLOST) funds and local funds. Phase two of a multi-phase, eight-acre public safety training center began with a groundbreaking on August 6, 2008. This project includes a Burn Building, a pumper test station and various training facilities to support other emergency services operations, including the Sheriff's Office, EMA, E-911 and Rescue. This project will support all 12 Fire Units in the county and will be rented out to any other fire departments who need this valuable training area. The project was completed for $5.4 million and occupied in September, 2009. In a cost-saving measure, during construction, the Board voted to scale back the driving area paving instead using a gravel surface saving approximately $380,000. In late 2010, design work was completed for an additional pump-house expansion at the facility to be constructed in 2011.

Transfer Station Facility

The Board of Commissioners authorized $1.4 million for design and construction of a new solid waste facility. The new facility replaces the old one. A master plan has been created for the site to allow future expansion for a recycling center. Construction included a new scale house and transfer station to replace the previous structure which was in a state disrepair. Work began on this facility complex in the summer of 2009 and was completed in the late summer of 2010.

East Jackson Sports Complex

The East Jackson Sports Complex is located on 37 acres of land in Nicholson. The park opened in the spring of 2009. The Sports Complex features four baseball fields, a refreshment center, and spectator seating. In July, 2009 the park was home to the Dizzy Dean World Series drawing participants and fans from across the country. In 2010, walking trails around the park were constructed.

IW Davis Correctional Facility

In 2010, renovation work began on the vacant IW Davis Detention Center owned by the State of Georgia and leased to Jackson County for the purposes of an expanded and safer Correctional Institute. An additional 20 inmates were added to the facility to contribute to various work details around the county. Renovation work continued into 2011 with occupation occurring in January. The cost of the renovation was approximately $600,000.

Other Notable Initiatives Within the County

- Issuer Credit Rating and Bonds: After extensive presentations to the credit rating agencies, the county's general obligation rating was affirmed 'Aa2' by Moody's, making it one of the higher rated counties in the state.

- Hoschton Park: A new outdoor sports recreation complex was developed near downtown Hoschton behind what used to be a baseball/softball field at the primary school. This new park which opened on September 11, 2010 contains new baseball and softball diamonds along with soccer fields and concessions/restroom facilities.

- On-line Registration: On-line registration for Jackson County Parks and Recreation sports activities was started in 2006. The web address for this is www.activenet4.active.com/jacksoncntyparksandrec. The ability to register on-line for the use of rentals at Hurricane Shoals and Sell's Mill Parks was phased in during 2007 and East Jackson Park came online in early 2009. The registration system has been updated in 2008 and usage has greatly increased throughout 2010.

- Information Technology: The Information Technology Department has completed an integrated computer intranet system. The purpose of this system is to provide high-speed reliable communications throughout all county offices. This will improve citizen services and provide a very wide bandwidth of capacity in order to move regular data, photographic data, and telephone services. Additionally, the network provides significantly higher levels of security and protection to governmental data and high security files and mail lists. In 2009, this infrastructure was expanded to the Public Safety facilities including integration with the new Jail and Fire Training Facility. The IT infrastructure expansion continued to new facilities for 2010.

- Roads Paved: There were over 22.86 miles of roads resurfaced in FY 2008 and in FY 2009 the department resurfaced 7.2 miles of roadway. For FY 2010 the department resurfaced 8 miles of roadway. In FY 2011 the county is expecting to resurface approximately 6.81 miles. Currently, the county has 582 miles of road, 445 paved miles and 137 gravel miles. The county continues a road-paving program utilizing a combination of State aid (when available) and SPLOST funds.

- Senior Center: Received a $500,000 CDBG grant notification from Governor Sonny Perdue on August 15, 2008. These funds were used to expand the current Senior Center to accommodate the growth and demand for service. Work began on the expansion in the summer of 2009 with a completion of the center in January, 2011. The Senior Center was temporarily moved to the newly renovated IW Davis detention facility before the Jackson County Correctional Institute transferred locations.

- Sheriff's Department: The Jackson County Sheriff's Department began retrofitting patrol cars in 2009 with a propane conversion system primarily funded through a U.S. Department of Justice grant with the intentions of providing for greater energy efficiency and a cleaner-burning fuel. The program was fully implemented for FY2010 and is estimated to save the department 50% of the cost for fuel compared to the prior year at 2009 level prices.

Debt Management

In 2009, the Board of Commissioners voted to restructure the Series 2008 Economic Development Bonds by paying down $5,000,000 in principal, taking advantage of a slightly reduced interest rate, reducing the maturity by four years, and front-loading the savings into FY 2010. The total savings for the restructuring is $1,128,712 for FY 2010. Moreover, the refunding occurred in two series of bonds, Series 2009A in the amount of $25,050,000 closed on November 12, 2009 and Series 2009B in the amount of $15,880,000 that closed on January 11, 2010.

In 2011, Jackson County recently issued $20,355,000 of General Obligation Bonds to refinance existing debt in order to lock-in an economic savings of $5.3 million for the county's taxpayers. The Bonds were voter-authorized in November, 2010 in order to refinance a portion of the County's Series 2007A Bonds issued through the City of Jefferson Public Building Authority.

Based on the county's strong credit profile, the bonds were well-received in the bond marketplace securing a low 2.10% financing rate for the bonds. Proceeds from the bonds were used to refinance $19.2 million of the Series 2007A Bonds having an average interest rate of 4.81% and scheduled for payment through 2037. By undertaking the refinancing, the county saved taxpayers $13.6 million of interest over the bond term. Furthermore, when combined with the $23.7 million of SPLOST funds that will be used to repay the bonds, the county realized cash flow savings for its General Fund of $37.3 million through 2037.

Awards, Accomplishments and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its CAFR for the fiscal year ended December 31, 2009. This was the ninth consecutive year that the County has received this prestigious award. In order to be awarded the Certificate of Achievement, the County must publish an easily readable and efficiently organized CAFR which satisfies both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that this CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another Certificate of Achievement for the fiscal year ended December 31, 2010.

In addition, the County also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year beginning January 1, 2010. In order to qualify for the Distinguished Budget Presentation Award, the County must publish a budget

document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device. The County has received the Distinguished Budget Presentation Award for the budget years beginning January 1, 2002 through January 1, 2010.

The preparation, design and publication of this CAFR represents a significant cooperative effort between the County's Finance Department and its independent auditor, Bates Carter and Co., LLP, CPA's. A special thanks goes to the various County departments and their directors for their assistance and their cooperation in contributing to the preparation of this CAFR. We would be remiss in our duty if we did not recognize the professional efforts of the Finance Department staff, without their dedication and untiring efforts, the compilation of the CAFR would not have been possible.

Finally, and certainly not least, we wish to thank the members of the Board of Commissioners for their unfailing support for maintaining the highest professional expectations for the reports we produce, and for their continued support and direction in conducting the fiscal affairs of the County in a progressive and responsible manner.

Respectfully submitted,

Leonard Myers
Interim County Manager

John G. Hulsey
Director of Finance

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Jackson County Georgia

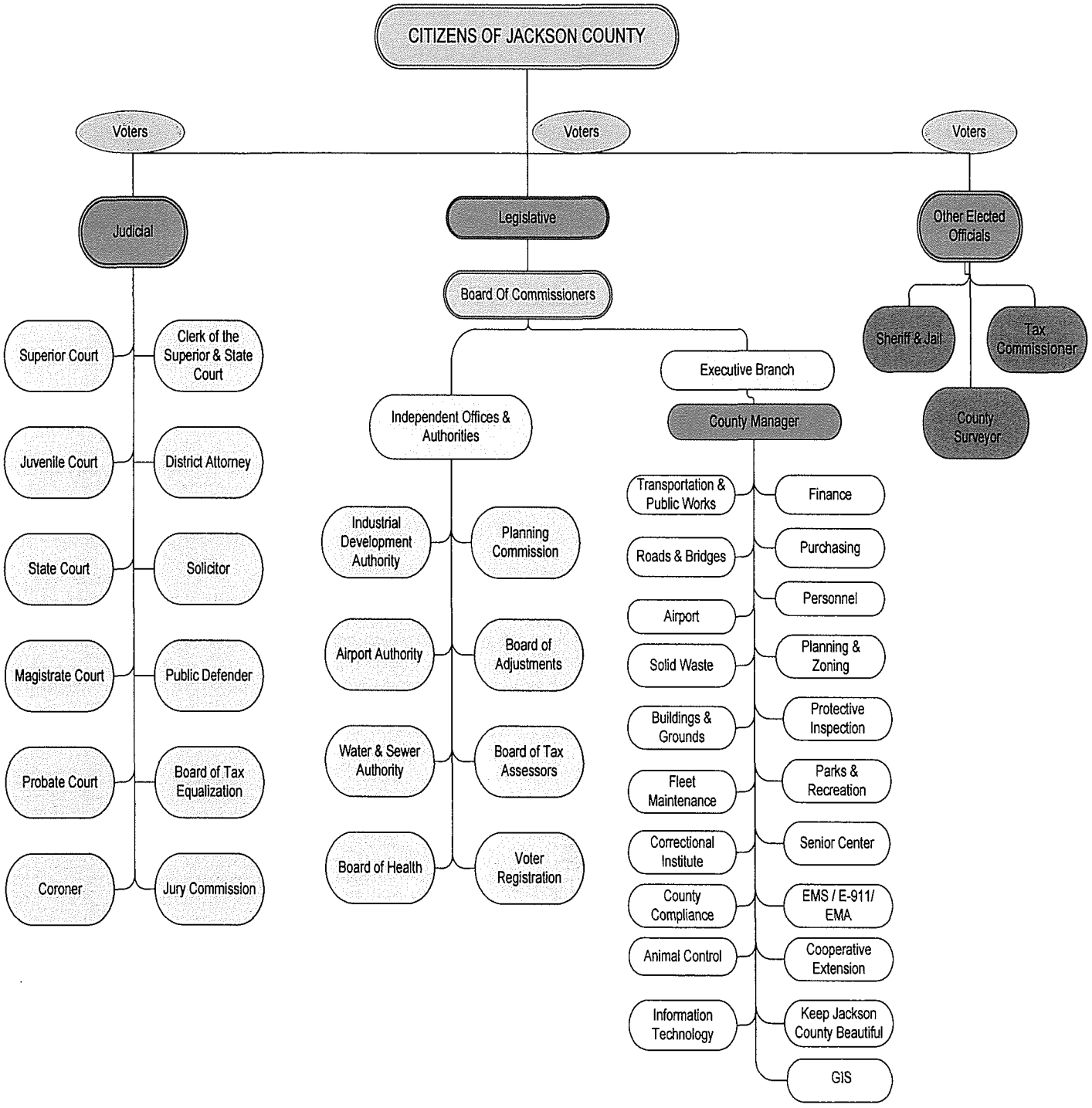
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

Jackson County Organizational Chart



Officials of Jackson County

JACKSON County

BOARD OF COMMISSIONERS

COMMISSIONER	TERM
Hunter Bicknell – Chairperson	January 2009 – December 2012
Thomas Crow – District 1	January 2009 – December 2012
Chas Hardy – District 2	January 2009 – December 2012
Bruce Yates – District 3	January 2011 – December 2014
Dwain Smith – District 4	January 2011 – December 2014

ADMINISTRATION

Leonard Myers – Interim County Manager

DEPARTMENT DIRECTORS

John Hulsey	**Finance**
Melanie Thomas	**Human Resources**
Len Bernat	**Purchasing**
Justin King	**Information Technology**
Ricky Sanders	**Parks & Recreation**
Gina Mitsdarffer	**Public Development**
Joel Logan	**GIS**
Steve Nichols	**Public Safety**
Valerie Thornton	**Interim Chief Tax Appraiser**
Tom Page	**Solid Waste**
Jeff Bridges	**Road Superintendent**
Johnny Weaver	**Correctional Institute**
Eugene Brogan	**Code Compliance**
Marty Rubio	**Maintenance Superintendent**
Donna Seagraves	**Public Defender**
Shirley Smith	**Senior Center**

JUDICIAL & OTHER ELECTED OFFICIALS

Camie Thomas	**Clerk of Court**
Brad Smith	**District Attorney**
Billy Chandler	**Magistrate Court Judge**
Margaret Deadwyler	**Probate Court Judge**
Stan Evans	**Sheriff**
Donald Moore	**Solicitor General**
Robert Alexander	**State Court Judge**
David Motes	**Superior Court Judge**
Penn McWhorter	***Superior Court Judge Emeritus***
Currie Mingledorff II	**Superior Court Judge**
Joseph Booth	**Superior Court Judge**
Don Elrod	**Tax Commissioner**
Keith Whitfield	**Coroner**

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BatesCarter
Exceeding expectations. Always.

PH 770.532.9131
FX 770.536.5223
525 CANDLER STREET, NE
PO DRAWER 2396
GAINESVILLE, GEORGIA 30503
WWW.BATESCARTER.COM

INDEPENDENT AUDITORS' REPORT

June 16, 2011

Board of Commissioners
JACKSON COUNTY, GEORGIA
Jefferson, 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 JACKSON COUNTY, GEORGIA, as of, and for the year ended December 31, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Board of Commissioners of JACKSON COUNTY, GEORGIA. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Jackson County Health Department, a component unit of the County, as of and for the year then ended December 31, 2010, which statements reflect total assets of $745,063 as of December 31, 2010, and total revenues of $1,047,263, for the year then ended. Those financial statements were audited by other auditors whose report has been furnished to us and our opinion on the basic financial statements, insofar as it relates to the amounts included for the Jackson County Health Department, 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 provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of JACKSON COUNTY, GEORGIA, as of December 31, 2010, and the respective changes in financial position, and where applicable, cash flows, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 16, 2011, on our consideration of JACKSON COUNTY, GEORGIA's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*, and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively compromise JACKSON COUNTY, GEORGIA's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, supplemental budgetary comparison schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of JACKSON COUNTY, GEORGIA. The combining and individual nonmajor fund financial statements, supplemental budgetary comparison schedules, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying account and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

The accompanying schedule of projects constructed with Special Sales Tax Proceeds is presented for purposes of additional analysis as required by Official Code of Georgia 48-8-121, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Bates, Carter + Co, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Jackson County's Comprehensive Annual Financial Report provides readers with a narrative overview and analysis of the financial activities of Jackson County Government for the fiscal year that ended on December 31, 2010. We encourage readers to consider the information presented here in conjunction with the letter of transmittal at the front of this report, and the County's basic financial statements and notes to the financial statements, to enhance their understanding of the activities and financial health of Jackson County.

Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts. It should be read in conjunction with the Letter of Transmittal and the Basic Financial Statements.

FINANCIAL HIGHLIGHTS

The assets of Jackson County Government's Governmental Activities and Business Type Activities exceeded its liabilities at the close of the most recent fiscal year by $112.07 million. Of this amount, $6.81 million (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.

The primary government's total net assets decreased by $(0.83) million during 2010. Governmental activities' net assets decreased $(0.71) million during 2010. See Governmental-Wide Financial Analysis below for reasons for this change. Business-type activities' net assets increased by $(0.12) million during 2010. This is due to the fact that additional transfers were not needed from the general fund since the Solid Waste Disposal Facility Fund had positive net assets at the beginning of the year.

As of the close of the current fiscal year, the primary government's governmental funds reported combined ending fund balances of $43.76 million, an decrease of $(8.28) million in comparison with the prior year. This decrease is, in part, attributable to activity within the capital projects and SPLOST funds. These funds have project length budgets and as a result have years where expenditures exceed revenues. For example, proceeds from revenue bonds, to advance fund projects, have been recorded in previous fiscal years' and the related expenditures have been recorded in successive fiscal years.

Moreover, approximately 12.07% of the combined funds balances, $5.2 million, is considered unassigned and is available for spending at the government's discretion (unassigned fund balance).

At the end of the current fiscal year, unreserved fund balance for the general fund was $(1.48) million or (5.71)% of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four components: 1) management's discussion and analysis (this section), 2) basic financial statements, 3) required supplementary information, and 4) an optional section that presents combining statements for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of Jackson County Government:

Government-wide Financial Statements: The government-wide financial statements provide a broad overview of both long-term and short-term information about Jackson County Government's overall financial status in a manner similar to private-sector businesses. The statements include:

- A statement of net assets presents the County's total assets and total liabilities, with the difference between the two reported as net assets. Over time, the change in net assets is an indicator of the improvement (an increase) or deterioration (a decrease) in the County's financial condition. Additionally, when assessing the overall health of the County, consideration should be given to additional non-financial factors such as changes in the County's property tax base and the condition of the County's roads.

- A statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the aforementioned government-wide financial statements identify the various functions of Jackson County Government's operations that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of Jackson County, Georgia include general government, public safety, judicial system, public works, health and welfare, recreation and culture, and housing and development, and interest. The business-type activities of Jackson County, Georgia include the Solid Waste Disposal Facility and the Mayfield Treatment Plant.

The government-wide financial statements include not only Jackson County itself (known as the *primary government*), but also a legally separate health department, a legally separate airport authority, and a legally separate water and sewerage authority for which Jackson County is financially accountable. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 1 and 2 of this report.

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the 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, unlike the government-wide statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

Jackson County Government maintains seventeen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, special purpose local option sales tax fund (SPLOST), debt service fund, and capital projects fund, all of which are considered to be major funds. Data from the other thirteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Jackson County Government adopts an annual appropriated budget for its general fund, special revenue funds, and debt service fund. Project length budgets are adopted for the capital projects funds. A budgetary comparison schedule has been provided for the general fund, debt service fund and special revenue funds to demonstrate compliance with the annual appropriated budget.

The basic governmental fund financial statements can be found on pages 3- 6 of this report.

Proprietary Fund: Proprietary Fund statements offer short-term and long-term financial information about the two activities the County government operates similar to a private business, such as the Jackson County Solid Waste Disposal Facility and Mayfield Treatment Plant and internal services funds which provide services to other departments of governmental units within the County on a cost-reimbursement basis. Because the services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the solid waste disposal facility and for the Mayfield treatment plant operation, both of which are considered to be major funds of Jackson County. Conversely, the internal service fund is a single presentation in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 7-9 of this report.

Fiduciary Funds: Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. Agency funds, a type of Fiduciary Fund, are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds. The County maintains the following Agency funds: Tax Commissioner, Clerk of Superior Court, Probate Court, Magistrate Court, Federal Equity Sharing, and Sheriff.

The basic fiduciary fund financial statement can be found on page 10 of this report.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 13-58 of this report.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Jackson County Government's progress in funding its obligations to provide pension benefits to its employees and the budgetary comparison schedule for the General Fund.

Required supplementary information can be found on page 59 - 62 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 63-88 of this report.

Figure A-1 summarizes the major features of the Jackson County Government's financial statements, including the portion of the Government they cover and the types of information they contain.

Figure A-1
Major Features of Jackson County Government's Government-wide and Fund Financial Statements

		Fund Statements		
	Government-wide Statements	**Governmental Funds**	**Proprietary Funds**	**Fiduciary Funds**
Scope	Entire County government (except fiduciary funds) and the County's component units.	The activities of the county that are not proprietary or fiduciary in nature	Activities the County operates similar to private businesses: Solid Waste and Mayfield Treatment Plant	Where the County is the trustee or agent for someone else's resources, such as the retirement plan for County employees
Required financial statements	Statements of Net Assets; Statements of Activities	Balance Sheet: Statement of Revenues, Expenditures, and Changes in Fund Balances	Statement of Net Assets; Statement of Net Revenues, Expenses, and Changes in Net Assets; Statement of Net Cash Flow	Statement of Fiduciary Net Assets; Statement of Changes in Fiduciary Net Assets
Accounting basis and measurement focus	Accrual accounting and economic resource focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic recourses focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term
Type of inflow/outflow Information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

GOVERNMENTAL-WIDE FINANCIAL ANALYSIS

The government-wide statements report information about Jackson County Government as a whole using accounting methods similar to those used by private sector companies.

Jackson County, on an entity-wide basis, decreased in net assets during 2010 by $(0.83) million, of which $(0.71) million was from governmental activities and $(0.12) from business-type activities. At December 31, 2010, the County had $94.26 million invested in capital assets, net of related debt and accumulated depreciation and $11 million in restricted net assets. Unrestricted net assets as of December 31, 2010 equaled $6.81 million. The table below depicts the split of net assets between governmental and business-type activities.

The decrease in governmental activities net assets is, in part, attributable to the fact that property tax revenues were levied to purchase capital assets in excess of principal paid on debt in excess of borrowings of $14.4 million. These items are not expenses that reduce net assets at the entity-wide level. However, the property taxes that were levied to pay for these expenditures are recorded as revenues at the entity-wide level. The property tax revenues is offset by depreciation expense less donated capital assets of $(6.4) million which are only recorded at the entity-wide level. Other items of revenues or expenses which are only recorded at the entity-wide level account for a change of $(0.5) million. See page 6 for further details of these entity wide reconciling items.

JACKSON COUNTY, GEORGIA'S NET ASSETS
DECEMBER 31, 2010

($ In thousands)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2010	2009	2010	2009	2010	2009
Assets						
Current and other assets	$ 83,500	$ 95,560	$ (1,288)	$ 218	$ 82,212	$ 95,778
Capital assets (net of depreciation)	189,112	184,284	2,436	1,197	191,548	185,481
TOTAL ASSETS	272,612	279,844	1,148	1,415	273,760	281,259
Liabilities:						
Long-term liabilities outstanding	130,669	133,757	1,054	1,137	131,723	134,894
Other liabilities	29,878	33,310	89	153	29,967	33,463
TOTAL LIABILITIES	160,547	167,067	1,143	1,290	161,690	168,357
Net assets:						
Invested in capital assets, net of related debt	91,826	90,886	2,436	1,197	94,262	92,083
Restricted	10,999	11,879	-	-	10,999	11,879
Unrestricted	9,240	10,012	(2,431)	(1,072)	6,809	8,940
TOTAL NET ASSETS	$ 112,065	$ 112,777	$ 5	$ 125	$ 112,070	$ 112,902

Table may not add due to rounding

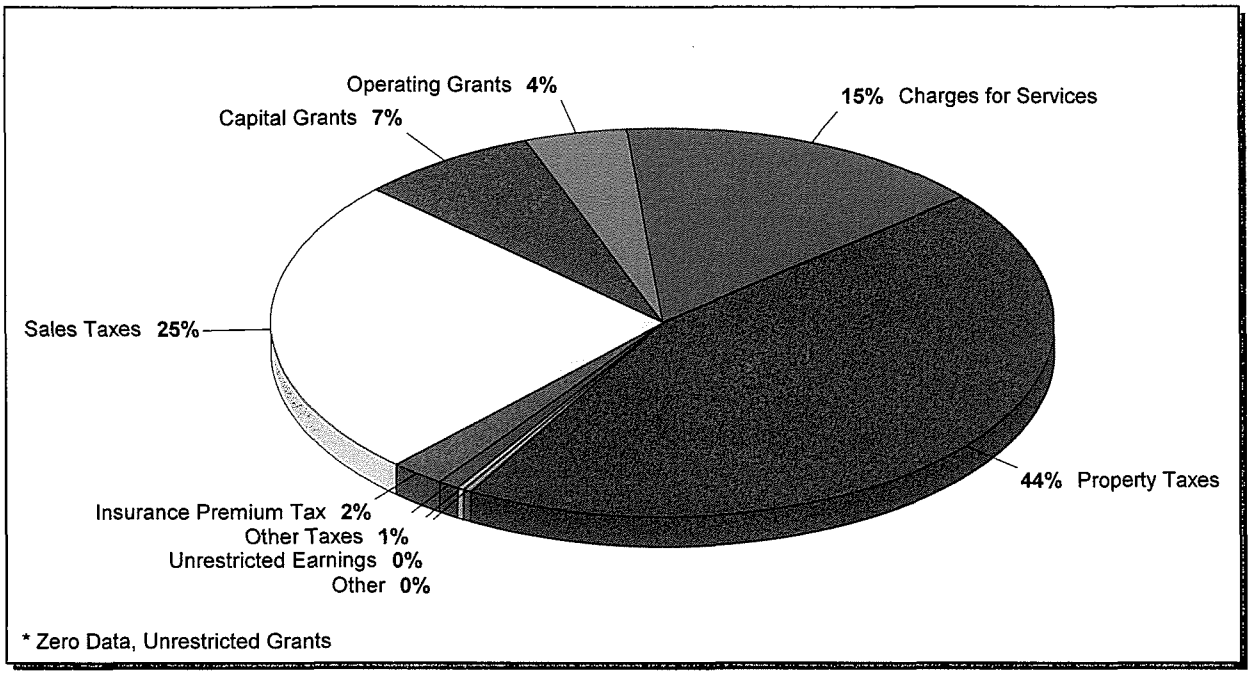
JACKSON COUNTY, GEORGIA'S CHANGES IN NET ASSETS
DECEMBER 31, 2010

($ In thousands)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
REVENUES						
Program revenues:	2010	2009	2010	2009	2010	2009
Charges for services	$ 8,403	$ 8,293	$ 923	$ 885	$ 9,326	$ 9,178
Operating grants and contributions	2,388	1,265	-	-	2,388	1,265
Capital grants and contributions	4,076	2,539	-	10	4,076	2,549
General Revenues:						
Property taxes	24,497	23,725	-	-	24,497	23,725
Sales taxes	13,772	12,426	-	-	13,772	12,426
Insurance premium tax	1,255	1,290	-	-	1,255	1,290
Other taxes	488	575	-	-	488	575
Unrestricted investment earnings	151	827	-	-	151	827
Grants and contributions not restricted for a specific programs	-	1,050	-	-	-	1,050
Other	183	75	-	-	183	75
TOTAL REVENUES	55,213	52,065	923	895	56,136	52,960
EXPENSES						
General Government	4,952	5,210	-	-	4,952	5,210
Judicial	3,516	3,811	-	-	3,516	3,811
Public safety	23,332	21,411	-	-	23,332	21,411
Public works	15,052	12,810	-	-	15,052	12,810
Health and welfare	1,172	1,035	-	-	1,172	1,035
Recreation and culture	1,634	1,840	-	-	1,634	1,840
Housing and development	1,329	1,560	-	-	1,329	1,560
Interest	4,554	6,695	-	-	4,554	6,695
Solid Waste Disposal Facility	-	-	1,416	1,177	1,416	1,177
Mayfield Treatment Plant	-	-	11	14	11	14
TOTAL EXPENSES	55,541	54,372	1,427	1,191	56,968	55,563
Increases in net assets before transfers	(328)	(2,307)	(504)	(296)	(832)	(2,603)
Transfers	(384)	(416)	384	416	-	-
Increase in net assets	(712)	(2,723)	(120)	120	(832)	(2,603)
Net assets, beginning of year	112,777	148,597	125	5	112,902	148,602
Change in accounting principle	-	(33,097)	-	-	-	(33,097)
Net assets, beginning of year, restated	112,777	115,500	125	5	112,902	115,505
Net assets, end of year	$ 112,065	$ 112,777	$ 5	$ 125	$ 112,070	$ 112,902

Total government-wide revenues for 2010 were $56.14 million. These revenues consisted of $40.01 million in taxes, $6.46 million in grants and contributions, $0.15 million in investment earnings and $9.33 million in charges for services, and $0.18 million in other revenues. Of this amount, $55.21 million was in governmental activities and $0.92 million in business-type activities.

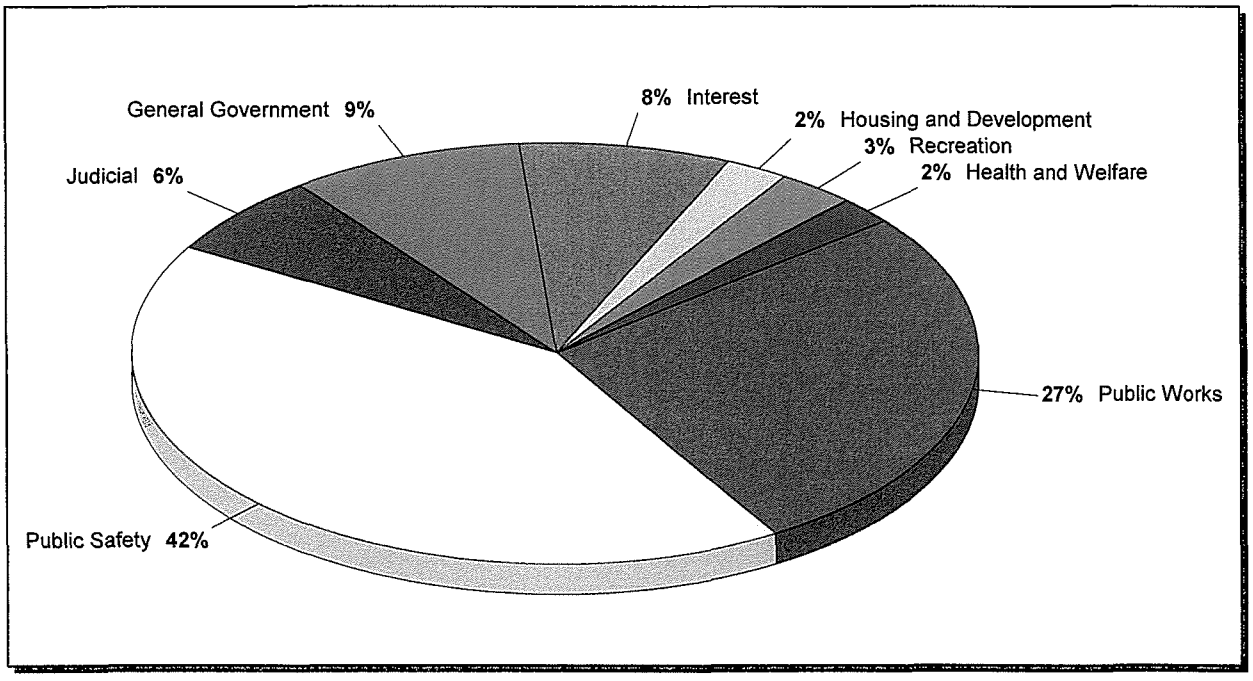
REVENUES BY SOURCE-GOVERNMENT-WIDE ACTIVITY



Note: Graph may not equal 100% due to rounding.

Government-wide expenses were $56.97 million for 2010, of which $55.54 million were for governmental activities and $1.43 million for business-type activities. The chart below depicts further detail of government-wide expenses.

EXPENSES BY FUNCTION-GOVERNMENT-WIDE ACTIVITY



Note: Graph may not equal 100% due to rounding.

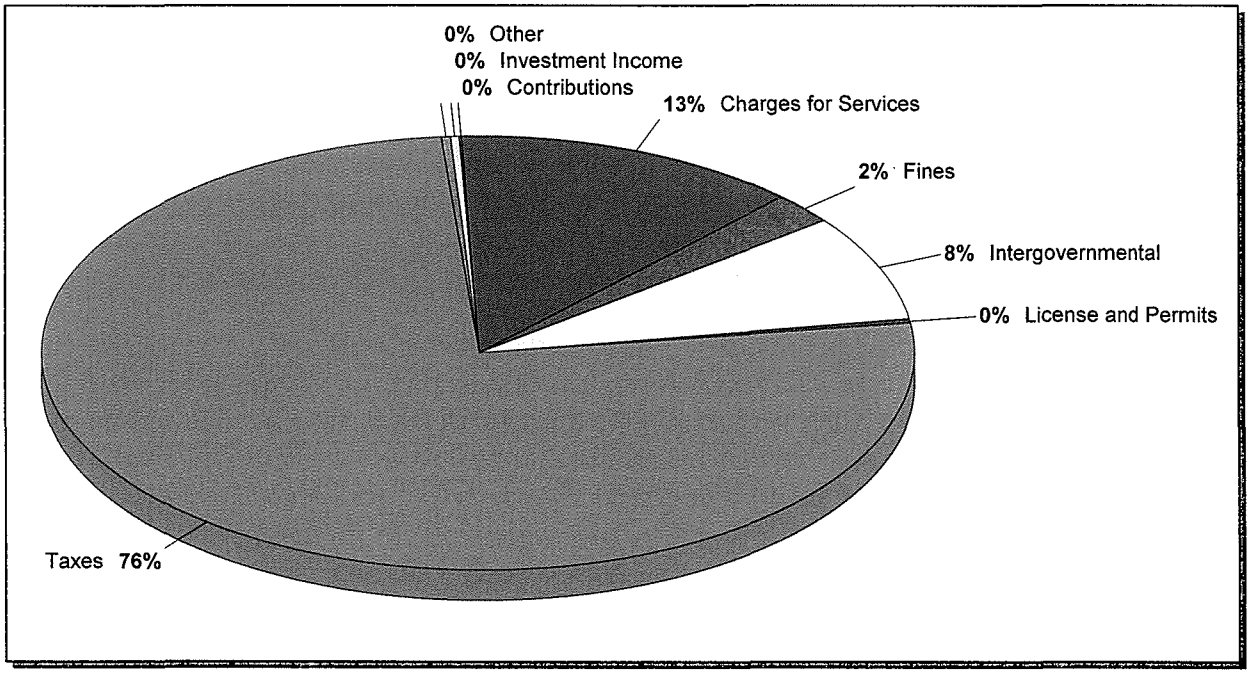
FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

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

Governmental revenues were up $3.23 million from 2009. General Fund property taxes increased $0.78 million due to an increase in the tax digest from the 2008 tax year to 2009 tax year. However, the millage rate was virtually unchanged from the prior year.

REVENUES BY SOURCE-GOVERNMENTAL FUNDS



Note: Graph may not equal 100% due to rounding.

The County's Local Option Sales Tax, the General Fund's second most significant revenue source, yielded $(0.52) million less than in the prior year due to a slight economic recovery. The total amount of local option sales tax revenue was $5.29 million. The County currently shares two different 1% taxes on all sales within the County. The Local Option Sales Tax (LOST) is a direct offset to property taxes and is renewed every ten years with the municipalities of Arcade, Braselton, Commerce, Hoschton, Jefferson, Maysville, Nicholson, Pendergrass, and Talmo. The SPLOST Capital Projects fund accounts for the other sales tax which is a Special Purpose Local Option Sales Tax (SPLOST) authorized by voter referendum. The current SPLOST number four, effective for six years, was approved by the voters on March 15, 2005 with collections starting July 1, 2005. The SPLOST tax is for specific capital projects and constitutes a significant portion of Jackson County Government's ability to fund capital projects in the areas of water & sewerage, road & bridges, recreation, and fire training. A total of $6.52 million was expended during

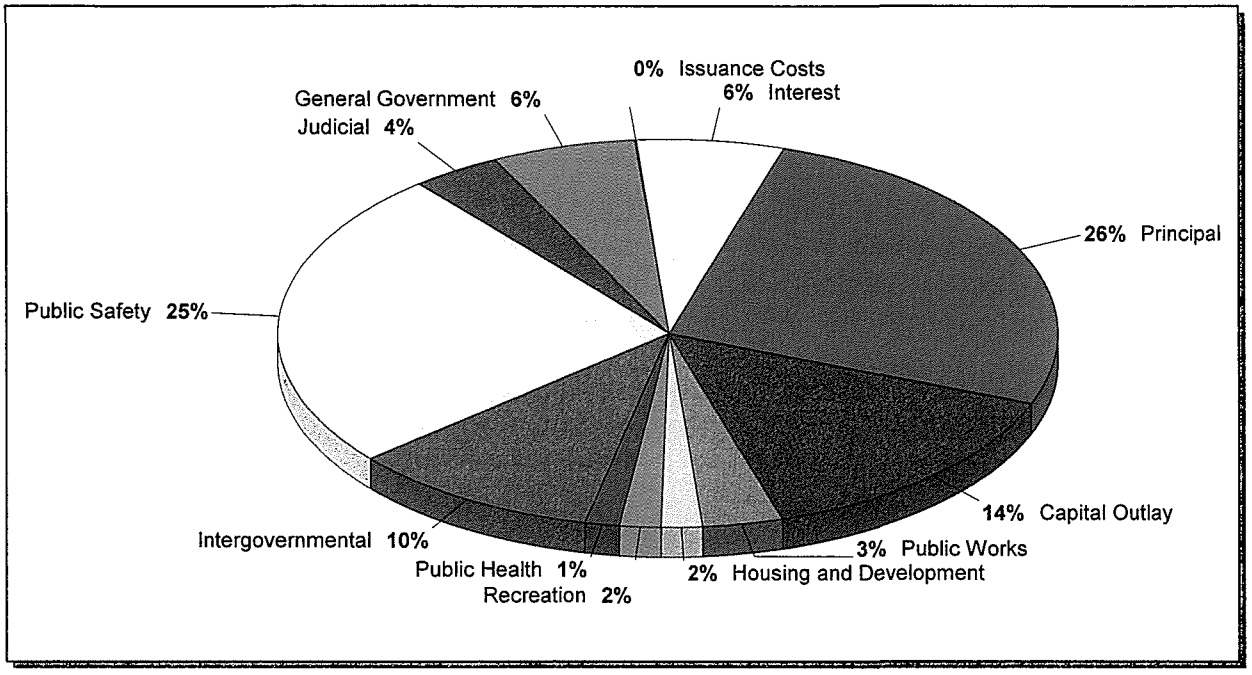
2010 in the unincorporated areas for these capital projects; and $3.43 million was expended for projects in the incorporated areas at the direction of other governments.

Other significant changes in revenues from the prior year include a $950,000 reduction in the General fund for the State Homeowners Relief Grant which was discontinued by the State in 2009. The Debt Service fund received $1.1 million related to the sale of the BJC Hospital to a private entity and the ending of the County's obligation to make payments on the debt of that hospital. The Capital Projects fund had an increase of $1.2 million in the reimbursement from the City of Jefferson related to John B. Brooks Road, a major road project shared by both jurisdictions. Investment income in the Capital Projects fund decreased by $578,000 due to reduced cash and investments as a result of spending bond proceeds issued in prior years as well as lower interest rates on the remaining investments.

Expenditures in the governmental funds were $78.09 million, down $(22.79) million from 2009. This decrease is primarily attributable to the prior year issuance of the IDA 2009 Series A Economic Development Bonds. Jackson County entered into a contract with the Jackson County Industrial Development Authority to fund repayment of an issue of $25,050,000 of economic development bonds with an issuance cost of $484,672. These bonds, along with $5M of unspent proceeds from the 2008A bonds, were used to redeem $29,405,000 of the Industrial Development Authority 2008A economic development bonds. The remaining $15,595,000 of the Series 2008 bonds were redeemed on January 11, 2010 in connection with the issuance of the Series 2009B economic development bonds. The refunding of the bonds has skewed the decrease in total governmental fund expenditures. If the redeemed principal, in the amount of $29.4M, as a result of the refunding is removed (prior year), and the effect of the current year refunding is removed then total governmental fund expenditures for FY2010 are $8.9M less than in FY2009. The decline is primarily attributable to activity within the capital projects fund. The capital projects fund reported capital outlay expenditures of $10.9M less than in the prior fiscal year.

In the General fund, expenditures for public safety departments increased by $1 million. This includes $832,000 for the Jail for salaries and benefits for an increased number of employees for the new jail as well as reduced costs of outsourcing inmate housing due to additional room available at the new jail. The Correctional Institute had an increase of $246,000 due to renovations at the I. W. Davis facility leased from the State.

EXPENDITURES BY FUNCTION-GOVERNMENTAL FUNDS



Note: Graph may not equal 100% due to rounding.

After transfers, fund balances in the governmental funds had a decrease of $(8) million. This is primarily attributable to activities of the SPLOST Fund and Capital Projects Fund. The SPLOST and Capital projects fund have project length budgets and therefore have revenues and expenditures that fluctuate from year to year. Typically, bond proceeds are recognized in on year and the expenditures occur in successive fiscal periods. In 2010, Jackson County had SPLOST collections and capital project fund proceeds from issuing debt which will be spent in future years. This timing difference affects the fund balances shown in those funds.

The Capital Projects Fund had an decrease in fund balance of $(7.53) million. This decrease is attributable to on going capital projects, completed capital projects and the refunding of a portion of the IDA 2008 Economic Development Bonds as previously mentioned. During 2010, the county completed renovations to the historic courthouse, added walking trails to the East Jackson Park, developed a new park in Hoschton on the West side of the county, continued installation of a 450MHZ project to provide for improved public safety communications, completed renovations to the Jackson County Senior Center, and began the design phase for a new EMS station for West Jackson County. Additionally, the county continued an aggressive campaign to complete a number of infrastructure projects. These projects, as planned, are for the purpose of furthering commercial and industrial growth in the county's tax digest.

PROPRIETARY FUNDS: Jackson County Government's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The business-type activities of the Solid Waste Disposal Facility had revenues that increased by $41 thousand from the prior year, while expenses decreased by $(123) thousand from 2009. There was no change from 2009 for the Mayfield Wastewater Treatment Plant fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget, the final budget and actual results are shown on pages 61-62. Over the course of the year, the Board of Commissioners revised the County's budget several times. The three primary reasons for amending the budget are:

- Carry-forwards from prior years unreserved fund balance to fund capital projects.
- Supplemental appropriations to increase revenue and expenditure accounts due to the receipt of unanticipated grant revenue.
- Increases in appropriations to prevent budget overruns and a violation of the state budget law.

Even with these adjustments, actual expenditures were $134,277 below final budget amounts. Resources available for appropriation at year end were $132,637 above final budget amounts.

Please note that the budget was amended during 2010 primarily as a result of the declining economy that had a profound impact on local option sales tax revenues. The county prepares four interim financial reports throughout the year and apprises the Board of Commissioners of action needed to amend the county budget.

The final budget had anticipated nearly $149,730 million of prior years' surplus to fund current activities; however, no reserves had to be used.

CAPITAL ASSET AND DEBT ADMINISTRATION

CAPITAL ASSETS: Jackson County's Government-wide investments in capital assets at December 31, 2010, were $191.55 million, net of $69.50 million in accumulated depreciation. This investment, which includes land, buildings, roads, bridges, machinery and equipment, park facilities and vehicles, is further explained in Note 6. Government-wide additions in 2010 were over $14.82 million with $13.40 million in government-type activities and the residual in business-type activities.

Major capital asset activities in governmental type activities in 2010 were:

- Procurement of various vehicles and equipment and transfers in the amount of $2.1 million.

- Continued construction on a series of roads to further the County's economic development initiatives. Additions in the amount of $8.39 million were made in 2010 to roads, bridges, and other infrastructure including related land.

- Additions to construction in progress other than infrastructure in the amount of $3.3 million. These projects include renovations to the historic courthouse, East Jackson Park Walking Trails, E-911 Computer Aided Dispatch Mobile Upgrade, West Jackson EMS Station, renovations to the Jackson County Senior Center, Fire Training Center Pump Testing Station, and 450 MHZ communications project.

- $1.8M in projects were transferred out of construction in progress and capitalized during the year. These projects included the renovations to the historic courthouse $(1.7)M and East Jackson Park Walking Trails $(.1)M.

Long-term debt: Long-term debt increased as the result of additions by $18.13 million in 2010. However, the county retired $21.31 million in long-term debt. The new debt is primarily the result of $15.89 million in contracts payable to be used in connection with a portion of unspent bond proceeds to refund the IDA Series 2008 Economic Development Bonds. While the county completed the entire refunding of the IDA Series 2008 Economic Development Bonds in January of 2010, the purpose of the bond proceeds remains unchanged. The proceeds are to be expended for projects that consist of economic development roads that will attract commercial and industrial prospects to Jackson County. Additional information on the county's debt is contained in Note 7.

In 2010, Standard and Poor's reviewed the Issuer Credit Rating for Jackson County, Georgia and upgraded the rating from "A+" to "AA-".

The aforementioned ratings reflect the county's favorable underlying credit characteristics, including a rapidly growing local economy that benefits from its proximity to the Atlanta metropolitan area, an improved financial position characterized by healthy reserve levels, a healthy and expanding tax base, a stable employment base with access to additional employment opportunities in the surrounding communities, and an above average debt burden.

ECONOMIC FACTORS AND THE 2011 BUDGET

The County's General Fund receives approximately $5.29 million or 15.04% of its revenues from the 1% local option sales and use tax; therefore, economic indicators are very important in forming the General Fund budget estimates. Given a suspect economy and declining disposable income as a result of increase petroleum prices, sales tax projections for 2011 remained rather conservative at $5.3 million.

Despite the downturn in the economy, Jackson County is well positioned for economic growth. Recently there have been several new construction and expansion industrial projects in the county. To name a few, Tiger Direct, a Systemax Company, recently opened a combination distribution center and retail outlet in Jefferson. Also, the Aldi Corporation recently completed construction of a $40M distribution center and has begun operations.

There are signs that the economic outlook for 2010 for industrial development is good. During the first quarter of 2011, the county responded to several potential economic development projects.

For 2011, Jackson County Government's Operating Budget showed a 3.29% decrease or $1.1M decline in general fund revenues over the original budget for 2010. As a result, the county elected to assign fund balance in the amount of $1,761,642 to balance the budget.

The County's total number of employees for 2010 was 539, down two from 2009. The 2011 personnel count decreased by 27 employees to a total of 512.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of Jackson County Government's finances for all those interested. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the County's Finance Director at 67 Athens Street, Jefferson, GA 30549.

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JACKSON COUNTY, GEORGIA
STATEMENT OF NET ASSETS
December 31, 2010

	PRIMARY GOVERNMENT			
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
ASSETS				
Cash	$ 28,911,542	$ -	$ 28,911,542	$ 3,205,579
Investments	2,054,827	-	2,054,827	-
Capital lease receivable	-	68,905	68,905	-
Receivables (net of allowance for uncollectibles)	9,036,282	71,749	9,108,031	794,774
Internal balances	1,519,662	(1,519,662)	-	-
Due from component units	1,195,432	-	1,195,432	-
Inventories	241,381	-	241,381	108,307
Prepaid items	1,841,746	-	1,841,746	102,848
Restricted assets:				
Cash	24,769,417	-	24,769,417	2,311,531
Investments	3,370,214	-	3,370,214	-
Receivables-sales tax	-	-	-	268,027
Non-current assets:				
Capital lease receivable	-	91,525	91,525	-
Receivables	8,105,893	-	8,105,893	-
Deferred charges	2,163,044	-	2,163,044	405,521
Net pension obligation	290,319	-	290,319	-
Capital assets:				
Capital assets not being depreciated	70,913,421	498,386	71,411,807	15,637,172
Capital assets being depreciated	187,489,084	2,143,779	189,632,863	119,742,439
Less: accumulated depreciation	(69,290,433)	(206,643)	(69,497,076)	(19,308,681)
Capital assets, net of depreciation	189,112,072	2,435,522	191,547,594	116,070,930
TOTAL ASSETS	272,611,831	1,148,039	273,759,870	123,267,517
LIABILITIES				
Accounts payable	2,440,371	89,234	2,529,605	468,742
Accrued interest payable	2,248,670	-	2,248,670	288,044
Other accrued items	257,654	-	257,654	15,250
Due to primary government	-	-	-	1,195,432
Unearned revenue	21,550,598	-	21,550,598	9,097,641
Amounts held in trust	3,380,282	-	3,380,282	74,412
Noncurrent liabilities:				
Due within one year				
Compensated absences payable	519,742	4,628	524,370	43,307
Accrued landfill closure / postclosure	-	78,880	78,880	-
Notes payable	24,995	68,905	93,900	322,998
Capital leases payable	2,065,957	-	2,065,957	6,299
Revenue bonds payable	-	-	-	1,950,143
Contracts payable	1,891,739	-	1,891,739	817,325
Due in more than one year				
Compensated absences payable	228,848	13,502	242,350	105,327
Accrued landfill closure / postclosure	-	796,800	796,800	-
Notes payable	138,473	91,525	229,998	4,273,443
Capital leases payable	23,228,226	-	23,228,226	28,712
Revenue bonds payable	-	-	-	13,976,389
Contracts payable	100,532,320	-	100,532,320	17,790,526
Net OPEB obligation	2,038,847	-	2,038,847	-
TOTAL LIABILITIES	160,546,722	1,143,474	161,690,196	50,453,990
NET ASSETS				
Invested in capital assets, net of related debt	91,825,689	2,435,521	94,261,210	76,437,876
Restricted for:				
Capital outlay projects	7,021,443	-	7,021,443	1,520,569
Debt service	551,031	-	551,031	775,604
Public safety programs	3,426,774	-	3,426,774	-
Health and welfare programs	-	-	-	348,283
Unrestricted	9,240,172	(2,430,956)	6,809,216	(6,268,805)
TOTAL NET ASSETS	$ 112,065,109	$ 4,565	$ 112,069,674	$ 72,813,527

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2010

		.....PROGRAM REVENUES.....			....NET (EXPENSE) AND CHANGES IN NET ASSETS.... .....PRIMARY GOVERNMENT.....			
FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
PRIMARY GOVERNMENT								
GOVERNMENTAL ACTIVITIES								
General government	$ 4,952,317	$ 1,668,192	$ 1,356,299	$ 1,152,459	$ (775,367)	$ -	$ (775,367)	$ -
Judicial	3,516,354	1,786,385	277,441	-	(1,452,528)	-	(1,452,528)	-
Public safety	23,332,250	4,368,753	392,387	-	(18,571,110)	-	(18,571,110)	-
Public works	15,052,269	4,800	31,285	2,433,045	(12,583,139)	-	(12,583,139)	-
Public health and welfare	1,171,647	15,724	329,001	-	(826,922)	-	(826,922)	-
Recreation and culture	1,633,851	381,425	-	9,064	(1,243,362)	-	(1,243,362)	-
Housing and development	1,329,500	177,789	2,000	481,092	(668,619)	-	(668,619)	-
Interest	4,553,931	-	-	-	(4,553,931)	-	(4,553,931)	-
Total Governmental Activities	55,542,119	8,403,068	2,388,413	4,075,660	(40,674,978)	-	(40,674,978)	-
BUSINESS-TYPE ACTIVITIES								
Solid waste/recycling	1,417,358	912,040	-	-	-	(505,318)	(505,318)	-
Mayfield Treatment Plant	10,942	10,942	-	-	-	-	-	-
Total Business-Type Activities	1,428,300	922,982	-	-	-	(505,318)	(505,318)	-
TOTAL PRIMARY GOVERNMENT	$ 56,970,419	$ 9,326,050	$ 2,388,413	$ 4,075,660	(40,674,978)	(505,318)	(41,180,296)	-
COMPONENT UNITS								
Health Department	$ 931,974	$ 337,240	$ 698,980	$ -	-	-	-	104,246
Water and Sewerage Authority	7,605,819	5,899,627	100,848	4,645,668	-	-	-	3,040,324
Airport Authority	989,137	379,723	313,201	2,339,822	-	-	-	2,043,609
TOTAL COMPONENT UNITS	$ 9,526,930	$ 6,616,590	$ 1,113,029	$ 6,985,490	-	-	-	5,188,179
GENERAL REVENUES								
Property taxes					24,497,100	-	24,497,100	-
Sales taxes					13,771,861	-	13,771,861	-
Insurance premium taxes					1,254,929	-	1,254,929	-
Real estate recording taxes					248,943	-	248,943	-
Other taxes					239,159	-	239,159	-
Total taxes					40,011,992	-	40,011,992	-
Unrestricted investment earnings					150,687	-	150,687	113,655
Gain on sale of capital assets					185,029	-	185,029	-
TRANSFERS					(384,453)	384,453	-	-
TOTAL GENERAL REVENUES AND TRANSFERS					39,963,255	384,453	40,347,708	113,655
CHANGES IN NET ASSETS					(711,723)	(120,865)	(832,588)	5,301,834
NET ASSETS, Beginning					112,776,832	125,430	112,902,262	67,511,693
NET ASSETS, Ending					$ 112,065,109	$ 4,565	$ 112,069,674	$ 72,813,527

The accompanying notes are an integral part of this statement

JACKSON COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2010

ASSETS	GENERAL	DEBT SERVICE	SPLOST	CAPITAL PROJECTS	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Cash	$ 16,573,755	$ -	$ 6,816,339	$ -	$ 5,521,447	$ 28,911,541
Investments	2,054,827	-	-	-	-	2,054,827
Receivables (net of allowance for uncollectibles)	6,631,457	-	988,101	196,311	1,296,112	9,111,981
Due from other funds	3,350,044	8,292	-	470,585	474,878	4,303,799
Due from component units	1,195,432	-	-	-	-	1,195,432
Prepaid items	1,475,842	-	7,500	-	358,404	1,841,746
Inventories	183,351	-	-	-	26,939	210,290
Restricted assets:						
Cash	1,182,991	-	-	23,586,426	-	24,769,417
Investments	-	-	-	3,370,214	-	3,370,214
TOTAL ASSETS	$ 32,647,699	$ 8,292	$ 7,811,940	$ 27,623,536	$ 7,677,780	$ 75,769,247
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	$ 348,897	$ 8,292	$ 575,187	$ 1,016,122	$ 473,022	$ 2,421,520
Other accrued items	252,694	-	-	-	4,959	257,653
Due to other funds	965,992	-	346,272	238,225	1,215,288	2,765,777
Deferred revenue	21,126,951	-	10,000	-	2,050,787	23,187,738
Amounts held in trust	10,068	-	-	3,370,214	-	3,380,282
TOTAL LIABILITIES	22,704,602	8,292	931,459	4,624,561	3,744,056	32,012,970
FUND BALANCES						
Nonspendable:						
Prepaid expenditure	1,475,842	-	7,500	-	358,404	1,841,746
Inventories	183,351	-	-	-	26,939	210,290
Restricted:						
Debt service	1,049,732	-	-	-	-	1,049,732
Capital outlay projects	133,260	-	6,872,981	22,998,975	-	30,005,216
Public safety programs	-	-	-	-	3,097,903	3,097,903
Committed:						
Judicial programs	-	-	-	-	85,953	85,953
Public safety programs	-	-	-	-	152,583	152,583
Health and welfare program	-	-	-	-	254,537	254,537
Housing and development programs	-	-	-	-	13,877	13,877
Assigned:						
General government programs	1,761,642	-	-	-	-	1,761,642
Unassigned:	5,339,270	-	-	-	(56,472)	5,282,798
TOTAL FUND BALANCES	9,943,097	-	6,880,481	22,998,975	3,933,724	43,756,277
TOTAL LIABILITIES AND FUND BALANCES	$ 32,647,699	$ 8,292	$ 7,811,940	$ 27,623,536	$ 7,677,780	$ 75,769,247

The accompanying notes are an integral part of this statement

JACKSON COUNTY, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET ASSETS
For the Year Ended December 31, 2010

Total Fund Balances for Governmental Funds (page 3)		$ 43,756,277
Total net assets reported for governmental activities in the statement of net assets is different because:		
Capital assets used in the governmental activities are not financial resources and therefore are not reported in the funds.		189,112,072
Some assets are not available in the current period, and therefore, are not reported in the funds:		
Net pension obligation	290,319	
Deferred charge for issuance cost	2,163,044	
		2,453,363
Revenues in the statement of activities that do not provide current financial resources are reported as deferred revenues in the funds.		
Property Taxes	1,442,698	
Fines	194,442	
Contracts receivable City of Jefferson 2007B bonds	8,105,893	
		9,743,033
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Accrued interest	(2,248,670)	
Compensated absences	(748,590)	
Capital leases	(25,294,183)	
Notes payable	(163,468)	
Contracts payable	(102,424,059)	
Net OPEB obligation	(2,038,847)	
Internal loan	(81,817)	
		(132,999,634)
Rounding		(2)
Total net assets of governmental activities (page 1)		$ 112,065,109

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2010

	GENERAL	DEBT SERVICE	SPLOST	CAPITAL PROJECTS	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES						
Taxes	$ 29,449,772	$ -	$ 8,483,819	$ -	$ 2,084,885	$ 40,018,476
Licenses and permits	45,840	-	-	127	128,273	174,240
Intergovernmental	614,627	1,141,260	234,709	1,283,998	900,158	4,174,752
Fines and forfeitures	1,006,114	-	-	-	242,963	1,249,077
Charges for services	3,821,048	-	-	-	2,958,633	6,779,681
Contributions and donations	-	-	-	19,237	46,750	65,987
Investment income	122,377	-	12,937	7,375	20,936	163,625
Miscellaneous	124,474	-	-	38,424	29,179	192,077
TOTAL REVENUES	35,184,252	1,141,260	8,731,465	1,349,161	6,411,777	52,817,915
EXPENDITURES						
Current Expenditures						
General government	4,490,347	-	-	157,671	-	4,648,018
Judicial	2,869,171	-	-	-	11,090	2,880,261
Public safety	13,315,640	-	-	143,507	6,153,332	19,612,479
Public works	1,961,834	-	563,956	60,272	41,614	2,627,676
Public health and welfare	611,197	-	-	-	499,034	1,110,231
Recreation and culture	100,000	-	53,023	229	1,175,145	1,328,397
Housing and development	790,367	-	-	-	504,596	1,294,963
Intergovernmental	1,607,260	-	4,809,492	1,696,683	13,039	8,126,474
Capital outlay	191,060	-	620,177	8,537,460	1,845,448	11,194,145
Debt service						
Principal	-	20,018,526	-	-	367,521	20,386,047
Interest	-	4,748,995	-	-	41,153	4,790,148
Issuance costs	-	-	-	88,822	-	88,822
TOTAL EXPENDITURES	25,936,876	24,767,521	6,046,648	10,684,644	10,651,972	78,087,661
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER) EXPENDITURES	9,247,376	(23,626,261)	2,684,817	(9,335,483)	(4,240,195)	(25,269,746)
OTHER FINANCING SOURCES (USES)						
Sale of county property	21,450	-	-	84,899	81,654	188,003
Contract payable issued	-	-	-	15,880,000	-	15,880,000
Capital leases	-	-	-	816,303	489,909	1,306,212
Transfers in	91,705	23,435,201	95,000	1,680,395	4,220,469	29,522,770
Transfers out	(9,243,347)	-	(3,897,168)	(16,658,003)	(108,705)	(29,907,223)
TOTAL OTHER FINANCING SOURCES (USES)	(9,130,192)	23,435,201	(3,802,168)	1,803,594	4,683,327	16,989,762
NET CHANGE IN FUND BALANCES	117,184	(191,060)	(1,117,351)	(7,531,889)	443,132	(8,279,984)
FUND BALANCES, Beginning of year	9,825,913	191,060	7,997,832	30,530,864	3,490,592	52,036,261
FUND BALANCES, End of year	$ 9,943,097	$ -	$ 6,880,481	$ 22,998,975	$ 3,933,724	$ 43,756,277

The accompanying notes are an integral part of this statement

JACKSON COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2010

Net change in fund balances (page 5)		$ (8,279,984)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlays	11,194,145	
Depreciation expense	(7,431,716)	
		3,762,429
In the statement of activities, only the gain/loss on the sale of various capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the net book value of the capital assets sold.		
Net book value of capital assets sold	(1,144,339)	
		(1,144,339)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	1,442,698	
Donated assets	2,210,398	
Fines	194,442	
		3,847,538
Revenues reported in the funds that relate to prior years are not reported as revenue in the statement of activities.		
Property taxes	(1,449,182)	
Fines	(186,448)	
		(1,635,630)
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, where as these amounts are deferred and amortized in the statement of activities. This adjustment combines the net change of two balances.		
Proceeds from borrowing including premiums and discounts	(17,186,212)	
Principal payments on long-term debt	20,386,047	
Bond issuance costs	88,822	
Amortization of bond premium, discounts and issuance cost	(107,137)	
Accrued interest on bonds, current year	(1,817,777)	
Accrued interest on bonds, prior year	2,160,194	
		3,523,937
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences, current year	(748,590)	
Compensated absences, prior year	709,483	
Net OPEB obligation, current year	(2,038,847)	
Net OPEB obligation, prior year	1,292,931	
		(785,023)
Net pension obligation is not available during the current period and therefore is not reported in the funds.		
Beginning of year	(291,903)	
End of year	290,319	
		(1,584)
Interest on Internal Loan reported in the funds and eliminated for governmental activities.		938
Rounding		(5)
Changes in net assets of governmental activities (page 2)		$ (711,723)

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
December 31, 2010

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITIES
	SOLID WASTE DISPOSAL FACILITY	MAYFIELD TREATMENT PLANT	TOTAL	INTERNAL SERVICE FUND FUEL DEPOT
ASSETS				
Current Assets				
Receivables (net of allowance for uncollectibles)	$ 71,749	$ -	$ 71,749	$ 6,118
Capital lease receivable	-	68,905	68,905	-
Due from other funds	-	23,622	23,622	-
Inventories	-	-	-	31,091
TOTAL CURRENT ASSETS	71,749	92,527	164,276	37,209
Noncurrent Assets				
Capital lease receivables	-	91,525	91,525	-
Capital assets				
Capital assets not being depreciated	498,386	-	498,386	-
Capital assets being depreciated	2,143,779	-	2,143,779	-
Less: accumulated depreciation	(206,643)	-	(206,643)	-
TOTAL CAPITAL ASSETS (NET OF ACCUMULATED DEPRECIATION)	2,435,522	-	2,435,522	-
TOTAL NONCURRENT ASSETS	2,435,522	91,525	2,527,047	-
TOTAL ASSETS	2,507,271	184,052	2,691,323	37,209
LIABILITIES				
Current Liabilities				
Accounts payable	70,177	19,057	89,234	18,849
Due to other funds	1,543,284	-	1,543,284	18,360
Compensated absences payable	4,628	-	4,628	-
Accrued landfill closure/postclosure	78,880	-	78,880	-
Notes payable	-	68,905	68,905	-
TOTAL CURRENT LIABILITIES	1,696,969	87,962	1,784,931	37,209
Noncurrent Liabilities				
Compensated absences payable	13,502	-	13,502	-
Accrued landfill closure/postclosure	796,800	-	796,800	-
Notes payable	-	91,525	91,525	-
TOTAL NONCURRENT LIABILITIES	810,302	91,525	901,827	-
TOTAL LIABILITIES	2,507,271	179,487	2,686,758	37,209
NET ASSETS				
Invested in capital assets	2,435,521	-	2,435,521	-
Unrestricted	(2,435,521)	4,565	(2,430,956)	-
TOTAL NET ASSETS	$ -	$ 4,565	$ 4,565	$ -

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the Year Ended December 31, 2010

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUND
	SOLID WASTE DISPOSAL FACILITY	MAYFIELD TREATMENT PLANT	TOTAL	FUEL DEPOT
OPERATING REVENUES				
Charges for services	$ 912,040	$ 10,942	$ 922,982	$ -
Charges to other funds	-	-	-	525,271
Total Operating Revenues	912,040	10,942	922,982	525,271
OPERATING EXPENSES				
Salaries and benefits	274,532	-	274,532	-
Supplies	28,096	-	28,096	533
Other services and charges	76,300	-	76,300	6,893
Landfill closure/postclosure costs	43,678	-	43,678	-
Depreciation	35,029	-	35,029	-
Waste disposal fees	807,951	-	807,951	-
Professional fees	6,309	-	6,309	-
Repairs and maintenance	16,473	-	16,473	-
Utilities	11,321	-	11,321	-
Cost of goods sold	-	-	-	517,845
Total Operating Expenses	1,299,689	-	1,299,689	525,271
OPERATING INCOME (LOSS)	(387,649)	10,942	(376,707)	-
NONOPERATING REVENUES (EXPENSES)				
Interest expense	-	(10,942)	(10,942)	-
Gain (loss) on sale of capital assets	(117,669)	-	(117,669)	-
Total Nonoperating Revenues (Expenses)	(117,669)	(10,942)	(128,611)	-
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(505,318)	-	(505,318)	-
Transfer in	384,453	-	384,453	-
CHANGE IN NET ASSETS	(120,865)	-	(120,865)	-
TOTAL NET ASSETS, Beginning of year	120,865	4,565	125,430	-
TOTAL NET ASSETS, End of year	$ -	$ 4,565	$ 4,565	$ -

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2010

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUND
	SOLID WASTE DISPOSAL FACILITY	MAYFIELD TREATMENT PLANT	TOTAL	FUEL DEPOT
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customer	$ 945,186	$ 10,942	$ 956,128	$ (2,041)
Payments to suppliers	356,249	-	356,249	(523,230)
Payments to employees	(271,965)	-	(271,965)	-
Internal activity-payments from (to) other funds	-	-	-	525,271
Net cash provided by (used in) operating activities	1,029,470	10,942	1,040,412	-
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Transfers in (out)	384,453	-	384,453	-
Principal payments on noncapital related debt	-	(65,287)	(65,287)	-
Interest expense on noncapital related debt	-	(10,942)	(10,942)	-
Net Cash provided (used) by non-capital financing activities	384,453	(76,229)	308,224	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(1,440,370)	-	(1,440,370)	-
Proceeds from sale of capital assets	26,447	-	26,447	-
Net cash provided (used) by capital and related financing activities	(1,413,923)	-	(1,413,923)	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Principal payments received on lease receivable	-	65,287	65,287	-
Net cash provided (used) by investing activities	-	65,287	65,287	-
Net increase (decrease) in cash and cash equivalents	-	-	-	-
CASH, Beginning of year	-	-	-	-
CASH, End of year	$ -	$ -	$ -	$ -
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	$ (387,649)	$ 10,942	$ (376,707)	$ -
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	35,029	-	35,029	-
(Increase) decrease in:				
Due from other governments	33,146	-	33,146	(2,041)
Other receivables	-	-	-	(15,019)
Prepaid expenses	31,371	-	31,371	-
Increase (decrease) in:				
Compensated absences	(40,282)	-	(40,282)	2,338
Amounts held in trust	2,567	-	2,567	-
Other accrued items	(20,720)	-	(20,720)	-
Due to other funds	1,376,008	-	1,376,008	14,722
Net cash provided by (used in) operating activities	$ 1,029,470	$ 10,942	$ 1,040,412	$ -
SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES				
Net book value of deletions from capital assets	$ (144,116)	$ -	$ (144,116)	$ -

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
December 31, 2010

	AGENCY FUNDS
ASSETS	
Cash	$ 4,597,438
TOTAL ASSETS	$ 4,597,438
LIABILITIES	
Amount held in trust	$ 4,597,438
TOTAL LIABILITIES	$ 4,597,438

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
COMPONENT UNITS
COMBINING STATEMENT OF NET ASSETS
December 31, 2010

	HEALTH DEPARTMENT	WATER AND SEWERAGE AUTHORITY	AIRPORT AUTHORITY	TOTAL
ASSETS				
Cash	$ 646,083	$ 2,530,410	$ 29,086	$ 3,205,579
Receivables (net of allowance for uncollectibles)	81,060	710,724	2,990	794,774
Inventories	-	62,514	45,793	108,307
Prepaid items	-	98,285	4,563	102,848
Restricted assets:				
Cash	-	2,311,531	-	2,311,531
Receivables-sales tax	-	268,027	-	268,027
Non-current assets:				
Deferred charges	-	375,678	29,843	405,521
Capital assets:				
Capital assets not being depreciated	-	5,852,996	9,784,176	15,637,172
Capital assets being depreciated	121,210	116,261,800	3,359,429	119,742,439
Less: accumulated depreciation	(103,290)	(18,070,638)	(1,134,753)	(19,308,681)
Capital assets, net of depreciation	17,920	104,044,158	12,008,852	116,070,930
TOTAL ASSETS	745,063	110,401,327	12,121,127	123,267,517
LIABILITIES				
Accounts payable	28,216	162,808	277,718	468,742
Accrued interest payable	-	283,385	4,659	288,044
Other accrued items	-	15,250	-	15,250
Due to primary government	-	-	1,195,432	1,195,432
Unearned revenue	-	9,097,441	200	9,097,641
Amounts held in trust	-	74,412	-	74,412
Noncurrent liabilities:				
Due within one year				
Compensated absences payable	16,521	26,786	-	43,307
Notes payable	-	142,998	180,000	322,998
Capital leases payable	-	-	6,299	6,299
Revenue bonds payable	-	1,950,143	-	1,950,143
Contracts payable	-	817,325	-	817,325
Due in more than one year				
Compensated absences payable	58,963	46,364	-	105,327
Notes payable	-	2,643,443	1,630,000	4,273,443
Capital leases payable	-	-	28,712	28,712
Revenue bonds payable	-	13,976,389	-	13,976,389
Contracts payable	-	17,790,526	-	17,790,526
TOTAL LIABILITIES	103,700	47,027,270	3,323,020	50,453,990
NET ASSETS				
Invested in capital assets, net of related debt	17,920	66,852,768	9,567,188	76,437,876
Restricted for:				
Capital outlay projects		1,520,569		1,520,569
Debt service		775,604		775,604
Health and welfare programs	348,283	-	-	348,283
Unrestricted	275,160	(5,774,884)	(769,081)	(6,268,805)
TOTAL NET ASSETS	$ 641,363	$ 63,374,057	$ 8,798,107	$ 72,813,527

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2010

		.....PROGRAM REVENUES.....			....NET (EXPENSE) AND CHANGES IN NET ASSETS....			
FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	HEALTH DEPARTMENT	WATER AND SEWERAGE AUTHORITY	AIRPORT AUTHORITY	TOTAL
COMPONENT UNITS								
GOVERNMENTAL ACTIVITIES								
Health Department	$ 931,974	$ 337,240	$ 698,980	$ -	$ 104,246	$ -	$ -	$ 104,246
Water and Sewerage Authority	7,605,819	5,899,627	100,848	4,645,668	-	3,040,324	-	3,040,324
Airport Authority	989,137	379,723	313,201	2,339,822	-	-	2,043,609	2,043,609
TOTAL COMPONENT UNITS	$ 9,526,930	$ 6,616,590	$ 1,113,029	$ 6,985,490	104,246	3,040,324	2,043,609	5,188,179
GENERAL REVENUES								
Unrestricted investment earnings					11,043	102,328	284	113,655
TOTAL GENERAL REVENUES					11,043	102,328	284	113,655
CHANGES IN NET ASSETS					115,289	3,142,652	2,043,893	5,301,834
NET ASSETS, Beginning					526,074	60,231,405	6,754,214	67,511,693
NET ASSETS, Ending					$ 641,363	$ 63,374,057	$ 8,798,107	$ 72,813,527

The accompanying notes are an integral part of this statement

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of JACKSON COUNTY, GEORGIA have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

(A) REPORTING ENTITY

The government is a political subdivision of the State of Georgia governed by a commission-manager form of government under which a five member Board of County Commissioners is elected to serve as the legislative body for the county. The commission chairman is elected at-large, while the remaining four commissioners are elected by geographical districts in which they reside. Elections for the district seats are staggered four year terms, so as to provide some continuity on the Board of Commissioners. In addition, there are four Constitutional Officers; the Clerk of Superior Court, Probate Court Judge, Sheriff, and Tax Commissioner. The Constitutional Officers are elected countywide. The Board of Commissioners approves all annual appropriations used by the respective Constitutional Officers. As required by generally accepted accounting principles, these financial statements present the 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 relationships with the county.

The component unit columns in the combined financial statements include the financial data of the county's component units, which meet the criteria established by Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity.* They are reported in separate columns to emphasize that they are legally separate from the county.

Brief descriptions of discretely presented component units follow:

JACKSON COUNTY AIRPORT AUTHORITY (airport authority): The airport authority operates the county's noncommercial airport facility. A five-member board governs the airport authority. The county appoints three members of the board, which represents a voting majority. The county also has the ability to impose its will on the authority as all amendments to the rules and regulations of the authority must be approved by the County Board of Commissioners. During fiscal year 2010, the airport authority received $313,201 from the County Board of Commissioners to subsidize annual operations.

JACKSON COUNTY HEALTH DEPARTMENT (health department): The health department is charged with determining the health needs and resources of its jurisdiction, developing programs, activities, and facilities responsive to those needs, and enforcing all laws related to health matters unless they fall under the jurisdiction of other agencies. The Jackson County Board of Health (board) governs the health department. The board includes seven members representing government, health professions, and the needy. The county appoints the voting majority of the

board. Additionally, the health department is fiscally dependent on the county since it must have its budget approved by the county. During fiscal year 2010, the health department received $230,783 from the County Board of Commissioners to subsidize annual operations. The health department has a June 30 fiscal year end.

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY (water authority): The water authority has five members appointed by the Board of Commissioners of Jackson County. A portion of special purpose sales tax funds is passed through to the water authority. The water authority was created for the purpose of acquiring, constructing, equipping, maintaining and operating adequate water supply, treatment and distribution facilities and sewerage collection, treatment and distribution facilities making such facilities and the services thereof available to public and private consumers and users located in the City of Jefferson, Jackson County and their environs, including municipalities within and without the County and to adjoining counties; extending and improving such facilities. During fiscal year 2010, the water authority received $2,985,967 from the County Board of Commissioners to subsidize annual operations and to make debt payments.

Complete financial statements may be obtained from the administrative offices at the following locations:

JACKSON COUNTY HEALTH DEPARTMENT
P O Box 260
Jefferson, Georgia 30549

JACKSON COUNTY WATER &
SEWERAGE AUTHORITY
P O Box 869
Jefferson, Georgia 30549

The JACKSON COUNTY AIRPORT AUTHORITY does not prepare separate financial statements.

(B) GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital

requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

(C) MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Neither fiduciary funds nor component units that are fiduciary in nature are included in the government-wide financial statements. Agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers property taxes as available if they are collected within 60 days of the end of the current fiscal year for which they are levied. Fines are considered available if they are collected within 60 days of the end of the current fiscal period. Other revenues susceptible to accrual are considered available if they are collected within 90 days of the end of the current fiscal period for which they are imposed. 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 tax, franchise taxes, fines, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

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

The *SPLOST Capital Projects Fund* accounts for funds received from the imposition of a local 1% voter approved sales tax reserved for construction of capital projects in the areas of water and sewerage improvements; roads, streets, bridges and sidewalks; parks and recreation; and public safety facilities.

The *Debt Service Fund* accounts for the servicing of general long-term debt associated with revenue bonds.

The *Capital Projects Fund* accounts for acquisition and construction of the County's capital assets.

The government reports the following major proprietary funds:

The *Solid Waste Disposal Facility Enterprise Fund* accounts for the activities of the County's solid waste transfer station.

The *Mayfield Treatment Plant Enterprise Fund* accounts for the operations of the Mayfield Wastewater Treatment Plant. However, the operation of this plant was transferred to the Jackson County Water and Sewerage Authority in the year 2000.

Additionally, the government reports the following fund types:

The *Fuel Depot Internal Service Fund* accounts for charges to other departments or agencies of the government for the purchase of fuel.

The *Agency Funds* are custodial in nature and do not represent results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the government holds for others in an agency capacity.

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 the same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are interfund services provided and used are not eliminated in the process of consolidation. Elimination of these charges would distort the direct costs and program revenues for the various functions concerned.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues for the Solid Waste Disposal Facility enterprise fund and the Mayfield Treatment Plant enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

(D) ASSETS, LIABILITIES AND NET ASSETS OR EQUITY

1. Deposits and Investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are recorded as fair value based on quoted market prices as of the balance sheet date. Increases or decreases in fair value during the year are recognized as part of investment income.

2. Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). 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."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance of uncollectibles.

Property taxes attach as an enforceable lien on property as of January 1. Taxes are normally levied by October 20th of each year. The 2010 property taxes were levied October 20, 2010 and were due December 20, 2010. The taxes are subject to lien after March 20, 2011. Interest and penalties are assessed on taxes not paid by this date.

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

The County bills and collects its own property taxes and also those for the School Board and the fire districts. Only the County's tax levy is recognized as revenue when levied and uncollected taxes are recorded as deferred revenue in the general fund and fire districts special revenue funds.

3. Inventories and Prepaid Items

Inventories, consisting of expendable supplies, not held for resale are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

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.

4. Restricted Assets

Certain proceeds of the County's capital leases or debt issues are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable lease or debt agreements.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, culverts, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Roads, bridges and culverts acquired prior to January 1, 2003 have been reported.

The costs 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. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the assets constructed. No interest was capitalized during 2010.

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

Assets	Years
Buildings	50
Computers and peripherals	3
Infrastructure	20
Machinery and equipment	10
Nonstructural improvements	10
Vehicles	3-5
Water and Sewer lines	50
Sewer treatment plant	50
Water treatment plant	20

6. Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. In accordance with the provisions of Statement of Governmental Accounting Standards No. 16, "Accounting for Compensated Absences," no liability is reported for unpaid accumulated sick leave because the benefits are paid only upon illness of an employee, and the amount of such payments cannot be reasonably estimated. All vacation pay is accrued when incurred in the government-wide and proprietary 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.

7. 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, or proprietary fund type statement of net assets.

8. Fund Equity/Net Assets

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net assets."

Fund balance - Generally, fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- *Nonspendable* - Fund balances are reported as nonspendable when the amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash like inventories and prepaid items) or (b) legally or contractually required to be maintained intact.
- *Restricted* - Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- *Committed* - Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners through the adoption of a resolution prior to the end of the fiscal year. In order to modify or rescind the commitment, the Board of Commissioners must adopt another resolution.
- *Assigned* - Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board of Commissioners has authorized the County's finance director to assign fund balances.
- *Unassigned* - Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all other governmental funds.

Net Assets - 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 debt used for the acquisition, construction, or improvement of those assets. In determining the outstanding balance of any borrowing, proceeds of that debt which has not been spent is deducted. Accounts payable for costs related to acquisition, construction, or improvement of those capital assets is considered debt for this calculation. Net assets are reported as restricted as described in the fund balance section above. All other net assets are reported as unrestricted.

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

9. *Invested in Capital Assets, Net of Related Debt*

The "invested in capital assets, net of related debt" reported on the government-wide statement of net assets as of December 31, 2010 are as follows:

Invested in capital assets, net of related debt:	Governmental Activities	Component Unit Airport Authority
Cost of capital assets	$ 258,402,505	$ 13,143,605
Accumulated depreciation	(69,290,433)	(1,134,753)
Book value	189,112,072	12,008,852
Capital related debt	(120,043,242)	(1,810,000)
Unspent construction proceeds	22,756,859	(631,664)
Invested in capital assets, net of related debt	$ 91,825,689	$ 9,567,188

10. *Management Estimates*

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

NOTE 2 - FUND BALANCE/NET ASSETS

The government-wide statement of net assets reports $10,999,248 of restricted net assets, of which $1,970,578 is restricted by enabling legislation.

Additional details related to fund balances at the governmental fund level are presented below:

Restricted:

General Fund	
Debt service - For unspent funds from bond issues and funds paid into bond sinking funds for future debt payments restricted by creditors	$ 1,049,732
Capital outlay projects - For unspent funds from capital leases and other debt	133,260
SPLOST Fund	
Capital outlay projects - For funds received from the imposition of the Special Purpose Local Option Sales Tax (SPLOST) restricted by the voter approved referendum	6,872,981
Capital Projects Fund	
Capital outlay projects - For funds received from issuance of bonds that has not been spent	22,998,975

Nonmajor Special Revenue Funds	
Public Safety programs -	
Fire District Fund - For funds restricted for fire services from a separate tax levy	1,736,483
Emergency E911 Telephone Services Fund - For fund to operate the E911 center as restricted by the OCGA-46-5	651,524
Jail Fund - To account for funds received from surcharges on fines and forfeitures restricted for operation of the county jail	615,809
Drug Enforcement - to account for funds collected from fines and forfeitures to be used for drug abuse, treatment and education programs	94,087
Total Restricted Fund Balance	$ 34,152,851

Committed:	
Nonmajor Special Revenue Funds	
Judicial Programs -	
Law Library - Used to account for surcharges on fines and forfeitures which are for the operation of the County Law Library and other general expenditures as decided by the trustees of that library	$ 85,953
Public Safety programs -	
Emergency Management/Rescue Services - Used to account for funds received from state grants, donations from the general public, and transfers from the general fund for these services	152,583
Health and Welfare Programs -	
Senior Center - to account for grants, fees charged to users of services as well as transfers from the General Fund for the operation of the County Senior Center	254,537
Housing and Development Programs -	
Keep Jackson Beautiful - to account for various grants and donations as well as transfers from the General Fund to support various activities and projects that reduce littering and other practices that diminish the beauty of the County.	10,233
Protective Inspection/Planning and Zoning - to account for license, permit, and building inspection fees that are collected on new developments as well as transfers from the General Fund that are used for the planning of new developments in the County.	3,644
Total Committed Fund Balance	$ 506,950

Assigned:	
General Fund	
Appropriated as a resource in next year's budget	$ 1,761,642

NOTE 3 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

(A) BUDGETARY INFORMATION

Annual appropriated budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, all Special Revenue Funds, and Debt Service Fund. Project length budgets are adopted for the Capital Projects Funds. Annual operating budgets are prepared for each Enterprise and Internal Service Fund for planning, control, cost allocation and evaluation purposes. All annual appropriations lapse at fiscal year end.

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

In the summer of each year, all agencies of the government submit requests for appropriation to the Finance Director so that a budget may be prepared. The budget is prepared by fund, function and department, and line item, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. Before September 1, the proposed budget is presented to the government's Board of Commissioners for review. The government's Board of Commissioners holds public hearings and may add to, subtract from, or change appropriations.

The Office of Financial Administration may amend the line item budget within a department's appropriation as long as the total appropriation for that department is not changed. However, expenditures may not legally exceed budgeted appropriations at the department level without a resolution of the Board of Commissioners. The legal level of budgetary control is at the department level within individual funds.

During the year, the Board of Commissioners authorized amendments to include appropriations and revenues that were not originally budgeted and to reclassify certain expenditures.

The County finance director may amend the line item budget within a department's appropriation. Expenditures may not legally exceed budgeted appropriations at the department level.

(B) EXCESS OF REVENUES AND EXPENDITURES OVER APPROPRIATIONS

There are no excesses of expenditures over appropriations at the department level (the legal level of control).

(C) DEFICIT FUND EQUITY

At December 31, 2010, no funds had deficit fund equity.

NOTE 4 - DEPOSITS AND INVESTMENTS

As of December 31, 2010, Jackson County had the following investments, some of which are cash equivalents:

		INVESTMENT MATURITIES (in Years)		
Investment Type	Fair Value	Less Than 1	1-5	Rating (1)
General and Capital Project Funds				
Georgia Fund I	$ 5,041,236	$ 5,041,236	$ -	AAAm
Fidelity Treasury Port	2	2	-	AAAm
Goldman Sachs Treasury Obligations	1	1	-	AAAm
1st American Treasury Obligations (Class D shares)	25,177,754	25,177,754	-	AAAm
U.S. Government Agencies	$ 30,218,993	$ 30,218,993	$ -	
Maximum Investment		100.00 %	0.00 %	

1. Standard & Poor's

Cash per Statement of Net Assets (page 1)	
Cash	$ 28,911,542
Restricted cash	24,769,417
less cash equivalents that are investments	(24,793,952)
Cash held by Fiduciary Funds (page 10)	4,597,438
Deposits	$ 33,484,445
Investments Statement of Net Assets (page 1)	
Investments	$ 2,054,827
Restricted Investments	3,370,214
Investments included in cash equivalents	24,793,952
Investments as listed above	$ 30,218,993

The Jackson County investment program shall be operated for all investments to comply with federal, state, and local laws. The investment program should use a competitive selection process for investments in excess of 30 days. All investments shall be made with consideration for environmental and human rights impact.

The Local Government Investment Pool, "Georgia Fund 1", created by OCGA 36-83-8, is a stable net asset value investment pool which follows Standard and Poor's criteria for AAAm rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is managed by the Office of Treasury and Fiscal Services. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on $1.00 per share.

Interest rate risk. Interest rate risk is the risk that changes in interest rates may adversely affect an investment's fair value. Since the price of a bond fluctuates with market interest rates, the risk that an investor faces is that the price of a bond held in a portfolio will decline if market interest rates rise. Jackson 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.

Credit Risk. State statutes authorize the government to invest in obligations of the U.S. Treasury and of its agencies and instrumentalities; bonds or certificates of indebtedness of this state and of its agencies and instrumentalities; certificates of deposits of banks insured by FDIC; the State of Georgia Local Government Investment Pool; repurchase agreements; bonds, debentures, notes or other evidence of indebtedness of any solvent corporation subject to certain conditions. Jackson County has no investment policy that would further limit its investment choices. At December 31, 2010, the ratings of its investments are shown above.

Concentration of credit risk. Jackson County places no limit on the amount it may invest in any one issuer.

Custodial credit risk - investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Jackson County has a policy of placing investments with qualified financial institutions.

Custodial credit risk - deposits. In case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Jackson County may exceed the FDIC insured limit in making deposits in commercial banks and savings and loans institutions, if the funds are otherwise adequately secured. As of December 31, 2010, $3,901,642 of the County's bank balance of $43,374,707 was not adequately collateralized with securities held by the pledging financial institution's name. However, adequate collateral was supplied by the pledging financial institution after year end within the time frame allowed by law except for $17,000 for one fire district.

State statutes require collateral pledged in the amount of 110% of deposits. Depositories may secure deposits of public funds using the dedicated method or the pooled method as described below.

- Under the dedicated method, a depository shall secure the deposits of each of its public depositors separately.

- Under the pooled method, a depository shall secure deposits of public bodies which have deposits with it through a pool of collateral established by the depository with a custodian for the benefit of public bodies having deposits with such depository as set forth in code Section 45-8-13.1.

The County utilized both methods to secure deposits of public funds.

NOTE 5 - RECEIVABLES

Receivables as of year-end for the County's individual major funds and nonmajor governmental and Internal Service Funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	SPLOST	Capital Projects Fund	NonMajor Governmental Funds	Solid Waste Disposal Facility	Fuel Depot Internal Service Fund
Receivables:						
Property Taxes	$ 5,160,791	$ -	$ -	$ 454,247	$ -	$ -
Fines	11,187,164	-	-	-	-	-
Accounts	143,926	659	42,306	740,087	90,969	-
Intergovernmental	982,078	987,442	154,005	101,778	-	6,118
Total Gross Receivables	17,473,959	988,101	196,311	1,296,112	90,969	6,118
Less: Allowance for Uncollectibles	(10,842,502)	-	-	-	(19,220)	-
Total Net Receivables	$ 6,631,457	$ 988,101	$ 196,311	$ 1,296,112	$ 71,749	$ 6,118

Property taxes receivable at December 31, 2010, consist of the following:

DIGEST YEAR	GENERAL FUND	NONMAJOR GOVERNMENTAL FUNDS
2010	$ 3,560,601	$ 349,248
2009	1,049,895	68,158
2008	208,145	12,423
2007	163,980	9,782
2006	73,457	5,864
2005	33,187	2,562
2004	15,407	1,269
2003	14,919	1,091
2002	17,801	1,335
2001	3,583	546
2000 and prior	19,816	1,969
Total	$ 5,160,791	$ 454,247

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	UNAVAILABLE	UNEARNED
Property taxes (General Fund)	$ 1,360,441	$ 19,521,647
Property taxes (Fire District Fund)	82,257	1,916,253
Probation fines (General Fund)	194,442	-
Grant drawdowns prior to meeting all eligibility requirements (General Fund)	-	50,421
Grant drawdowns prior to meeting all eligibility requirements (SPLOST Fund)	-	10,000
Other	-	52,277
Total deferred/ unearned revenue for governmental funds	$ 1,637,140	$ 21,550,598

COMPONENT UNITS

	Health Department	Water and Sewerage Authority	Airport Authority
Receivables:			
Accounts	$ -	$ 595,343	$ 3,310
Intergovernmental	81,060	279,366	-
Other	-	198,818	-
Total Gross Receivables	81,060	1,073,527	3,310
Less: Allowance for Uncollectibles	-	(94,776)	(320)
Total Net Receivables	$ 81,060	$ 978,751	$ 2,990

NOTE 6 - CAPITAL ASSETS

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

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Governmental Activities:					
Non-Depreciable Assets:					
Land and land improvements	$ 5,911,882	$ -	$ -	$ 4,712	$ 5,916,594
Infrastructure land and land improvements	52,091,711	2,353,081	-	-	54,444,792
Construction in progress	1,257,233	3,319,809	(416,748)	(1,854,191)	2,306,103
Construction in progress - infrastructure	3,508,240	5,186,773	(1,045)	(448,036)	8,245,932
Total non-depreciable capital assets	62,769,066	10,859,663	(417,793)	(2,297,515)	70,913,421
Depreciable Assets:					
Land Improvements	1,661,683	58,112	-	102,337	1,822,132
Buildings and improvements	72,048,092	-	(1,417,289)	1,747,143	72,377,946
Machinery and equipment	13,540,694	362,837	-	-	13,903,531
Vehicles	12,867,085	1,721,344	(523,665)	-	14,064,764
Infrastructure	84,470,087	402,589	-	448,035	85,320,711
Total depreciable capital assets	184,587,641	2,544,882	(1,940,954)	2,297,515	187,489,084
Less Accumulated Depreciation for:					
Land Improvements	(185,493)	(93,012)	-	-	(278,505)
Buildings and improvements	(7,297,279)	(1,504,091)	693,734	-	(8,107,636)
Machinery and equipment	(5,269,359)	(1,294,146)	-	-	(6,563,505)
Vehicles	(9,048,824)	(1,332,408)	520,674	-	(9,860,558)
Infrastructure	(41,272,170)	(3,208,059)	-	-	(44,480,229)
Total accumulated depreciation	(63,073,125)	(7,431,716)	1,214,408	-	(69,290,433)
Total depreciable capital assets, net	121,514,516	(4,886,834)	(726,546)	2,297,515	118,198,651
Governmental activities capital assets, net	$ 184,283,582	$ 5,972,829	$ (1,144,339)	$ -	$ 189,112,072

Additions to governmental activities capital assets for fiscal year ending December 31, 2010 consist of the following:

Capital Outlay	$ 11,194,145
Donated assets	2,210,398
Rounding	2
Total Additions	$ 13,404,545
Non-depreciable capital assets additions	$ 10,859,663
Depreciable capital assets additions	2,544,882
Total	$ 13,404,545

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Business-type Activities:					
Non-Depreciable Assets:					
Land and land improvements	$ 365,666	$ -	$ -	$ 132,720	$ 498,386
Construction in progress	604,584	1,142,766	(1,653)	(1,745,697)	-
Total non-depreciable capital assets	970,250	1,142,766	(1,653)	(1,612,977)	498,386
Depreciable Assets:					
Land improvements	-	107,219	-	105,538	212,757
Buildings and improvements	288,466	-	(209,020)	1,487,380	1,566,826
Machinery and equipment	106,740	104,922	(38,444)	20,061	193,279
Vehicles	164,322	62,778	(56,182)	(1)	170,917
Total depreciable capital assets	559,528	274,919	(303,646)	1,612,978	2,143,779
Less Accumulated Depreciation for:					
Land improvements	-	(4,850)	-	(18,667)	(23,517)
Buildings and improvements	(85,695)	(11,263)	66,557	18,667	(11,735)
Machinery and equipment	(87,462)	(9,002)	38,444	-	(58,021)
Vehicles	(159,640)	(9,913)	56,182	-	(113,370)
Total accumulated depreciation	(332,797)	(35,028)	161,183	-	(206,643)
Total depreciable capital assets, net	226,731	239,891	(142,463)	1,612,978	1,937,136
Business-type activities capital assets, net	$ 1,196,981	$ 1,382,657	$ (144,116)	$ 1	$ 2,435,522

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

Governmental Activities:	
General Government	$ 308,473
Judicial	555,700
Public Safety	2,325,175
Public Works	3,894,778
Public Health and Welfare	44,745
Recreation and Culture	232,285
Housing and Development	70,559
Rounding	1
Total depreciation expense-governmental activities	$ 7,431,716
Business-type Activities:	
Solid Waste	35,029
Rounding	(1)
Total depreciation expense-business-type activities	$ 35,028

The County has authorized construction projects. The remaining costs are split between the portion of the contracts that have been entered into for which the work had not been done prior to December 31, 2010 and the remainder of the authorized project expenditure for which contracts have not been entered into as of year end. The source of financing for the remaining project cost is noted below:

	Project Authorization	Expended To Date	Contracts in Progress	Authorized Not Obligated	Source
Governmental Activities:					
Hoods Mill/Water Works Rd. Intersection Improvement	$ 125,000	$ 98,933	$ 21,600	$ 4,467	SPLOST
Gum Springs - Realignment	981,060	49,593	-	931,467	SPLOST
Chardonnay Trace	16,994	16,994	-	-	Local funds
Dixon Bridge	552,240	10,252	-	541,988	SPLOST
E-911 Computer Aided Dispatch	146,902	132,212	14,690	-	911 Special Revenue Fund
Galilee Church Road	250,000	169,267	6,180	74,553	SPLOST; GA DOT
Thompson Mill	110,286	45,235	64,950	101	SPLOST; Developer Contribution
Senior Center	1,068,843	1,039,626	-	29,217	CDBG; local funds
450 MHz Radio Communication Project	2,000,000	1,080,199	412,313	507,488	S2007A Revenue Bonds
Fire Training Center - Pump Testing Station	81,282	9,673	-	71,609	SPLOST; S2007A Revenue Bonds
Animal Control Shelter	10,186	10,186	-	-	Local funds
Lanier Tech Project	147,000	-	-	147,000	ARC Grant
SR 124 & 332 Signalization Project	246,223	129,744	116,479	-	SPLOST; Developer Contribution
West Jackson EMS Station	751,585	34,207	30,455	686,923	SPLOST
Economic Development/SPLOST Road & Sewer Projects	24,626,692	7,725,914	8,799,209	8,101,569	S2008 Revenue Bonds; GADOT; Developer Contribution; Lease purchase
Total Governmental Activities	$ 31,114,293	$ 10,552,035	$ 9,465,876	$ 11,096,382	

Discretely Presented Component Units

Activity for the Health Department for the year ended December 31, 2010, was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Governmental Activities:				
Depreciable Assets:				
Machinery and equipment	$ 121,210	$ -	$ -	$ 121,210
Less Accumulated Depreciation	(97,273)	(6,017)	-	(103,290)
Capital Assets, net	$ 23,937	$ (6,017)	$ -	$ 17,920

Activity for Jackson County Water and Sewerage Authority for the year ended December 31, 2010, was as follows:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Business-type activities:					
Non-depreciable Assets:					
Land	$ 2,720,824	$ -	$ -	$ -	$ 2,720,824
Land - Water Plant Capacity	2,380,799	-	-	-	2,380,799
Construction in progress	725,728	120,319	-	(94,674)	751,373
Total non-depreciable capital assets	5,827,351	120,319	-	(94,674)	5,852,996
Depreciable assets:					
Buildings	579,890	-	-	-	579,890
Water tanks	3,989,889	-	-	-	3,989,889
Booster pumps	784,716	-	-	-	784,716
Water lines	65,191,341	921,894	-	-	66,113,235
Meters	1,754,470	-	-	70,503	1,824,973
Vehicles	246,465	-	-	-	246,465
Sewer system	18,193,395	745,085	-	-	18,938,480
Machinery and equipment	1,153,626	5,000	-	24,171	1,182,797
Water Plant Capacity	22,601,355	-	-	-	22,601,355
Total depreciable capital assets	114,495,147	1,671,979	-	94,674	116,261,800
Less Accumulated Depreciation for:					
Buildings	(125,119)	(17,602)	-	-	(142,721)
Water tanks	(881,810)	(81,628)	-	-	(963,438)
Booster pumps	(358,053)	(39,236)	-	-	(397,289)
Water lines	(8,949,736)	(1,318,203)	-	-	(10,267,939)
Meters	(633,533)	(175,564)	-	-	(809,097)
Vehicles	(130,474)	(43,422)	-	-	(173,896)
Sewer system	(1,368,075)	(377,500)	-	-	(1,745,575)
Machinery and equipment	(514,642)	(114,182)	-	-	(628,824)
Water Plant Capacity	(2,614,001)	(327,858)	-	-	(2,941,859)
Total accumulated depreciation	(15,575,443)	(2,495,195)	-	-	(18,070,638)
Total depreciable capital assets, net	98,919,704	(823,216)	-	94,674	98,191,162
Business-type activities capital assets, net	$ 104,747,055	$ (702,897)	$ -	$ -	$ 104,044,158

The Jackson County Water and Sewer Authority has authorized construction projects. The remaining costs are split between the portion of the contracts that have been entered into for which the work had not been done prior to December 31, 2010 and the remainder of the authorized project expenditure for which contracts have not been entered into as of year end. The source of financing for the remaining project cost is noted below:

Project	Project Authorization	Expended To Date	Contracts in Progress	Authorized Not Obligated	Source
SPLOST Priority 3-2006B	$ 706,434	$ 706,434	$ -	$ -	SPLOST
Apple Valley Pump Station Improvements	12,116	12,116	-	-	General Fund
MOWWTP 0.5 MGD Improvements	400,000	12,044	-	387,956	General Fund
Work Order System	20,779	20,779	-	-	General Fund
	$ 1,139,329	$ 751,373	$ -	$ 387,956	

Activity for the Jackson County Airport Authority for the year ended December 31, 2010 was as follows:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Business-type activities:					
Non-depreciable Assets:					
Land	$ 7,641,090	$ 1,688,313	$ -	$ 64,061	$ 9,393,464
Construction in progress	516,543	325,789	(134,058)	(317,562)	390,712
Total non-depreciable capital assets	8,157,633	2,014,102	(134,058)	(253,501)	9,784,176
Depreciable assets:					
Land and improvements	1,719,382	8,793	-	253,501	1,981,676
Buildings and improvements	1,031,575	-	-	-	1,031,575
Machinery and equipment	265,478	129,900	(49,200)	-	346,178
Total depreciable capital assets	3,016,435	138,693	(49,200)	253,501	3,359,429
Less Accumulated Depreciation for:					
Land and improvements	(599,489)	(89,472)	-	-	(688,961)
Buildings and improvements	(316,240)	(25,613)	-	-	(341,853)
Machinery and equipment	(77,220)	(36,149)	9,430	-	(103,939)
Total accumulated depreciation	(992,949)	(151,234)	9,430	-	(1,134,753)
Total depreciable capital assets, net	2,023,486	(12,541)	(39,770)	253,501	2,224,676
Business-type activities capital assets, net	$10,181,119	$ 2,001,561	$ (173,828)	$ -	$ 12,008,852

The Jackson County Airport Authority has authorized construction projects. The remaining costs are split between the portion of the contracts that have been entered into for which the work had not been done prior to December 31, 2010 and the remainder of the authorized project expenditure for which contracts have not been entered into as of year end. The source of financing for the remaining project cost is noted below:

Project	Project Authorization	Expended To Date	Contracts in Progress	Authorized Not Obligated	Source
Hangar Site Development both sides of Airfield	$ 345,839	$ 263,962	$ 81,877	$ -	Local Funds; GA DOT; FAA
Runway Extension - Phase II	11,334	11,334	-	-	Local Funds; GA DOT; FAA
Hangar Development Area EA	70,139	38,297	31,842	-	Local Funds; GA DOT; FAA
Land Acquisition	216,655	77,119	-	139,536	Local Funds; GA DOT; FAA
	$ 643,967	$ 390,712	$ 113,719	$ 139,536	

NOTE 7 - LONG-TERM DEBT

Long-term liability activity for the year ended December 31, 2010 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due After One Year
Governmental Activities:						
Contracts Payable:						
IDA 2004 Economic Development Bonds	$ 14,740,000	$ -	$ (740,000)	$ 14,000,000	$ 765,000	$ 13,235,000
Add: Original issue Premiums	407,103	-	(28,568)	378,535	28,569	349,966
Subtotal IDA bonds contracts payable	15,147,103	-	(768,568)	14,378,535	793,569	13,584,966
Contracts payable - hospital	1,117,500	-	(1,117,500)	-	-	-
Subtotal contracts payable - hospital	1,117,500	-	(1,117,500)	-	-	-
City of Jefferson - Series A 2007 Bonds	40,595,000	-	(750,000)	39,845,000	780,000	39,065,000
Less: Original issue discounts	(49,717)	-	1,829	(47,888)	(1,830)	(46,058)
Subtotal Series A 2007 bonds	40,545,283	-	(748,171)	39,797,112	778,170	39,018,942
City of Jefferson - Series B 2007 Bonds	7,985,000	-	(310,000)	7,675,000	320,000	7,355,000
Subtotal Series B 2007 bonds	7,985,000	-	(310,000)	7,675,000	320,000	7,355,000
IDA 2008 Economic Development Bonds	15,595,000	-	(15,595,000)	-	-	-
Subtotal 2008 IDA bonds	15,595,000	-	(15,595,000)	-	-	-
IDA 2009 Series A Economic Development Bonds	25,050,000	-	-	25,050,000	-	25,050,000
Subtotal 2009 Series A IDA bonds	25,050,000	-	-	25,050,000	-	25,050,000
IDA 2009 Series B Economic Development Bonds	-	15,880,000	-	15,880,000	-	15,880,000
Less: Deferred amounts of refunding	-	(378,940)	22,352	(356,588)	-	(356,588)
Subtotal 2009 Series B IDA bonds	-	15,501,060	22,352	15,523,412	-	15,523,412
Total Contracts Payable	105,439,886	15,501,060	(18,516,887)	102,424,059	1,891,739	100,532,320
Capital leases	25,972,387	1,306,212	(2,133,499)	25,145,100	2,059,103	23,085,997
Add: Original issue Premiums	155,937	-	(6,854)	149,083	6,854	142,229
Total Capital Leases	26,128,324	1,306,212	(2,140,353)	25,294,183	2,065,957	23,228,226
Notes Payable	187,181	-	(23,713)	163,468	24,995	138,473
Compensated absences	709,483	595,894	(556,787)	748,590	519,742	228,848
Net OPEB obligation	1,292,931	681,328	64,588	2,038,847	-	2,038,847
Governmental activities long-term liabilities	$ 133,757,805	$ 18,084,494	$ (21,173,152)	$ 130,669,147	$ 4,502,433	$ 126,166,714
Business-type Activities:						
Notes payable	$ 225,717	$ -	$ (65,287)	$ 160,430	$ 68,905	$ 91,525
Landfill closure/postclosure	896,400	43,678	(64,398)	875,680	78,880	796,800
Compensated absences	15,563	6,694	(4,127)	18,130	4,628	13,502
Business-type activities long-term liabilities	$ 1,137,680	$ 50,372	$ (133,812)	$ 1,054,240	$ 152,413	$ 901,827

Compensated absences and net other postemployment benefits obligation are generally liquidated by the general fund.

SUMMARY OF ALL DEBT - GOVERNMENTAL ACTIVITIES

December 31	Principal	Interest	Total
2011	$ 3,949,097	$ 5,414,259	$ 9,363,356
2012	5,188,096	5,287,491	10,475,587
2013	5,076,317	5,092,922	10,169,239
2014	5,272,428	4,888,966	10,161,394
2015	5,458,387	4,679,222	10,137,609
2016-2020	30,038,993	19,898,623	49,937,616
2021-2025	38,180,250	11,684,042	49,864,292
2026-2030	16,165,000	6,411,145	22,576,145
2031-2035	13,510,000	2,615,944	16,125,944
2036-2037	4,920,000	236,312	5,156,312
	$ 127,758,568	$ 66,208,926	$ 193,967,494

CAPITAL LEASES

Heavy equipment for road construction and various other equipment items and the new courthouse are acquired under capital lease agreements which bear interest at various rates from 2.225% to 5.870%. The County, in conjunction with the Association County Commissioners of Georgia Lease Purchase Program, issued $25,000,000 in aggregate principal of Certificates of Participation (COPS) during October 2003 to finance the construction of a new courthouse facility. Minimum future lease obligations for these leases, as of December 31, 2010, are as follows:

December 31	Principal	Interest	Total
2011	$ 2,059,102	$ 1,132,669	$ 3,191,771
2012	1,101,750	1,082,046	2,183,796
2013	833,547	1,046,944	1,880,491
2014	868,156	1,014,110	1,882,266
2015	872,533	981,631	1,854,164
2016-2020	4,399,762	4,341,924	8,741,686
2021-2025	5,285,250	3,130,753	8,416,003
2026-2030	6,685,000	1,628,125	8,313,125
2031-2032	3,040,000	150,750	3,190,750
	$ 25,145,100	$ 14,508,952	$ 39,654,052

As of December 31, 2010, the capital assets purchased under these capital lease agreements are as follows:

	Governmental Activities
Buildings and improvements	$25,916,829
Machinery and equipment	6,493,268
Vehicles	5,396,114
Less accumulated depreciation	(8,640,846)
Net	$29,165,365

GENERAL OBLIGATION BONDS

Subsequent to the year end, the County issued $20,355,000 of Series 20011 general obligation refunding bonds to provide funds to partially advance refund the County's contract payable for the City of Jefferson Series 2007A bonds related to the county jail project. Up to $23,747,657 of the proceeds from the Special Purpose Local Option Sales tax (SPLOST 5) effective July 1, 2011 have been pledged towards repayment of these bonds which bear interest rates from 2% to 5% and mature September 1, 2017. The County placed $21,683,536 in an escrow account to be used for satisfying scheduled payments of interest, principal, and redemption premiums on the S2007A bonds maturing 2012 through 2037. The refunding reduced the aggregate debt services payments by $13,587,126 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about $5,656,000. The accounting loss on the refunding was approximately $2,904,536. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest rate method.

CONTRACTS PAYABLE

IDA 2004 ECONOMIC DEVELOPMENT BONDS PAYABLE

On November 1, 2004, Jackson County entered into a contract with the Jackson County Industrial Development Authority to fund repayment of an issue of $16,815,000 of Series 2004 bonds with a premium and issuance cost of $552,327 which mature March 30, 2024, and bear interest at rates from 3.00% to 5.00%. These bonds were for economic development projects including road projects.

The annual requirements to amortize this debt as of December 31, 2010 are as follows:

December 31	Principal	Interest	Total
2011	$ 765,000	$ 594,838	$ 1,359,838
2012	790,000	567,625	1,357,625
2013	815,000	537,500	1,352,500
2014	850,000	504,200	1,354,200
2015	885,000	469,500	1,354,500
2016-2020	5,000,000	1,751,125	6,751,125
2021-2024	4,895,000	470,225	5,365,225
Total	$ 14,000,000	$ 4,895,013	$ 18,895,013

CITY OF JEFFERSON SERIES 2007A BOND

On August 1, 2007, Jackson County entered into a contract with the the City of Jefferson Public Building Authority to fund repayment of an issue of $40,595,000 of Series 2007A bonds with a discount and issuance cost of $645,564 which mature March 1, 2037, and bear interest at rates from 3.875% to 5%. These bonds were issued to fund the County's capital projects including the jail project, public safety training facility, and historic courthouse renovation.

The annual requirements to amortize the Series 2007A bond payable as of December 31, 2010 are as follows:

December 31	Principal	Interest	Total
2011	$ 780,000	$ 1,837,831	$ 2,617,831
2012	815,000	1,803,663	2,618,663
2013	850,000	1,768,281	2,618,281
2014	885,000	1,728,094	2,613,094
2015	930,000	1,686,388	2,616,388
2016-2020	5,335,000	7,730,835	13,065,835
2021-2025	6,600,000	6,432,530	13,032,530
2026-2030	8,260,000	4,727,444	12,987,444
2031-2035	10,470,000	2,465,194	12,935,194
2036-2037	4,920,000	236,312	5,156,312
Total	$ 39,845,000	$ 30,416,572	$ 70,261,572

CITY OF JEFFERSON SERIES 2007B BOND

On August 1, 2007, Jackson County entered into a contract with the the City of Jefferson Public Building Authority to fund repayment of an issue of $7,985,000 of Series 2007 bonds which mature March 1, 2027, and bear interest at rates from 3.700% to 4.75%. These bonds were issued to fund the City of Jefferson's projects including road projects. Per the intergovernmental agreement with the City of Jefferson, the City of Jefferson has agreed to pay all principal and interest payments as well as all issuance costs. In the event of default by the City of Jefferson, Jackson County will be obligated to repay the debt. Therefore, due to legal requirements, there is still a legal liability to Jackson County.

The annual requirements to amortize the Series 2007B bond payable as of December 31, 2010 are as follows:

December 31	Principal	Interest	Total
2011	$ 320,000	$ 326,339	$ 646,339
2012	330,000	312,926	642,926
2013	345,000	299,014	644,014
2014	360,000	284,464	644,464
2015	375,000	269,548	644,548
2016-2020	2,115,000	1,101,842	3,216,842
2021-2025	2,610,000	591,601	3,201,601
2026-2027	1,220,000	55,576	1,275,576
Total	$ 7,675,000	$ 3,241,310	$ 10,916,310

IDA 2009 Series A ECONOMIC DEVELOPMENT BONDS

On November 1, 2009, Jackson County entered into a contract with the the Jackson County Industrial Development Authority to fund repayment of an issue of $25,050,000 of economic development bonds with a issuance cost of $484,672 which mature from July 1, 2012 to July 1, 2024, and bear interest at 3.700%. These bonds, along with $5,000,000 of unspent proceeds from the 2008 A bonds, were used to redeem $29,405,000 of the Industrial Development Authority 2008A economic development bonds.

The annual requirements to amortize this debt as of December 31, 2010 are as follows:

December 31	Principal	Interest	Total
2011	$ -	$ 926,850	$ 926,850
2012	1,360,000	926,850	2,286,850
2013	1,405,000	876,530	2,281,530
2014	1,440,000	824,546	2,264,546
2015	1,490,000	771,266	2,261,266
2016-2020	8,110,000	2,998,300	11,108,300
2021-2024	11,245,000	1,058,933	12,303,933
Total	$ 25,050,000	$ 8,383,275	$ 33,433,275

IDA 2009 Series B ECONOMIC DEVELOPMENT BONDS

On January 11, 2010, Jackson County entered into a contract with the the Jackson County Industrial Development Authority to fund repayment of the balance of $15,880,000 of Series 2009B economic development bonds. These were used to redeem $15,595,000 of the Series 2008 economic development bonds as well as pay costs of issuance. These bonds mature from July 1, 2012 to July 1, 2024, and bear interest at 3.700%.

The annual requirements to amortize this debt as of December 31, 2010 are as follows:

December 31	Principal	Interest	Total
2011	$ -	$ 587,560	$ 587,560
2012	765,000	587,560	1,352,560
2013	800,000	559,256	1,359,256
2014	840,000	529,656	1,369,656
2015	875,000	498,576	1,373,576
2016-2019	5,055,000	1,973,952	7,028,952
2020-2024	7,545,000	712,068	8,257,068
Total	$ 15,880,000	$ 5,448,628	$ 21,328,628

GEFA NOTES PAYABLE

Governmental activities:

On March 6, 1996, the County entered into a $911,436 loan agreement with the Georgia Environmental Facilities Authority (GEFA). These funds were to be drawn down as needed to finance Jackson County's share of the City of Commerce sewerage expansion for the Tanger Outlet Mall. Only $394,350 was drawn on the loan before completion of the project, which was completed on October 31, 1998. Repayment of the proceeds began on November 1, 1998. This loan, which bears interest at 5.3%, matures October 1, 2016.

December 31	Principal	Interest	Total
2011	$ 24,995	$ 8,172	$ 33,167
2012	26,346	6,821	33,167
2013	27,770	5,397	33,167
2014	29,272	3,896	33,168
2015	30,854	2,313	33,167
2016	24,231	645	24,876
Total	$ 163,468	$ 27,244	$ 190,712

Business-type activities:

On June 20, 1997, the County entered into a $757,100 loan agreement with the Georgia Environmental Facilities Authority (GEFA) for the construction of the Mayfield Wastewater Treatment Plant. This agreement was later revised to $776,799. This loan, which bears interest at 5.43%, matures April 1, 2013.

The annual requirements to amortize this debt as of December 31, 2010 are as follows:

December 31	Principal	Interest	Total
2011	$ 68,905	$ 7,324	$ 76,229
2012	72,723	3,506	76,229
2013	18,802	255	19,057
Total	$ 160,430	$ 11,085	$ 171,515

COMPONENT UNITS

Long-term liability activity for the Airport Authority for the year ended December 31, 2010 was as follows:

Business-type activities:	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due After One Year
Series 2004 Revenue Notes	$ 1,980,000	$ -	$ (170,000)	$ 1,810,000	$ 180,000	$ 1,630,000
Capital Leases	-	37,900	(2,889)	35,011	6,299	28,712
Total	$ 1,980,000	$ 37,900	$ (172,889)	$ 1,845,011	$ 186,299	$ 1,658,712

On November 12, 2004, Jackson County entered into a contract with the Airport Authority to fund repayment of an issue of $2,600,000 Series 2004 revenue notes which mature on April 19, 2019 and bear interest at a variable rate of LIBOR + .75 basis points (5.595% as of 12/31/2010). These bonds were issued to fund construction of the Emory hangar, additional T hangars, and runway expansion. Repayment of the proceeds began on April 1, 2007.

The annual requirements to amortize this debt using the variable interest rate of effective at December 31, 2010 are as follows:

December 31	Principal	Interest	Total
2011	$ 180,000	$ 16,928	$ 196,928
2012	185,000	15,071	200,071
2013	195,000	13,126	208,126
2014	205,000	11,079	216,079
2015	215,000	8,931	223,931
2016-2019	830,000	13,062	843,062
Total	$ 1,810,000	$ 78,197	$ 1,888,197

The Authority entered into a capital lease to finance acquisition of a fueling system at an interest rate of 11.525%. The lease matures June 1, 2015. Minimum future lease payments as of December 31, 2010 are as follows:

December 31	Principal	Interest	Total
2011	$ 6,299	$ 3,709	$ 10,008
2012	7,064	2,944	10,008
2013	7,922	2,086	10,008
2014	8,886	1,122	10,008
2015	4,840	164	5,004
Total	$ 35,011	$ 10,025	$ 45,036

Long-term liability activity for the Health Department for the year ended December 31, 2010 was as follows:

Governmental activities	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due After One Year
Compensated absences	$ 60,566	$ 65,667	$ 50,749	$ 75,484	$ 16,521	$ 58,963

Long-term liability activity for the Jackson County Water and Sewerage Authority for the year ended December 31, 2010 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due After One Year
Business-type Activities:						
Revenue bonds	$ 18,105,000	$ -	$ (2,035,000)	$ 16,070,000	$ 1,965,000	$ 14,105,000
Less: Deferred amounts of refunding	(900,632)	-	109,464	(791,168)	(108,104)	(683,064)
For issuance premiums and discounts	751,051	-	(103,351)	647,700	93,247	554,453
Total Revenue Bonds	17,955,419	-	(2,028,887)	15,926,532	1,950,143	13,976,389
Contracts Payable	18,574,419	-	(717,275)	17,857,144	743,226	17,113,918
Less: Deferred amounts of refunding	827,038	-	(76,331)	750,707	74,099	676,608
Total Contracts Payable	19,401,457	-	(793,606)	18,607,851	817,325	17,790,526
Notes Payable	2,924,774	-	(138,333)	2,786,441	142,998	2,643,443
Compensated absences	67,726	49,421	(43,997)	73,150	26,786	46,364
Business-type activities long-term liabilities	$ 40,349,376	$ 49,421	$ (3,004,823)	$ 37,393,974	$ 2,937,252	$ 34,456,722

All principal and interest payments on long-term debt are presented below. See additional details on debt following this table.

December 31	Principal	Interest	Total
2011	$ 2,851,224	$ 1,716,930	$ 4,568,154
2012	1,894,104	1,601,751	3,495,855
2013	2,072,179	1,527,242	3,599,421
2014	2,151,497	1,445,424	3,596,921
2015	2,238,293	1,359,355	3,597,648
2016-2020	12,890,657	5,072,581	17,963,238
2021-2025	10,015,970	1,876,338	11,892,308
2026-2029	2,599,661	151,836	2,751,497
Total	$ 36,713,585	$ 14,751,457	$ 51,465,042

REVENUE BONDS

The Authority issues bonds where the Authority pledges income derived from the acquired or constructed assets to pay debt service.

During 1999, the Authority issued $3,525,000 of Series 1999A Bonds and $4,055,000 Series 1999B Bonds for construction of water lines. The bonds carry a rate of interest ranging from 4.45%-5.75% per annum and are payable on March 1 and September 1 of each year. The County has entered into a contract with the Authority to provide funds from County tax revenues to repay these bonds if the net revenues of the Authority are insufficient. Monthly the Authority is required to deposit the principal and interest payments of the bonds in a sinking fund bank account. Final maturity date of these bonds is September 1, 2021. The 1999B Series bonds were partially refunded in December 2006. See note about the 2006A series bonds.

The Authority constructed, using the proceeds from Series 1999A Bonds, new infrastructure to provide a significant number of gallons of potable water needed at the Georgia Power electric-generator plant each day. The maximum water required to be provided is 500,000 gallons per day. Georgia Power has the option to increase their maximum volume to 1,300,000 gallons per day. It is expected that the revenues from the sale of this water would be sufficient to cover the costs of providing it.

The Authority has constructed water lines from the Bear Creek Water Treatment Plant to Jackson County Water and Sewerage Authority line for a new source of water purchases. The Authority financed these lines by Series 1999B Bond Issue.

During 2000, the Authority issued $12,780,000 of Series 2000A Bonds. The 2000A bonds are to acquire and upgrade a wastewater treatment plant. The bonds carry a rate of interest ranging from 4.30%-5.75% per annum and are payable on March 1 and September 1 of each year. The County has entered into a contract with the Authority to provide funds from County tax revenues to repay these bonds if the net revenues of the Authority are insufficient. The Authority is providing for the principal and interest payments of the bonds in a sinking fund bank account. Final maturity date of the 2000A series of bonds is September 1, 2022. The 2000A Series bonds were partially refunded in December 2006. See note about the 2006A series bonds.

During 2006, the Authority issued $12,090,000 of Series 2006A revenue bonds to provide funds to partially advance refund the Authority's 1999B and 2000A series bonds. These bonds which bear interest rates from 3.50% to 5.25% mature September 1, 2022. The County has entered into a contract with the Authority to provide funds from County tax revenues to repay these bonds if the net revenues of the Authority are insufficient. The Authority placed $14,277,228 in an escrow account to be used for satisfying scheduled payments of interest, principal, and redemption premiums on the 1999B and 2000A maturing 2007 through 2012. The refunding reduced the aggregate debt services payments by almost $690,107 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about $563,007. The accounting loss on the refunding was approximately $1,233,357. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest rate method. The outstanding balance on the refunded 1999B and 2000A as of December 31, 2010 was $2,985,000 and $8,760,000.

During 2006, the Authority issued $5,530,000 of Series 2006B revenue bonds to provide funds for improvements to the system. The bonds, which bear interest rates ranging from 3.5% to 5%, mature September 1, 2011. The County has entered into a contract with the Authority to provide funds to repay those bonds. The County has allocated 16.25% of the Special Purpose Local Option Sales tax which commenced July 1, 2005 toward this obligation. See further discussion under pledged revenues.

December 31	Principal	Interest	Total
2011	$ 1,965,000	$ 773,294	$ 2,738,294
2012	975,000	690,148	1,665,148
2013	1,120,000	648,772	1,768,772
2014	1,165,000	601,272	1,766,272
2015	1,210,000	556,508	1,766,508
2016-2020	6,985,000	1,844,356	8,829,356
2021-2022	2,650,000	194,004	2,844,004
Total	$ 16,070,000	$ 5,308,354	$ 21,378,354

UPPER OCONEE BASIN WATER AUTHORITY CONTRACT

On November 1, 1997, the Upper Oconee Basin Water Authority (the Issuer) issued $60,770,000 of Revenue Bonds, Series 1997 (UOBWA) in order to finance the acquisition, construction and installation of a water supply reservoir and a water treatment plant (collectively the Project). These Bonds, which mature July 1, 2027, bear interest at rates from 4.25% to 5.25%. The Issuer is governed by a board composed of ten members, four of whom are the chief elected officials of the member counties: Athens-Clarke, Barrow, Jackson, and Oconee Counties, whose regular terms shall be concurrent with their terms of office; four of whom are appointed by the governing authority of each Member County, whose terms shall be for one year; one who is appointed by the by the Upper Oconee Resource Management Commission, whose term shall be for a period of two years; and one who is appointed by the previously identified nine members of the board, whose term shall be for a period of two years.

Jackson County has entered into an Intergovernmental Agreement dated July 22, 1996, with UOBWA, Barrow County, and Oconee County that requires each county to pay its proportional share of the principal and interest payments on this debt. Those shares are Barrow County 37.520%, Jackson County 41.521%, and Oconee County 20.959%. While Jackson County has the legal obligation to make these payments, it is anticipated that the payments will be financed by the sale of water by the Jackson County Water and Sewerage Authority. In the event that the funds from such sales are not sufficient to pay the principal and interest, Jackson County has the obligation to levy property taxes sufficient to make them.

In order to present the impact of this project fairly, the debt and related intangible asset, "Water Plant Capacity", are recorded as part of the Jackson County Water & Sewerage enterprise fund even though the legal obligation belongs to Jackson County. The Water Plant Capacity intangible asset is being amortized on a straight line basis over the life of the underlying assets of the UOBWA, 100 years for the dam/reservoir and 50 years for the water treatment facility.

During 2005, the Upper Oconee Basin Water Authority issued $48,155,000 of revenue bonds (Series 2005) for a partial refunding of $51,105,000 of the Authority's Series 1997 revenue bonds. The refunding was undertaken to reduce total future debt service payments. The accounting gain for the County on the refunding was approximately $1,224,870. This gain was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest method.

The scheduled payments of principal and interest are as follows:

December 31	UOBWA Principal	UOBWA Interest	UOBWA Total
2011	$ 743,226	$ 842,933	$ 1,586,159
2012	771,253	815,753	1,587,006
2013	799,279	787,669	1,586,948
2014	828,344	758,604	1,586,948
2015	864,675	722,764	1,587,439
2016-2020	5,014,699	2,917,836	7,932,535
2021-2025	6,398,386	1,545,765	7,944,151
2026-2027	2,437,282	148,594	2,585,876
Total	$ 17,857,144	$ 8,539,918	$ 26,397,062

GEFA LOANS

The Authority entered into a loan with the Georgia Environmental Facilities Authority (GEFA) during 1999 to provide water service to the Hidden Oaks Subdivision. The loan had a draw capacity of $449,422. Only $173,100 of this loan is required to be repaid at zero interest, with the balance being a subsidy. The loan is payable quarterly beginning June 1, 2000 and matures June 1, 2020.

During 2003, the Authority obtained an additional loan from GEFA for $2,882,291 at 3.98%. This loan along with a $1,500,000 grant from the U.S Department of Commerce Economic Development Administration and a $300,000 grant from the Appalachian Regional Commission was used to pay for sewer additions to serve new and existing industrial customers in the Allen Creek and Possum Creek area of the county including Toyota Industries North American, Inc.

As of December 31, 2010, the Authority had drawn down $3,035,543 including $153,252 of accrued interest added to the loan balance. The loan is to be repaid in 80 equal installments. These repayments began October 1, 2006 and are due the first of each quarter.

December 31	GEFA Principal	GEFA Principal	GEFA Total Principal	GEFA Subsidy	GEFA Subtotal	GEFA Interest	GEFA Total
2011	$ 8,877	$ 120,128	$ 129,005	$ 13,993	$ 142,998	$ 100,703	$ 243,701
2012	8,877	124,981	133,858	13,993	147,851	95,850	243,701
2013	8,877	130,030	138,907	13,993	152,900	90,801	243,701
2014	8,877	135,283	144,160	13,993	158,153	85,548	243,701
2015	8,877	140,748	149,625	13,993	163,618	80,083	243,701
2016-2020	37,728	793,763	831,491	59,467	890,958	310,389	1,201,347
2021-2025	-	967,584	967,584	-	967,584	136,569	1,104,153
2026-2027	-	162,379	162,379	-	162,379	3,242	165,621
Total	$ 82,113	$ 2,574,896	$ 2,657,009	$ 129,432	$ 2,786,441	$ 903,185	$ 3,689,626

PLEDGED REVENUE

Jackson County Water & Sewer Authority has pledged future water and sewer revenues, net of specified operating expenses, to repay an original debt of $57.9 million. This debt is payable solely from water and sewer net revenues and is payable through 2027. The total principal and interest remaining to be paid is $50.4 million. Principal and interest paid for the current year was $3.5 million which was approximately 83% of net revenues. The County provided a subsidy of $1.6 million to assist in making these payments.

Jackson County Water & Sewer Authority has also pledged future sales tax proceeds from the county to repay the 2006B revenue bonds. The total principal and interest remaining to be paid is $1.0 million and is payable through 2011. Principal and interest payments for the current year was $1.2 million.

The County has pledged, as security for bonds issued by Jackson County Water & Sewer Authority, a portion of the County's Special Purpose Local Option Sales Tax (SPLOST) revenue. The bonds issued by the Authority in 2006 in the amount $5,530,000 to provide funds for improvements to the system are payable through 2022. The County has committed to appropriate each year, from SPLOST revenues, amounts sufficient to cover principal and interest requirements on the Authority's debt. The Authority has also pledged future sales tax proceeds from the county to repay the 2006B revenue bonds. The total principal and interest remaining to be paid is $1.0 million and is payable through 2011 with annual requirement of $1.0 million in the final year. For the current year, principal and interest payments paid by the Authority and the portion of sales tax revenues allocated to the Water Authority recognized by the County were $1.2 million and $1.4 million, respectively. Current year principal and interest payments are approximately 86% of net revenues.

OPERATING LEASES

The County is obligated under various operating leases for equipment purchases that have an initial term in excess of 1 year. Total cost for such leases were $146,921 for the year ended December 31, 2010. Future minimum rental payments are as follows:

December 31	Minimum Payment
2011	$ 134,354
2012	96,253
2013	45,907
2014	15,501
Total	$ 292,015

NOTE 8 - INTERFUND BALANCES AND ACTIVITY

Balances due to/from other funds at December 31, 2010 , consist of the following:

Due to other funds from the General Fund		
Nonmajor funds for annual appropriation amount not reimbursed:		
Fire District Fund	$	222,581
Protective Inspection/Planning & Zoning Fund		10,622
Parks and Recreation Fund		2,009
CDBG Fund		228,281
Mayfield Treatment Plant Enterprise Fund for debt service payments		23,622
Debt Service Fund for debt payments		8,292
Capital projects Fund for project costs		470,585
Subtotal - due to other funds from the General Fund		965,992
Due to other funds from the SPLOST fund		
General Fund for project costs		346,272
Subtotal - due to other funds from the SPLOST Fund		346,272
Due to other funds from the Capital Projects Fund		
General Fund for project costs		238,225
Subtotal - due to other funds from the Capital Projects Fund		238,225
Due to other funds from Other Nonmajor Governmental Funds		
General Fund for accounts payable paid		
Fire District Fund - and for capital lease payment on fire truck paid by the General fund		314,823
Emergency 911		251,844
Emergency Management/Rescue Fund		12,523
Emergency Services/Ambulance Fund		553,062
Jail Fund		71,291
Law Library Fund		10,850
Senior Center Fund		895
Subtotal - due to other funds from Other Nonmajor Governmental Funds		1,215,288
Due to other funds from Enterprise Funds		
to General Fund from Solid Waste Disposal Facility Fund for accounts payable paid		1,531,899
to Keep Jackson Beautiful from Solid Waste Disposal Facility Fund for fees collected		11,385
Subtotal - due to other funds from Solid Waste Disposal Facility Fund		1,543,284
Due to other funds from Internal Service Funds		
To General Fund from Fuel Depot Fund for accounts payable paid		18,360
Total due to other funds	$	4,327,421

Summary of balances due from other funds reported in fund financial statements:		
Due from other funds, Balance Sheet - Governmental Funds	$	4,303,799
Due from other funds, Statement of Net Assets - Proprietary Funds, Business-Type Activities - Enterprise Funds		23,622
Total	$	4,327,421

Transfers to/from other funds for the year ending December 31, 2010 consist of the following:

Transfers from the General Fund to:	
Debt Service Fund representing debt service payments	$ 4,560,425
SPLOST Fund representing road construction	95,000
Solid Waste Enterprise Fund representing property taxes and other revenues to fund annual operations	384,453
Nonmajor funds representing property taxes and other revenues to fund annual operations:	
Special Revenue Funds	
Emergency 911 Fund	283,978
Emergency Management/Rescue Fund	81,943
Emergency Services/Ambulance Fund	2,023,955
Keep Jackson Beautiful Fund	46,437
Protective Inspection/Planning & Zoning Fund	328,726
Parks and Recreation Fund	797,695
Senior Center Fund	272,246
Subtotal transfers to nonmajor Special Revenue Funds	3,834,980
Capital Projects funds:	
CDBG Fund for construction of new senior center	368,489
Total transferred from the General Fund to Nonmajor Funds	4,203,469
Total transferred from the General Fund	9,243,347
Transfers from the SPLOST Fund to:	
Debt Service Fund for debt payment on the jail	2,216,773
Capital Projects Fund for construction of the fire training facility	1,680,395
Total transferred from the SPLOST Fund	3,897,168
Transfers from the Capital Projects Fund to:	
Debt Service Fund for debt payments on economic development projects	16,658,003
Total transferred from the Capital Projects Fund	16,658,003
Transfers from Other Nonmajor Governmental Funds	
From the Jail Special Revenue Fund to the General Fund representing surcharges on fines for the operation of the victims' assistance and drug abuse treatment and education programs	82,613
From the Emergency Management/Rescue Special Revenue Fund to the Emergency 911 Special Revenue Fund for pandemic funds for operations	17,000
From the Law Library Special Revenue Fund to the General Fund for equipment	9,092
Total transferred from Other Nonmajor Governmental Funds	108,705
Total	$ 29,907,223

Summary of transfers out to other funds reported in the fund financial statements:	
Transfers Out, Statement of Revenues, Expenditures and Changes in Fund Balances-Governmental Funds	$ 29,907,223
Total	$ 29,907,223

NOTE 9 - RETIREMENT PLANS

DEFINED BENEFIT PENSION PLAN

(A) PLAN DESCRIPTION

The County contributes to the Association of County Commissioners of Georgia (ACCG) Defined Benefit Plan (Plan), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia. The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish, and amend from time-to-time, the contribution rates for the County and its plan participants. The Plan issues a stand-alone report. This report may be obtained from: Pension Service Company, 1100 Circle 75 Parkway, Suite 300, Atlanta, Georgia 30339.

The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The Plan, through execution of an adoption agreement adopted by resolution of the County Board of Commissioners , is affiliated with the Association County Commissioners of Georgia Second Restated Defined Benefit Plan (The ACCG Plan), an agent multiple-employer pension plan administered by the Government Employee's Benefit Corporation (GEBCorp). The ACCG, in its role as 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.

The County's covered payroll for employees participating in the Plan as of January 1, 2010, (the most recent actuarial valuation date) was $7,199,794 (based on covered earnings of preceding year).

Before January 1, 1998, all full-time County employees were eligible to participate in the Plan after completing three years of service. No employees can become participants after January 1, 1998. Benefits are fully vested after five years of service. Participants become eligible to retire at age 65 with 3 years of participation in the Plan, but not beyond age 70. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of 1.00% of average compensation up to $6,600 plus 1.50% of average compensation in excess of $6,600 plus $36.00 for each year of credited service payable as a life annuity. Service is limited to 35 years.

Effective January 1, 2004, the plan was changed to allow certain Department of Public Safety employees to enter the plan and purchase prior service with their 401(a) account balance as of December 31, 2003. This plan change resulted in an increase in plan cost by approximately 2.3% of payroll.

Compensation is averaged over a five-year period prior to retirement or termination. The Plan also provides benefits in the event of death or disability. These benefit provisions were established by an adoption agreement executed by the County Board of Commissioners.

All benefit accruals are frozen as of November 30, 1997, except employees electing to remain in the Plan with unfrozen benefits or any employee who retires prior to November 30, 2007. Any employee who retires prior to November 30, 2007 has the option to accrue benefits until their actual date of retirement and forfeit their right to their account balance in their supplemental 401(a) plan.

The Plan's financial statements are prepared on a cash basis, modified to include unrealized gains or losses on marketable securities owned by the Plan and increments in the cash value of death benefits.

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

(B) FUNDING POLICY

The County is required to contribute at an actuarially determined rate. Section 47-20 of the Georgia Code set forth minimum funding standards for state and local governmental pension plans. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement. County employees are not required to contribute to the Plan. The County contributes the entire cost of the Plan, using the actuarial basis described in the annual valuation report.

Contributions totaling $568,781 ($568,781 employer and $0 employee) were made in accordance with actuarially determined contribution requirements determined by an actuarial valuation performed as of January 1, 2010. Employer contributions attributable to the 2010 Plan Year were made in early 2011. The employer contribution represents 7.9% of covered payroll (using the prior year's earnings as a base).

(C) ANNUAL PENSION COST

The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish, and amend from time-to-time contribution rates for the County and the Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish, and amend from time-to-time contribution rates for the County and its plan participants.

The County's contributions to the Plan for the years ended December 31, 2010, 2008, and 2008 were $568,781, $564,459, and $564,459, respectively, and were equal to the required contribution for each year.

The Schedule of Pension Funding Progress included in the required supplementary information 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. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations. The data for the most current year are as follows:

Actuarial Date of January 1	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) - Projected Unit Credit	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percent of Covered Payroll
	(a)	(b)	(b-a)	(a/b)	(c)	[(b-a)/c]
2010	$ 6,381,064	$10,171,507	$ 3,790,443	62.7%	$ 7,199,794	52.6 %

The annual required contribution and percentage contributed for the current year and preceding two years are as follows:

Fiscal Year December 31	Annual Pension Cost	Actual County Contribution	Percentage of APC Contributed	Net Pension Obligation
2010	$ 570,365	$ 568,781	99.7 %	$ (290,319)
2009	$ 517,878	$ 564,459	109.0 %	$ (291,903)
2008	$ 522,392	$ 564,459	108.1 %	$ (245,322)

The information was determined as part of the actuarial valuation as of January 1, 2009. Additional information as of the latest actuarial valuation follows:

Valuation date	January 1, 2010
Actuarial Cost method	Projected Unit Credit
Amortization method	Level Percent of Pay (Closed)
Remaining amortization period	10 years
(The estimated amortization period for all unfunded liabilities combined into one amount.)	
Asset valuation method	Market Value
Actuarial assumptions:	
Investment rate return*	7.75%
Projected salary increases*	7.5%
*Includes inflation at	3.0%
Cost-of-living adjustments	N/A
Post-retirement benefit increases	N/A

The County's annual pension cost and net pension obligation for the pension plan for the current year were determined as follows:

Derivation of annual pension cost:	2010	2009
Annual required contribution	$ 568,781	$ 516,547
Interest on net pension obligation	(22,622)	(19,012)
Amortization of net pension obligation	24,206	20,343
Annual pension cost	570,365	517,878
Contributions made with interest	(568,781)	(564,459)
Increase (decrease) in net pension obligation	1,584	(46,581)
Net pension obligation, beginning of year	(291,903)	(245,322)
Net pension obligation, end of year	$ (290,319)	$ (291,903)

DEFINED CONTRIBUTION PLAN

Effective January 1, 1998, the County, by resolution, adopted the ACCG Defined Contribution Money Purchase Plan, which operates in conjunction with the Deferred Compensation Plan. In August 2008, the County switched companies from ACCG to ICMA Retirement Corporation. There is no waiting period for employees to participate. In August 2008, the County adopted a graduated vesting system, as follows: after 2 years of service, employees are 25% vested; after 3 years of service, employees are 50% vested; after 4 years of service, employees are 75% vested; and after 5 years of service, employees are 100% vested. The department heads are 50% vested after 1 year of service and 100% vested after 2 years of service. The County contributes 4% of salary as a base contribution for employees with 0-9 years of service, 5% for employees with 10-14 years of service, 6% for employees with 15-19 years of service, and 7% for employees with 20 or more years of service. In addition, the County will match 50% of employee voluntary contributions up to 6% of salary. The County may change the contribution requirements by resolution.

The employee contributions for 2010 were $584,434 and the County matching contribution was $8,071.

DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Because the assets are held in trust for the employees, they are not assets of the County and are not reported in these financial statements.

OTHER POST-RETIREMENT BENEFITS

(A) PLAN DESCRIPTION

The County administers a single-employer defined benefit healthcare plan, the Jackson County Retirement Medical Plan established by resolution. The plan may be amended by resolution as well. The plan provides healthcare coverage including medical, dental, and vision, for eligible retirees, their spouses, and dependent children through the county's health insurance plan, which covers both active and retired members. The plan does not issue a stand-alone report.

Any employee with 20 or more years of service who retires between 60 and 65 years of age may continue on the County's health insurance plan at the same cost as an active employee. This includes coverage for their spouse. At age 65 or normal Medicare retirement age, if earlier, the County provides a Medicare supplemental insurance policy for the retiree only and regular medical coverage terminates. The spouse may continue on the County's health plan at the employee's cost until he spouse reaches age 65. Employees may choose the greater of this benefit or the benefit described below.

Public Safety Employees

Eligible employees are those age 55 with a minimum of 20 years of full-time, certified public safety service. Employees earn 3% per year towards their coverage for the first 20 years of service and 4% per year for years 21-30. They also earn 2.5% per year towards coverage for their spouse and dependent children. Coverage for the spouse ends when they reach normal Medicare retirement age. Coverage for dependent children ends when they no longer qualify as a dependent. Once the employee reaches normal Medicare retirement age, the County provides a Medicare supplemental insurance policy for the retiree only and regular medical coverage terminates.

Non Public Safety Employees

Eligible employees are those age 60 with a minimum of 20 years of full-time service. Employees earn 3% per year towards their coverage for the first 20 years of service and 4% per year for years 21-30. They also earn 2.5% per year towards coverage for their spouse and dependent children. Coverage for the spouse ends when they reach normal Medicare retirement age. Coverage for dependent children ends when they no longer qualify as a dependent. Once the employee reaches normal Medicare retirement age, the County provides a Medicare supplemental insurance policy for the retiree only and regular medical coverage terminates

(B) FUNDING POLICY

For fiscal year 2010, the County contributed $68,783 to the plan. These benefits are funded on a "pay as you go" method. In fiscal year 2010, total member contributions were $6,513.

(C) ANNUAL OPEB COST AND NET OPEB OBLIGATION

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution by the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

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

	2010	2009
Annual required contribution	$ 812,388	$ 681,328
Interest on net OPEB obligation	51,717	27,253
Adjustment to annual required contribution	(49,406)	(27,253)
Annual OPEB cost	814,699	681,328
Employer contributions made with interest	(68,783)	(60,738)
Increase (decrease) in net OPEB obligation	745,916	620,590
Net OPEB obligation, Beginning of year	1,292,931	672,341
Net OPEB obligation, End of year	$ 2,038,847	$ 1,292,931

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2010 and the preceding year were as follows:

Fiscal Year Ended December 31,	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2010	$ 814,699	$ 68,783	8.4%	$ 2,038,847
2009	$ 681,328	$ 60,738	8.9%	$ 1,292,931
2008	$ 681,328	$ 8,987	1.3%	$ 672,341

(D) FUNDED STATUS AND FUNDING PROGRESS

The data for the most current year are as follows:

Actuarial Date of January 1	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percent of Covered Payroll [(b-a)/c]
2010	$ -	$5,862,271	$ 5,862,271	0.0%	$15,002,260	39.1%

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, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress, presented as required supplementary information, 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. Since actuarial valuations are done biennially with the next valuation scheduled for January 1, 2010, only one year's data is presented. Additional years will be added over time.

(E) ACTUARIAL METHODS AND ASSUMPTIONS

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. 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.

The information was determined as part of the actuarial valuation as of January 1, 2010. Additional information as of the latest actuarial valuation follows:

Valuation date	January 1, 2010
Actuarial cost method	Projected Unit Credit
Amortization method	30-year open period; level percentage of pay payment
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate return	4.00%
Post-retirement benefit increases	0%
Projected salary increases	0%
Includes inflation at	3.00%
Healthcare cost trend rate(s):	
Select rates	10.50% for 2010 graded to 5.00% for 2017
Ultimate rate	5.00%

OTHER PLANS

In addition to the above pension plans, the following pension plans cover County employees but the county is not legally responsible for contributions to the pension plans. Other governmental entities are legally responsible for these contributions as well as required disclosures.

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

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

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

(D) GEORGIA STATE EMPLOYEES' RETIREMENT SYSTEM
The Health Department's eligible employees participate in the Georgia State Employees' Retirement System (ERS), a statewide multiple-employer public employee retirement system covering employees of local boards of health and various agencies and departments of the State of Georgia. ERS is funded through employer and employee contributions and the Health Department has no legal obligation for paying benefits.

NOTE 10 - RISK MANAGEMENT

The County is exposed to various risks in terms of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The County has not decreased any of its insurance coverage from the prior year, and there have been no claims in excess of insurance coverage over the past three years.

GROUP HEALTH INSURANCE

The government carries commercial insurance for its employees through a fully-insured plan with Association County Commissioners of Georgia/Blue Cross Blue Shield of Georgia (ACCG/BCBS).

WORKERS' COMPENSATION

The County participates in the Association County Commissioners of Georgia (ACCG) Group Self-Insurance Workers' Compensation Fund (GSIWCF) (FUND), a self-insured pool cooperative arrangement among its members to finance workers' compensation coverage. The fund is owned by its members and is managed by a seven member Board of Trustees made up of representatives from participating counties. Losses up to $450,000 per individual claim are paid by the Fund.

However, excess losses, if any, are covered by reinsurance and would be paid by the reinsurer. The members of the Fund are assessable if the losses that the Fund must pay exceed the assets of the pool. At December 31, 2010, there was no need for such an assessment. Therefore, no liability has been included in these financial statements.

As part of these risk pools, (IRMA & GSIWCF), the County is obligated to pay all contributions and assessments to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents that could require the funds to pay any type of loss. The County is also to allow all the pools' agents and attorneys to represent the county in investigations, settlement discussions, and all levels of litigation arising out of any claim made against the county.

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

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

OTHER

Jackson County is a member of the Association of County Commissioners of Georgia Interlocal Risk Management Agency (IRMA). IRMA is a group self-insurance fund covering general liability, automobile damage and theft, fire damage, and employee dishonesty for Georgia County governments. IRMA pays losses up to $100,000 per individual claim or $1,000,000 for all claims. However, excess losses, if any, are covered by reinsurance and would be paid by the reinsurer.

The members of IRMA are assessable if the losses that IRMA must pay exceed the assets of the pool. At December 31, 2010, there was no need for such an assessment.

NOTE 11 - RELATED PARTY TRANSACTIONS

Jackson County is one of four member counties of the Upper Oconee Basin Water Authority, a public body corporate and politic created in 1994 by an act of the General Assembly of the State of Georgia (the "Act"). Pursuant to the Act, the Authority is authorized to acquire and develop adequate sources of water supply, including but not limited to the construction of reservoirs; the treatment of such water, and thereafter the transmission of such water within the Upper Oconee Basin area, and to the various counties, municipalities, and public authorities within the Upper Oconee Basin area; to conserve water; to fulfill its purposes and perform its projects in an environmentally sensitive manner; and to strictly limit interbasin transfers of water. The County has entered into the Intergovernmental Reservoir and Raw Water Supply Agreement with the Authority as well as the Intergovernmental Water Treatment and Transmission Agreement as well as certain supplemental contracts whereby the County agrees to provide funds for the operation and maintenance of the Project and to the extent another Member County fails to fulfill its obligation to pay costs of operating the Project, including payment of debts service, to provide additional funds for such costs, irrespective of the demand for or the Project's output of water. Complete financial statements for the Upper Oconee Basin Water Authority may be obtained from: Georgia Mountains Regional Commission, 305 Research Drive, Athens, Georgia 30605.

NOTE 12 - CONTINGENT LIABILITIES

The County is a party to several legal proceedings that normally occur in governmental operations. As of the date of this financial statement, no awards in these cases have been made against the County. The results of any litigation, however, contain elements of uncertainty, and liability, if any, which might result from these proceedings, would not, in the opinion of management, have a material adverse effect on the ability of the County to meet its financial obligations.

In May of 1999, the County accepted a Community Development Block Grant from the Department of Community Affairs in the amount of $500,000 for the construction of a new Mental Health Center. As a condition of the grant, the County must agree to use the facility for the approved purpose throughout the life of the facility. Should the facility be converted to an ineligible use, the Department of Community Affairs will require repayment of the grant. The repayment will be based on 20-year straight-line depreciation, except 100% repayment of the grant funds will be required to be repaid if the facility is converted during the first five years after the grant closeout date. The period for calculating the repayment amount began upon closeout of the grant in December 2000 and continue until approximately December 2020.

During 2002, Michigan Automotive Compressors, Inc. (MACI), a joint venture between Toyota Industries Corporation and DENSO, contracted to establish a new manufacturing facility in Jackson County. As part of this, Jackson County committed to provide substantial infrastructure improvements, including various road improvements. Most of those improvements have been made. The cost to extend Concord Road to Dry Pond Road by December 31, 2010 has not yet been determined. That commitment has not been completed as of December 31, 2010.

NOTE 13 - LANDFILL CLOSURE AND POSTCLOSURE CARE COST

State and federal laws and regulations require the County to place a final cover on a landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for up to thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports an estimated portion of these closure and postclosure care costs as a current operating expenditure in each period based on landfill capacity used as of each balance sheet date. The estimated costs are subject to adjustment due to changes in inflation or deflation, technology, or applicable laws or regulations. The current year amortization with respect to the postclosure costs is $64,398. The amount of postclosure care costs remaining as of December 31, 2010 is $875,680. The landfill was officially closed August 20, 1997.

NOTE 14 - CERTAIN SIGNIFICANT ESTIMATES

As discussed in NOTE 1, estimates are used in the preparation of these financial statements. Several of the estimates qualified as a significant estimate, in that it is reasonably possible that the estimate will change in the near term due to one or more future confirming events and this change will have a material effect on the financial statements.

The estimate for the postclosure cost of the County's landfill, which was closed in 1994 qualifies as a significant estimate. Jackson County has estimated the remaining closure and the thirty-year post closure monitoring cost to be $875,680. The ultimate cost, however will depend on the extent of contamination found as the project progresses.

The estimate for allowance for doubtful accounts related to fines receivable and ambulance charges receivables qualifies as a significant estimate. The estimate is calculated based on prior years' collection experience.

The estimate for accumulated depreciation on capital assets qualifies as a significant estimate. This estimate is based on the original or estimated cost of the assets, depreciated over the estimated useful lives using the straight line method.

NOTE 15 - NORTHEAST GEORGIA REGIONAL COMMISSION

Jackson County, in conjunction with cities and counties in the ten (10) county Piedmont, Georgia area are members of the Northeast Georgia Regional Commission (NEGRC). Membership in a regional commission is automatic for each municipality and county in the state. The official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the regional commissions. Each county and municipality in the state is required by law to pay minimum annual dues to the regional commission. The county paid annual dues in the amount of $42,162 to the NEGRC for the year ended December 31, 2010. The NEGRC Board membership includes the chief elected official of each county and the chief elected official of each municipality. The County board members and municipal board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as the nonpublic Board member from a County.

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

Separate financial statements for the NEGRC may be obtained from: Northeast Georgia Regional Commission, 305 Research Drive, Athens, Georgia 30605.

JACKSON COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION FUNDING PROGRESS
For the Year Ended December 31, 2010
"Unaudited"

Actuarial Valuation Date (1/1)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Annual Covered Payroll (prior year)	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2001	$ 3,037,562	$ 3,141,020	96.7 %	$ 103,458	$ 2,531,805	4.1 %
2002	$ 2,844,238	$ 3,146,485	90.4 %	$ 302,247	$ 2,575,551	11.7 %
2003	$ 2,672,335	$ 3,224,315	82.9 %	$ 551,980	$ 2,435,073	22.7 %
2004	$ 3,507,246	$ 5,108,892	68.6 %	$ 1,601,646	$ 3,675,473	43.6 %
2005	$ 3,816,037	$ 5,810,274	65.7 %	$ 1,994,237	$ 4,057,384	49.2 %
2006	$ 4,261,059	$ 6,304,779	67.6 %	$ 2,043,720	$ 4,246,716	48.1 %
2007	$ 4,927,763	$ 6,981,901	70.6 %	$ 2,054,138	$ 4,981,645	41.2 %
2008	$ 5,541,565	$ 7,459,332	74.3 %	$ 1,917,767	$ 4,852,396	39.5 %
2009	$ 5,709,193	$ 8,176,573	69.8 %	$ 2,467,380	$ 6,120,996	40.3 %
2010	$ 6,381,064	$ 10,171,507	62.7 %	$ 3,790,443	$ 7,199,794	52.6 %

See Note 8 to the financial statements for the actuarial methods and significant assumptions used to determine the Actuarial Required Contribution for the current year and the funded status of the plan.

Effective January 1, 2004, the plan was changed to allow certain Department of Public Safety employees to enter the plan and purchase prior service with their 401A account balance as of December 31, 2003. This plan change resulted in an increase in plan cost of approximately 2.3% of payroll.

Analysis of the dollar amounts of actuarial value of assets available for benefits, actuarial accrued liability, and unfunded actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets available for benefits as a percentage of the actuarial accrued liability provides one indication of funding status on a going concern basis. Analysis of this percentage over time indicates whether the system is becoming financial stronger or weaker. Generally, the greater this percentage, the stronger the Plan.

Trends in unfunded actuarial accrued liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the Plan's progress in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the Plan.

JACKSON COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF OTHER POST-RETIREMENT BENEFITS FUNDING PROGRESS
For the Year Ended December 31, 2010
"Unaudited"

Actuarial Valuation Date (1/1)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2008	$ -	$ 4,757,902	- %	$ 4,757,902	$ 13,331,911	35.69 %
2010	$ -	$ 5,862,271	- %	$ 5,862,271	$ 15,002,260	39.08 %

2008 was the first year that this plan was effective. The County has biennial actuarial valuations.

JACKSON COUNTY, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended December 31, 2010
(Required Supplementary Information)

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 9,825,913	$ 9,825,913	$ 9,825,913	$ -
RESOURCES (INFLOWS)				
Taxes	29,294,495	29,294,495	29,449,772	155,277
Licenses and permits	27,500	27,500	45,840	18,340
Intergovernmental	440,452	495,168	614,627	119,459
Fines and forfeitures	1,084,000	1,085,800	1,006,114	(79,686)
Charges for services	3,951,143	3,914,449	3,821,048	(93,401)
Investment income	215,822	215,822	122,377	(93,445)
Miscellaneous	45,000	44,970	124,474	79,504
Sale of county property	-	-	21,450	21,450
Transfers in	86,566	86,566	91,705	5,139
Total Resources (Inflows)	35,144,978	35,164,770	35,297,407	132,637
AMOUNTS AVAILABLE FOR APPROPRIATION	44,970,891	44,990,683	45,123,320	132,637
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
General Government				
Legislative	485,123	299,418	299,418	-
Chief executive	196,463	190,994	190,994	-
Elections	87,927	86,775	86,775	-
Voter registration	198,568	166,220	166,220	-
Financial administration	568,794	505,375	505,375	-
Purchasing	110,103	100,724	100,724	-
Data processing/MIS	765,474	762,667	762,667	-
Human resources	205,819	221,615	221,615	-
Tax commissioner	544,309	517,960	517,960	-
Tax assessor	552,489	547,477	547,477	-
Courthouse	381,384	393,184	393,184	-
Maintenance superintendent	568,274	543,899	543,899	-
Administration building	207,279	159,738	159,738	-
Board of Equalization	18,700	26,456	26,456	-
Commerce Service Center	20,350	42,948	42,948	-
Contingency	312	-	-	-
Total General Government	4,911,368	4,565,450	4,565,450	-
Judicial				
Superior court	255,547	216,498	216,498	-
Clerk of superior court	674,954	605,633	605,633	-
District attorney	450,278	354,938	354,938	-
State court	206,235	189,312	189,312	-
Magistrate court	243,543	235,478	235,478	-
Probate court	216,720	217,828	217,828	-
Juvenile court	353,147	373,666	373,666	-
Public defender	361,718	361,718	361,718	-
Solicitor-victims assistance	78,944	60,165	60,165	-
Solicitor-state court	295,267	253,936	253,936	-
Total Judicial	3,136,353	2,869,172	2,869,172	-
Public Safety				
Sheriff	5,036,295	5,199,754	5,199,754	-
Detention center	4,572,708	4,895,617	4,895,617	-
Correctional institute	2,457,745	2,608,304	2,608,304	-
Correctional institute fire brigade	21,750	49,446	49,446	-
Firemen's association	46,877	44,724	44,724	-
Coroner	50,863	58,074	58,074	-
Animal shelter	55,700	58,931	58,931	-
D.A.R.E.	139,610	173,972	173,972	-
County Marshal	174,463	146,064	146,064	-
Animal control	105,597	102,254	102,254	-
Total Public Safety	12,661,608	13,337,140	13,337,140	-

JACKSON COUNTY, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended December 31, 2010
(Required Supplementary Information)

	BUDGET AMOUNTS ORIGINAL	FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
CONTINUED.....				
Public Works				
Roadways and walkways	1,587,767	1,214,836	1,214,836	-
Other maintenance	517,652	486,576	486,576	-
Street lighting	217,500	209,794	209,794	-
Engineering	27,625	85,122	85,122	-
Water administration	1,585,598	1,607,260	1,607,260	-
Total Public Works	3,936,142	3,603,588	3,603,588	-
Public Health and Welfare				
Health department	230,784	230,783	230,783	-
Transportation services	145,447	304,300	304,300	-
Mental health	14,767	20,101	20,101	-
Boys and Girls Club	10,000	14,000	14,000	-
Certified Literate Program	10,280	10,280	10,280	-
Family and children services	42,134	42,135	42,135	-
Peace Place subsidy	10,000	-	-	-
Other public health and welfare	18,000	25,500	25,500	-
SolarTech	15,000	9,297	9,297	-
Total Public Health and Welfare	496,412	656,396	656,396	-
Recreation and Culture				
Library	100,000	100,000	100,000	-
Total Recreation and Culture	100,000	100,000	100,000	-
Housing and development				
Conservation	5,000	3,375	3,375	-
Forestry	4,764	5,326	5,326	-
Economic development	124,500	109,882	109,882	-
Agencies	46,771	46,771	46,771	-
County agent	108,819	112,682	112,682	-
Other housing and development	58,025	50,423	50,423	-
Airport	313,201	313,201	313,201	-
GIS mapping	147,931	163,470	163,470	-
Total Housing and Development	809,011	805,130	805,130	-
Transfers out	9,094,084	9,377,624	9,243,347	134,277
TOTAL CHARGES TO APPROPRIATIONS	35,144,978	35,314,500	35,180,223	134,277
CHANGE IN FUND BALANCE	-	(149,730)	117,184	266,914
FUND BALANCE, End of year	$ 9,825,913	$ 9,676,183	$ 9,943,097	$ 266,914

NOTES TO THE BUDGETARY COMPARISON SCHEDULE
1. The budgetary basis of accounting used in this schedule is the same as GAAP.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Fire District - to account for funds collected from taxes charged on property that are used to provide fire protection and control services.

Emergency 911 Telephone Service - to account for the cost of providing service to the County as provided in title 46, Chapter 5 of the Official Code of Georgia Annotated.

Emergency Management/Rescue – to account for funds received from grants and contributions for the emergency management agency/rescue programs.

Emergency Services/Ambulance - to account for the fees charged to users of the county ambulance service. The funds are used to operate the ambulance service.

Jail Fund - to account for funds collected from fines and forfeitures and other revenues to be used for the operation of the County jail.

Law Library - to account for funds collected from fines and forfeitures to be used to maintain the Law Library as provided in title 36, Chapter 15 of the Official Code of Georgia Annotated.

Keep Jackson Beautiful - to account for various grants and donations as well as subsidies from the General Fund to support various activities and projects that reduce littering and other practices that diminish the beauty of the County.

Protective Inspection/Planning and Zoning - to account for license and permit fees that are collected on new developments that are used for the planning of new developments in the County.

Parks and Recreation - to account for funds received from fees charged for the use of services with the parks and recreation programs.

Senior Center - to account for grants and other funds received for the operation of the county Senior Center.

Drug Enforcement - to account for funds collected from fines and forfeitures to be used for drug abuse, treatment and education programs.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary and trust funds.

CDBG - to account for Community Development Block Grant received to be used for the acquisition or construction of major capital facilities.

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JACKSON COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2010

	SPECIAL REVENUE FUNDS							
	FIRE DISTRICT	EMERGENCY E911 TELEPHONE SERVICES	EMERGENCY MANAGEMENT /RESCUE SERVICES	EMERGENCY SERVICES/ AMBULANCE	JAIL FUND	LAW LIBRARY	KEEP JACKSON BEAUTIFUL	PROTECTIVE INSPECTION/ PLANNING AND ZONING
ASSETS								
Cash	$ 3,503,466	$ 755,047	$ 170,069	$ -	$ 687,100	$ 97,820	$ -	$ -
Receivables (net of allowance for uncollectibles)	454,248	202,411	-	537,504	-	172	-	-
Due from other funds	222,581	-	-	-	-	-	11,385	10,622
Prepaid items	234,095	94,776	-	29,533	-	-	-	-
Inventories	-	-	-	26,939	-	-	-	-
TOTAL ASSETS	$ 4,414,390	$ 1,052,234	$ 170,069	$ 593,976	$ 687,100	$ 97,992	$ 11,385	$ 10,622
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	$ 78,020	$ 54,090	$ 4,963	$ 40,404	$ -	$ 1,189	$ 1,152	$ 2,711
Other accrued items	4,959	-	-	-	-	-	-	-
Due to other funds	314,823	251,844	12,523	553,062	71,291	10,850	-	-
Deferred revenue	2,046,010	-	-	510	-	-	-	4,267
TOTAL LIABILITIES	2,443,812	305,934	17,486	593,976	71,291	12,039	1,152	6,978
FUND BALANCES								
Nonspendable:								
Prepaid expenditure	234,095	94,776	-	29,533	-	-	-	-
Inventories	-	-	-	26,939	-	-	-	-
Restricted:								
Public safety programs	1,736,483	651,524	-	-	615,809	-	-	-
Committed:								
Judicial programs	-	-	-	-	-	85,953	-	-
Public safety programs	-	-	152,583	-	-	-	-	-
Health and welfare programs	-	-	-	-	-	-	-	-
Housing and development programs	-	-	-	-	-	-	10,233	3,644
Unassigned	-	-	-	(56,472)	-	-	-	-
TOTAL FUND BALANCES	1,970,578	746,300	152,583	-	615,809	85,953	10,233	3,644
TOTAL LIABILITIES AND FUND BALANCES	$ 4,414,390	$ 1,052,234	$ 170,069	$ 593,976	$ 687,100	$ 97,992	$ 11,385	$ 10,622

JACKSON COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2010

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUNDS	
	PARKS AND RECREATION	SENIOR CENTER	DRUG ENFORCEMENT	SUBTOTAL SPECIAL REVENUE FUNDS	CDBG	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS						
Cash	$ -	$ 213,858	$ 94,087	$ 5,521,447	$ -	$ 5,521,447
Receivables (net of allowance for uncollectibles)	8,450	43,133	-	1,245,918	50,194	1,296,112
Due from other funds	2,009	-	-	246,597	228,281	474,878
Prepaid items	-	-	-	358,404	-	358,404
Inventories	-	-	-	26,939	-	26,939
TOTAL ASSETS	$ 10,459	$ 256,991	$ 94,087	$ 7,399,305	$ 278,475	$ 7,677,780
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	$ 10,459	$ 1,559	$ -	$ 194,547	$ 278,475	$ 473,022
Other accrued items	-	-	-	4,959	-	4,959
Due to other funds	-	895	-	1,215,288	-	1,215,288
Deferred revenue	-	-	-	2,050,787	-	2,050,787
TOTAL LIABILITIES	10,459	2,454	-	3,465,581	278,475	3,744,056
FUND BALANCES						
Nonspendable:						
Prepaid expenditure	-	-	-	358,404	-	358,404
Inventories	-	-	-	26,939	-	26,939
Restricted:						
Public safety programs	-	-	94,087	3,097,903	-	3,097,903
Committed:						
Judicial programs	-	-	-	85,953	-	85,953
Public safety programs	-	-	-	152,583	-	152,583
Health and welfare programs	-	254,537	-	254,537	-	254,537
Housing and development programs	-	-	-	13,877	-	13,877
Unassigned	-	-	-	(56,472)	-	(56,472)
TOTAL FUND BALANCES	-	254,537	94,087	3,933,724	-	3,933,724
TOTAL LIABILITIES AND FUND BALANCES	$ 10,459	$ 256,991	$ 94,087	$ 7,399,305	$ 278,475	$ 7,677,780

JACKSON COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2010

	SPECIAL REVENUE FUNDS							
	FIRE DISTRICT	EMERGENCY E911 TELEPHONE SERVICE	EMERGENCY MANAGEMENT/ RESCUE SERVICES	EMERGENCY SERVICES/ AMBULANCE	JAIL FUND	LAW LIBRARY	KEEP JACKSON BEAUTIFUL	PROTECTIVE INSPECTION/ PLANNING & ZONING
REVENUES								
Taxes	$ 2,084,885	$ -	$ -	$ -	-	$ -	$ -	$ -
Licenses and permits	-	-	-	-	-	-	-	128,273
Intergovernmental	125,600	-	63,487	591	-	-	-	-
Fines and forfeitures	-	-	-	-	174,224	20,502	-	-
Charges for services	6,000	1,070,703	-	1,451,656	-	-	21,730	32,621
Contributions and donations	8,585	-	32,665	-	-	-	2,000	-
Investment income	15,848	2,182	176	-	1,093	44	-	-
Miscellaneous	7,239	-	-	-	-	-	-	-
TOTAL REVENUES	2,248,157	1,072,885	96,328	1,452,247	175,317	20,546	23,730	160,894
EXPENDITURES								
Current Expenditures								
Judicial	-	-	-	-	650	10,440	-	-
Public safety	1,616,339	1,131,940	84,427	3,312,906	6,380	-	-	-
Public works	-	-	-	-	-	-	-	41,614
Public health and welfare	-	-	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	-	-	-
Housing and development	-	-	-	-	-	-	59,934	444,362
Intergovernmental	-	-	-	-	-	-	-	-
Capital outlay	803,012	137,937	7,214	-	7,259	-	-	-
Debt service								
Principal	213,922	-	-	153,599	-	-	-	-
Interest	31,456	-	-	9,697	-	-	-	-
TOTAL EXPENDITURES	2,664,729	1,269,877	91,641	3,476,202	14,289	10,440	59,934	485,976
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER) EXPENDITURES	(416,572)	(196,992)	4,687	(2,023,955)	161,028	10,106	(36,204)	(325,082)
OTHER FINANCING SOURCES (USES)								
Sale of county property	80,997	657	-	-	-	-	-	-
Capital lease proceeds	489,909	-	-	-	-	-	-	-
Transfers in	-	300,978	81,943	2,023,955	-	-	46,437	328,726
Transfers out	-	-	(17,000)	-	(82,613)	(9,092)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	570,906	301,635	64,943	2,023,955	(82,613)	(9,092)	46,437	328,726
NET CHANGE IN FUND BALANCES	154,334	104,643	69,630	-	78,415	1,014	10,233	3,644
FUND BALANCES, Beginning of year	1,816,244	641,657	82,953	-	537,394	84,939	-	-
FUND BALANCES, End of year	$ 1,970,578	$ 746,300	$ 152,583	$ -	615,809	$ 85,953	$ 10,233	$ 3,644

JACKSON COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2010

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS FUNDS	
	PARKS AND RECREATION	SENIOR CENTER	DRUG ENFORCEMENT	SUBTOTAL SPECIAL REVENUE FUNDS	CDBG	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES						
Taxes	$ -	$ -	$ -	$ 2,084,885	$ -	$ 2,084,885
Licenses and permits	-	-	-	128,273	-	128,273
Intergovernmental	9,064	220,324	-	419,066	481,092	900,158
Fines and forfeitures	-	-	48,237	242,963	-	242,963
Charges for services	359,550	7,268	9,105	2,958,633	-	2,958,633
Contributions and donations	-	3,500	-	46,750	-	46,750
Investment income	-	1,011	582	20,936	-	20,936
Miscellaneous	21,875	65	-	29,179	-	29,179
TOTAL REVENUES	390,489	232,168	57,924	5,930,685	481,092	6,411,777
EXPENDITURES						
Current Expenditures						
Judicial	-	-	-	11,090	-	11,090
Public safety	-	-	1,340	6,153,332	-	6,153,332
Public works	-	-	-	41,614	-	41,614
Public health and welfare	-	499,034	-	499,034	-	499,034
Recreation and culture	1,175,145	-	-	1,175,145	-	1,175,145
Housing and development	-	-	-	504,296	300	504,596
Intergovernmental	13,039	-	-	13,039	-	13,039
Capital outlay	-	40,745	-	996,167	849,281	1,845,448
Debt service						
Principal	-	-	-	367,521	-	367,521
Interest	-	-	-	41,153	-	41,153
TOTAL EXPENDITURES	1,188,184	539,779	1,340	9,802,391	849,581	10,651,972
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER) EXPENDITURES	(797,695)	(307,611)	56,584	(3,871,706)	(368,489)	(4,240,195)
OTHER FINANCING SOURCES (USES)						
Sale of county property	-	-	-	81,654	-	81,654
Capital lease proceeds	-	-	-	489,909	-	489,909
Transfers in	797,695	272,246	-	3,851,980	368,489	4,220,469
Transfers out	-	-	-	(108,705)	-	(108,705)
TOTAL OTHER FINANCING SOURCES (USES)	797,695	272,246	-	4,314,838	368,489	4,683,327
NET CHANGE IN FUND BALANCES	-	(35,365)	56,584	443,132	-	443,132
FUND BALANCES, Beginning of year	-	289,902	37,503	3,490,592	-	3,490,592
FUND BALANCES, End of year	$ -	$ 254,537	$ 94,087	$ 3,933,724	$ -	$ 3,933,724

JACKSON COUNTY, GEORGIA
FIRE DISTRICT SPECIAL REVENUE FUND
SUPPLEMENTAL SCHEDULES
BALANCE SHEET-FIRE DISTRICT
December 31, 2010

	EAST JACKSON	ARCADE	HARRISBURG	JACKSON TRAIL	MAYSVILLE	NICHOLSON	NORTH JACKSON	PLAINVIEW	SOUTH JACKSON	WEST JACKSON	TOTAL
ASSETS											
Cash	$ -	$ 89,387	$ 420,185	$ 753,955	$ 353,544	$ 277,308	$ 258,199	$ 310,708	$ 324,186	$ 715,994	$ 3,503,466
Receivables(net of allowance for uncollectibles)	39,007	35,664	41,361	45,221	18,385	46,855	39,535	31,629	38,334	118,257	454,248
Due from other funds	44,655	-	-	-	-	-	-	-	177,926	-	222,581
Prepaid items	147,317	5,051	5,670	5,852	7,020	7,198	8,245	5,605	7,623	34,514	234,095
TOTAL ASSETS	$ 230,979	$ 130,102	$ 467,216	$ 805,028	$ 378,949	$ 331,361	$ 305,979	$ 347,942	$ 548,069	$ 868,765	$ 4,414,390
LIABILITIES AND FUND BALANCES											
Liabilities											
Accounts payable	$ 45,552	$ 1,776	$ 6,484	$ 2,027	$ 12,000	$ -	$ -	$ -	$ 10,181	$ -	$ 78,020
Other accrued items	-	-	-	-	-	3,878	-	-	1,081	-	4,959
Due to other funds	-	39,460	42,355	23,858	11,773	43,061	-	68,569	81,818	3,929	314,823
Deferred revenue	185,427	112,116	126,769	265,402	73,070	163,080	160,153	176,601	197,332	586,060	2,046,010
TOTAL LIABILITIES	230,979	153,352	175,608	291,287	96,843	210,019	160,153	245,170	290,412	589,989	2,443,812
FUND BALANCES											
Nonspendable:											
Prepaids	147,317	5,051	5,670	5,852	7,020	7,198	8,245	5,605	7,623	34,514	234,095
Restricted:											
Public safety programs	(147,317)	(28,301)	285,938	507,889	275,086	114,144	137,581	97,167	250,034	244,262	1,736,483
TOTAL FUND BALANCES	-	(23,250)	291,608	513,741	282,106	121,342	145,826	102,772	257,657	278,776	1,970,578
TOTAL LIABILITIES AND FUND BALANCES	$ 230,979	$ 130,102	$ 467,216	$ 805,028	$ 378,949	$ 331,361	$ 305,979	$ 347,942	$ 548,069	$ 868,765	$ 4,414,390

JACKSON COUNTY, GEORGIA
FIRE DISTRICT SPECIAL REVENUE FUND
SUPPLEMENTAL SCHEDULES
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-FIRE DISTRICT
For the Year Ended December 31, 2010

	EAST JACKSON	ARCADE	HARRISBURG	JACKSON TRAIL	MAYSVILLE	NICHOLSON	NORTH JACKSON	PLAINVIEW	SOUTH JACKSON	WEST JACKSON	TOTAL
REVENUES											
Taxes	$ 198,981	$ 109,291	$ 124,393	$ 274,361	$ 80,086	$ 162,578	$ 176,553	$ 162,130	$ 163,581	$ 632,931	$ 2,084,885
Intergovernmental	-	-	-	-	23,000	-	-	102,600	-	-	125,600
Charges for services	-	-	-	-	-	-	-	-	6,000	-	6,000
Contributions and donations	-	-	-	-	-	-	-	-	8,585	-	8,585
Interest income	-	58	1,275	1,553	622	325	573	475	414	10,553	15,848
Miscellaneous	-	-	-	604	-	6,000	365	-	270	-	7,239
TOTAL REVENUES	198,981	109,349	125,668	276,518	103,708	168,903	177,491	265,205	178,850	643,484	2,248,157
EXPENDITURES											
Current Expenditures											
Public safety	198,981	67,908	69,081	170,621	46,667	113,620	93,784	193,555	110,028	552,094	1,616,339
Capital outlay	-	-	-	196,542	-	-	175,000	-	-	431,470	803,012
Debt service											
Principal	-	47,262	18,727	-	-	26,580	42,744	32,657	41,676	4,276	213,922
Interest	-	2,884	1,872	-	-	1,305	1,770	17,343	5,727	555	31,456
TOTAL EXPENDITURES	198,981	118,054	89,680	367,163	46,667	141,505	313,298	243,555	157,431	988,395	2,664,729
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER) EXPENDITURES	-	(8,705)	35,988	(90,645)	57,041	27,398	(135,807)	21,650	21,419	(344,911)	(416,572)
OTHER FINANCING SOURCES (USES)											
Sale of county property	-	-	-	-	-	3,184	-	1,275	-	76,538	80,997
Capital lease proceeds	-	-	-	-	-	-	175,000	-	100,000	214,909	489,909
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	3,184	175,000	1,275	100,000	291,447	570,906
NET CHANGE IN FUND BALANCES	-	(8,705)	35,988	(90,645)	57,041	30,582	39,193	22,925	121,419	(53,464)	154,334
FUND BALANCES, Beginning of year	-	(14,545)	255,620	604,386	225,065	90,760	106,633	79,847	136,238	332,240	1,816,244
FUND BALANCES, End of year	$ -	$ (23,250)	$ 291,608	$ 513,741	$ 282,106	$ 121,342	$ 145,826	$ 102,772	$ 257,657	$ 278,776	$ 1,970,578

JACKSON COUNTY, GEORGIA
DEBT SERVICE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2010

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 191,060	$ 191,060	$ 191,060	$ -
RESOURCES (INFLOWS)				
Intergovernmental	-	1,141,259	1,141,260	1
Transfer in	7,928,450	23,568,619	23,435,201	(133,418)
Total Resources (Inflows)	7,928,450	24,709,878	24,576,461	(133,417)
AMOUNTS AVAILABLE FOR APPROPRIATION	8,119,510	24,900,938	24,767,521	(133,417)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Debt service				
Principal	3,357,282	20,018,526	20,018,526	-
Interest	4,571,168	4,748,995	4,748,995	-
TOTAL CHARGES TO APPROPRIATIONS	7,928,450	24,767,521	24,767,521	-
CHANGE IN FUND BALANCE	-	(57,643)	(191,060)	(133,417)
FUND BALANCE, End of year	$ 191,060	$ 133,417	$ -	$ (133,417)

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
FIRE DISTRICT SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2010

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
EAST JACKSON				
FUND BALANCE, Beginning of year	$ -	$ -	$ -	$ -
RESOURCES (INFLOWS)				
Taxes	-	198,981	198,981	-
Total Resources (Inflows)	-	198,981	198,981	-
AMOUNTS AVAILABLE FOR APPROPRIATION	-	198,981	198,981	-
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	-	198,981	198,981	-
TOTAL CHARGES TO APPROPRIATIONS	-	198,981	198,981	-
FUND BALANCE, End of year	$ -	$ -	$ -	$ -
ARCADE				
FUND BALANCE, Beginning of year	$ (14,545)	$ (14,545)	$ (14,545)	$ -
RESOURCES (INFLOWS)				
Taxes	111,840	118,054	109,291	(8,763)
Investment income	-	-	58	58
Total Resources (Inflows)	111,840	118,054	109,349	(8,705)
AMOUNTS AVAILABLE FOR APPROPRIATION	97,295	103,509	94,804	(8,705)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	111,840	118,054	118,054	-
TOTAL CHARGES TO APPROPRIATIONS	111,840	118,054	118,054	-
CHANGE IN FUND BALANCE	-	-	(8,705)	(8,705)
FUND BALANCE, End of year	$ (14,545)	$ (14,545)	$ (23,250)	$ (8,705)
HARRISBURG				
FUND BALANCE, Beginning of year	$ 255,620	$ 255,620	$ 255,620	$ -
RESOURCES (INFLOWS)				
Taxes	124,000	124,000	124,393	393
Investment income	-	-	1,275	1,275
Total Resources (Inflows)	124,000	124,000	125,668	1,668
AMOUNTS AVAILABLE FOR APPROPRIATION	379,620	379,620	381,288	1,668
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	124,000	124,000	89,680	34,320
TOTAL CHARGES TO APPROPRIATIONS	124,000	124,000	89,680	34,320
CHANGE IN FUND BALANCE	-	-	35,988	35,988
FUND BALANCE, End of year	$ 255,620	$ 255,620	$ 291,608	$ 35,988
JACKSON TRAIL				
FUND BALANCE, Beginning of year	$ 604,386	$ 604,386	$ 604,386	$ -
RESOURCES (INFLOWS)				
Taxes	299,425	299,425	274,361	(25,064)
Investment income	-	-	1,553	1,553
Miscellaneous	-	-	604	604
Total Resources (Inflows)	299,425	299,425	276,518	(22,907)
AMOUNTS AVAILABLE FOR APPROPRIATION	903,811	903,811	880,904	(22,907)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	299,425	367,163	367,163	-

JACKSON COUNTY, GEORGIA
FIRE DISTRICT SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2010

CONTINUED.....

TOTAL CHARGES TO APPROPRIATIONS	299,425	367,163	367,163	-
CHANGE IN FUND BALANCE	-	(67,738)	(90,645)	(22,907)
FUND BALANCE, End of year	$ 604,386	$ 536,648	$ 513,741	$ (22,907)
MAYSVILLE				
FUND BALANCE, Beginning of year	$ 225,065	$ 225,065	$ 225,065	$ -
RESOURCES (INFLOWS)				
Taxes	78,665	78,665	80,086	1,421
Intergovernmental	-	-	23,000	23,000
Investment income	3,635	3,635	622	(3,013)
Miscellaneous	23,000	23,000	-	(23,000)
Total Resources (Inflows)	105,300	105,300	103,708	(1,592)
AMOUNTS AVAILABLE FOR APPROPRIATION	330,365	330,365	328,773	(1,592)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	105,300	105,300	46,667	58,633
TOTAL CHARGES TO APPROPRIATIONS	105,300	105,300	46,667	58,633
CHANGE IN FUND BALANCE	-	-	57,041	57,041
FUND BALANCE, End of year	$ 225,065	$ 225,065	$ 282,106	$ 57,041
NICHOLSON				
FUND BALANCE, Beginning of year	$ 90,760	$ 90,760	$ 90,760	$ -
RESOURCES (INFLOWS)				
Taxes	176,050	176,050	162,578	(13,472)
Investment income	-	-	325	325
Miscellaneous	-	-	6,000	6,000
Sale of county property	-	-	3,184	3,184
Total Resources (Inflows)	176,050	176,050	172,087	(3,963)
AMOUNTS AVAILABLE FOR APPROPRIATION	266,810	266,810	262,847	(3,963)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	176,050	176,050	141,505	34,545
TOTAL CHARGES TO APPROPRIATIONS	176,050	176,050	141,505	34,545
CHANGE IN FUND BALANCE	-	-	30,582	30,582
FUND BALANCE, End of year	$ 90,760	$ 90,760	$ 121,342	$ 30,582
NORTH JACKSON				
FUND BALANCE, Beginning of year	$ 106,633	$ 106,633	$ 106,633	$ -
RESOURCES (INFLOWS)				
Taxes	157,000	157,000	176,553	19,553
Investment income	-	-	573	573
Miscellaneous	-	-	365	365
Capital lease proceeds	-	175,000	175,000	-
Total Resources (Inflows)	157,000	332,000	352,491	20,491
AMOUNTS AVAILABLE FOR APPROPRIATION	263,633	438,633	459,124	20,491
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	157,000	332,000	313,298	18,702
TOTAL CHARGES TO APPROPRIATIONS	157,000	332,000	313,298	18,702
CHANGE IN FUND BALANCE	-	-	39,193	39,193

JACKSON COUNTY, GEORGIA
FIRE DISTRICT SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2010

CONTINUED.....

FUND BALANCE, End of year	$ 106,633	$ 106,633	$ 145,826	$ 39,193
PLAINVIEW				
FUND BALANCE, Beginning of year	$ 79,847	$ 79,847	$ 79,847	$ -
RESOURCES (INFLOWS)				
Taxes	155,773	155,773	162,130	6,357
Intergovernmental	-	102,600	102,600	-
Investment income	-	-	475	475
Sale of county property	-	-	1,275	1,275
Total Resources (Inflows)	155,773	258,373	266,480	8,107
AMOUNTS AVAILABLE FOR APPROPRIATION	235,620	338,220	346,327	8,107
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	155,773	258,373	243,555	14,818
TOTAL CHARGES TO APPROPRIATIONS	155,773	258,373	243,555	14,818
CHANGE IN FUND BALANCE	-	-	22,925	22,925
FUND BALANCE, End of year	$ 79,847	$ 79,847	$ 102,772	$ 22,925
SOUTH JACKSON				
FUND BALANCE, Beginning of year	$ 136,238	$ 136,238	$ 136,238	$ -
RESOURCES (INFLOWS)				
Taxes	171,213	171,213	163,581	(7,632)
Charges for services	-	2,000	6,000	4,000
Contributions and donations	-	-	8,585	8,585
Investment income	-	-	414	414
Miscellaneous	-	-	270	270
Capital lease proceeds	-	-	100,000	100,000
Total Resources (Inflows)	171,213	173,213	278,850	105,637
AMOUNTS AVAILABLE FOR APPROPRIATION	307,451	309,451	415,088	105,637
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	171,213	173,213	157,431	15,782
TOTAL CHARGES TO APPROPRIATIONS	171,213	173,213	157,431	15,782
CHANGE IN FUND BALANCE	-	-	121,419	121,419
FUND BALANCE, End of year	$ 136,238	$ 136,238	$ 257,657	$ 121,419
WEST JACKSON				
FUND BALANCE, Beginning of year	$ 332,240	$ 332,240	$ 332,240	$ -
RESOURCES (INFLOWS)				
Taxes	876,088	876,088	632,931	(243,157)
Investment income	-	10,553	10,553	-
Sale of county property	-	76,538	76,538	-
Capital lease proceeds	-	214,909	214,909	-
Total Resources (Inflows)	876,088	1,178,088	934,931	(243,157)
AMOUNTS AVAILABLE FOR APPROPRIATION	1,208,328	1,510,328	1,267,171	(243,157)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	876,088	1,178,088	988,395	189,693
TOTAL CHARGES TO APPROPRIATIONS	876,088	1,178,088	988,395	189,693
CHANGE IN FUND BALANCE	-	-	(53,464)	(53,464)
FUND BALANCE, End of year	$ 332,240	$ 332,240	$ 278,776	$ (53,464)

JACKSON COUNTY, GEORGIA
FIRE DISTRICT SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2010

CONTINUED.....

ALL DISTRICTS COMBINED

FUND BALANCE, Beginning of year	$ 1,816,244	$ 1,816,244	$ 1,816,244	$ -
RESOURCES (INFLOWS)				
Taxes	2,150,054	2,355,249	2,084,885	(270,364)
Intergovernmental	-	102,600	125,600	23,000
Charges for services	-	2,000	6,000	4,000
Contributions and donations	-	-	8,585	8,585
Investment income	3,635	14,188	15,848	1,660
Miscellaneous	23,000	23,000	7,239	(15,761)
Sale of county property	-	76,538	80,997	4,459
Capital lease proceeds	-	389,909	489,909	100,000
Total Resources (Inflows)	2,176,689	2,963,484	2,819,063	(144,421)
AMOUNTS AVAILABLE FOR APPROPRIATION	3,992,933	4,779,728	4,635,307	(144,421)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	2,176,689	3,031,222	2,664,729	366,493
TOTAL CHARGES TO APPROPRIATIONS	2,176,689	3,031,222	2,664,729	366,493
CHANGE IN FUND BALANCE	-	(67,738)	154,334	222,072
FUND BALANCE, End of year	$ 1,816,244	$ 1,748,506	$ 1,970,578	$ 222,072

NOTES TO THE BUDGETARY COMPARISON SCHEDULE
1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
EMERGENCY E911 TELEPHONE SYSTEM SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2010

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 641,657	$ 641,657	$ 641,657	$ -
RESOURCES (INFLOWS)				
Intergovernmental	-	16,513	-	(16,513)
Charges for services	1,008,000	1,008,000	1,070,703	62,703
Investment income	4,972	4,972	2,182	(2,790)
Miscellaneous	-	90,588	-	(90,588)
Sale of county property	-	-	657	657
Transfer in	283,978	300,978	300,978	-
Total Resources (Inflows)	1,296,950	1,421,051	1,374,520	(46,531)
AMOUNTS AVAILABLE FOR APPROPRIATION	1,938,607	2,062,708	2,016,177	(46,531)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	1,296,950	1,422,728	1,269,877	152,851
TOTAL CHARGES TO APPROPRIATIONS	1,296,950	1,422,728	1,269,877	152,851
CHANGE IN FUND BALANCE	-	(1,677)	104,643	106,320
FUND BALANCE, End of year	$ 641,657	$ 639,980	$ 746,300	$ 106,320

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
EMERGENCY MANAGEMENT/RESCUE SERVICES SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2010

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 82,953	$ 82,953	$ 82,953	$ -
RESOURCES (INFLOWS)				
Intergovernmental	22,056	22,056	63,487	41,431
Contributions and donations	38,000	38,000	32,665	(5,335)
Investment income	-	-	176	176
Transfer in	81,943	81,943	81,943	-
Total Resources (Inflows)	141,999	141,999	178,271	36,272
AMOUNTS AVAILABLE FOR APPROPRIATION	224,952	224,952	261,224	36,272
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	141,999	124,999	91,641	33,358
Transfers out	-	17,000	17,000	-
TOTAL CHARGES TO APPROPRIATIONS	141,999	141,999	108,641	33,358
CHANGE IN FUND BALANCE	-	-	69,630	69,630
FUND BALANCE, End of year	$ 82,953	$ 82,953	$ 152,583	$ 69,630

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
EMERGENCY SERVICES/AMBULANCE SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2010

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ -	$ -	$ -	$ -
RESOURCES (INFLOWS)				
Intergovernmental	-	-	591	591
Charges for services	1,488,000	1,488,000	1,451,656	(36,344)
Transfer in	1,830,429	1,988,203	2,023,955	35,752
Total Resources (Inflows)	3,318,429	3,476,203	3,476,202	(1)
AMOUNTS AVAILABLE FOR APPROPRIATION	3,318,429	3,476,203	3,476,202	(1)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	3,318,429	3,476,203	3,476,202	1
TOTAL CHARGES TO APPROPRIATIONS	3,318,429	3,476,203	3,476,202	1
CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE, End of year	$ -	$ -	$ -	$ -

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
JAIL SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2010

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 537,394	$ 537,394	$ 537,394	$ -
RESOURCES (INFLOWS)				
Fines and forfeitures	86,566	100,855	174,224	73,369
Investment income	-	-	1,093	1,093
Total Resources (Inflows)	86,566	100,855	175,317	74,462
AMOUNTS AVAILABLE FOR APPROPRIATION	623,960	638,249	712,711	74,462
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Judicial	-	650	650	-
Public safety	86,566	17,592	13,639	3,953
Transfers out	-	82,613	82,613	-
TOTAL CHARGES TO APPROPRIATIONS	86,566	100,855	96,902	3,953
CHANGE IN FUND BALANCE	-	-	78,415	78,415
FUND BALANCE, End of year	$ 537,394	$ 537,394	$ 615,809	$ 78,415

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2010

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 84,939	$ 84,939	$ 84,939	$ -
RESOURCES (INFLOWS)				
Fines and forfeitures	10,000	20,531	20,502	(29)
Investment income	1,500	1,500	44	(1,456)
Total Resources (Inflows)	11,500	22,031	20,546	(1,485)
AMOUNTS AVAILABLE FOR APPROPRIATION	96,439	106,970	105,485	(1,485)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Judicial	11,500	12,939	10,440	2,499
Transfers out	-	9,092	9,092	-
TOTAL CHARGES TO APPROPRIATIONS	11,500	22,031	19,532	2,499
CHANGE IN FUND BALANCE	-	-	1,014	1,014
FUND BALANCE, End of year	$ 84,939	$ 84,939	$ 85,953	$ 1,014

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
KEEP JACKSON BEAUTIFUL SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2010

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ -	$ -	$ -	$ -
RESOURCES (INFLOWS)				
Charges for services	20,000	20,000	21,730	1,730
Contributions and donations	-	-	2,000	2,000
Transfer in	58,699	58,697	46,437	(12,260)
Total Resources (Inflows)	78,699	78,697	70,167	(8,530)
AMOUNTS AVAILABLE FOR APPROPRIATION	78,699	78,697	70,167	(8,530)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Housing and development	78,699	78,697	59,934	18,763
TOTAL CHARGES TO APPROPRIATIONS	78,699	78,697	59,934	18,763
CHANGE IN FUND BALANCE	-	-	10,233	10,233
FUND BALANCE, End of year	$ -	$ -	$ 10,233	$ 10,233

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
PROTECTIVE INSPECTION/PLANNING AND ZONING SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2010

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ -	$ -	$ -	$ -
RESOURCES (INFLOWS)				
Licenses and permits	216,928	220,571	128,273	(92,298)
Charges for services	50,000	50,000	32,621	(17,379)
Transfer in	243,511	243,511	328,726	85,215
Total Resources (Inflows)	510,439	514,082	489,620	(24,462)
AMOUNTS AVAILABLE FOR APPROPRIATION	510,439	514,082	489,620	(24,462)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public works	45,476	45,476	41,614	3,862
Housing and development	464,963	468,606	444,362	24,244
TOTAL CHARGES TO APPROPRIATIONS	510,439	514,082	485,976	28,106
CHANGE IN FUND BALANCE	-	-	3,644	3,644
FUND BALANCE, End of year	$ -	$ -	$ 3,644	$ 3,644

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
PARKS AND RECREATION SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2010

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ -	$ -	$ -	$ -
RESOURCES (INFLOWS)				
Intergovernmental	-	13,039	9,064	(3,975)
Charges for services	275,001	334,153	359,550	25,397
Miscellaneous	-	-	21,875	21,875
Transfer in	854,031	854,031	797,695	(56,336)
Total Resources (Inflows)	1,129,032	1,201,223	1,188,184	(13,039)
AMOUNTS AVAILABLE FOR APPROPRIATION	1,129,032	1,201,223	1,188,184	(13,039)
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Recreation and culture	1,122,032	1,181,184	1,175,145	6,039
Intergovernmental	7,000	20,039	13,039	7,000
TOTAL CHARGES TO APPROPRIATIONS	1,129,032	1,201,223	1,188,184	13,039
CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE, End of year	$ -	$ -	$ -	$ -

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
SENIOR CENTER SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2010

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 289,902	$ 289,902	$ 289,902	$ -
RESOURCES (INFLOWS)				
Intergovernmental	208,873	208,873	220,324	11,451
Charges for services	13,000	13,000	7,268	(5,732)
Contributions and donations	-	-	3,500	3,500
Investment income	-	-	1,011	1,011
Miscellaneous	-	-	65	65
Transfer in	272,246	272,246	272,246	-
Total Resources (Inflows)	494,119	494,119	504,414	10,295
AMOUNTS AVAILABLE FOR APPROPRIATION	784,021	784,021	794,316	10,295
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public health and welfare	494,119	539,779	539,779	-
TOTAL CHARGES TO APPROPRIATIONS	494,119	539,779	539,779	-
CHANGE IN FUND BALANCE	-	(45,660)	(35,365)	10,295
FUND BALANCE, End of year	$ 289,902	$ 244,242	$ 254,537	$ 10,295

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
DRUG ENFORCEMENT SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2010

	BUDGET AMOUNTS ORIGINAL	BUDGET AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	$ 37,503	$ 37,503	$ 37,503	$ -
RESOURCES (INFLOWS)				
Fines and forfeitures	11,000	11,000	48,237	37,237
Charges for services	-	-	9,105	9,105
Investment income	500	500	582	82
Total Resources (Inflows)	11,500	11,500	57,924	46,424
AMOUNTS AVAILABLE FOR APPROPRIATION	49,003	49,003	95,427	46,424
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	11,500	11,500	1,340	10,160
TOTAL CHARGES TO APPROPRIATIONS	11,500	11,500	1,340	10,160
CHANGE IN FUND BALANCE	-	-	56,584	56,584
FUND BALANCE, End of year	$ 37,503	$ 37,503	$ 94,087	$ 56,584

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

FIDUCIARY FUNDS

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

Tax Commissioner - to account for the collection of property taxes, motor vehicle tag and title fees and mobile home fees, etc. which are disbursed to various taxing units.

Clerk of Courts - to account for the collection of various fines, forfeitures, jury fund receipts, real estate transfer taxes, recording of intangibles, fees, civil awards, etc. which are disbursed to various taxing units and other parties.

Probate Court - to account for the collection of fees for firearms, licenses, certificates, marriage licenses, etc. which are disbursed to various taxing units and other parties.

Magistrate Court - to account for the collection of fees for garnishments and small claims, etc. which are disbursed to various taxing units and other parties.

Federal Equity Sharing – to account for the collection and distribution of federally seized funds.

Sheriff - to account for the collection of cash bonds, fines, forfeitures, fifas, etc. which are disbursed to various taxing units and other parties.

JACKSON COUNTY, GEORGIA
COMBINING STATEMENT OF ASSETS AND LIABILITIES
ALL AGENCY FUNDS
December 31, 2010

	TAX COMMISSIONER	CLERK OF SUPERIOR COURT	PROBATE COURT	MAGISTRATE COURT	FEDERAL EQUITY SHARING	SHERIFF	TOTAL
ASSETS							
Cash	$ 4,060,550	$ 244,071	$ 6,265	$ 14,475	$ 8,791	$ 263,286	$ 4,597,438
TOTAL ASSETS	$ 4,060,550	$ 244,071	$ 6,265	$ 14,475	$ 8,791	$ 263,286	$ 4,597,438
LIABILITIES							
Amounts held in trust	$ 4,060,550	$ 244,071	$ 6,265	$ 14,475	$ 8,791	$ 263,286	$ 4,597,438
TOTAL LIABILITIES	$ 4,060,550	$ 244,071	$ 6,265	$ 14,475	$ 8,791	$ 263,286	$ 4,597,438

JACKSON COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended December 31, 2010

	TAX COMMISSIONER	CLERK OF SUPERIOR COURT	PROBATE COURT	MAGISTRATE COURT	FEDERAL EQUITY SHARING	SHERIFF	TOTAL
ASSETS							
Cash							
Balance, January 1, 2010	$ 10,292,914	$ 335,553	$ 6,677	$ 13,662	$ 8,503	$ 234,936	$ 10,892,245
Additions	106,227,223	3,648,373	177,580	446,065	288	819,719	111,319,248
Deductions	(112,459,587)	(3,739,855)	(177,992)	(445,252)	-	(791,369)	(117,614,055)
Balance, December 31, 2010	4,060,550	244,071	6,265	14,475	8,791	263,286	4,597,438
TOTAL ASSETS	$ 4,060,550	$ 244,071	$ 6,265	$ 14,475	$ 8,791	$ 263,286	$ 4,597,438
LIABILITIES							
Due to County							
Balance, January 1, 2010	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Addition Input this lines	24,901,851	1,701,095	116,732	172,832	-	275,975	27,168,485
Deductions	(24,901,851)	(1,701,095)	(116,732)	(172,832)	-	(275,975)	(27,168,485)
Balance, December 31, 2010	-	-	-	-	-	-	-
Amounts held in trust							
Balance, January 1, 2010	10,292,914	335,553	6,677	13,662	8,503	234,936	10,892,245
Additions Input this line	81,325,372	1,947,278	60,848	273,233	288	543,744	84,150,763
Deductions	(87,557,736)	(2,038,760)	(61,260)	(272,420)	-	(515,394)	(90,445,570)
Balance, December 31, 2010	4,060,550	244,071	6,265	14,475	8,791	263,286	4,597,438
Total Liabilities							
Balance, January 1, 2010	10,292,914	335,553	6,677	13,662	8,503	234,936	10,892,245
Additions	106,227,223	3,648,373	177,580	446,065	288	819,719	111,319,248
Deductions	(112,459,587)	(3,739,855)	(177,992)	(445,252)	-	(791,369)	(117,614,055)
TOTAL LIABILITIES	$ 4,060,550	$ 244,071	$ 6,265	$ 14,475	$ 8,791	$ 263,286	$ 4,597,438

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COMPONENT UNIT

Component Units are legally separate organizations for which the elected officials of the primary government are financially accountable.

Airport Authority – to account for the operation the county's noncommercial airport facility. All activities necessary to provide airport services are accounted for in the component unit, including, but not limited to operations, maintenance, financing and related debt service.

JACKSON COUNTY AIRPORT AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
STATEMENT OF NET ASSETS
December 31, 2010

	OPERATIONS	CAPITAL	TOTAL
ASSETS			
Current Assets			
Cash	$ 29,086	$ -	$ 29,086
Receivables (net of allowance for uncollectibles)	2,990	-	2,990
Inventories	45,793	-	45,793
Prepaid items	4,563	-	4,563
TOTAL CURRENT ASSETS	82,432	-	82,432
Noncurrent Assets			
Deferred charges	29,843	-	29,843
Capital assets			
Capital assets not being depreciated	9,393,464	390,712	9,784,176
Capital assets being depreciated	3,359,429	-	3,359,429
Less: accumulated depreciation	(1,134,753)	-	(1,134,753)
TOTAL CAPITAL ASSETS (NET OF ACCUMULATED DEPRECIATION)	11,618,140	390,712	12,008,852
TOTAL NONCURRENT ASSETS	11,647,983	390,712	12,038,695
TOTAL ASSETS	11,730,415	390,712	12,121,127
LIABILITIES			
Current Liabilities			
Accounts payable	5,516	272,202	277,718
Accrued interest payable	4,659	-	4,659
Due to primary government	835,970	359,462	1,195,432
Unearned revenue	200	-	200
Capital lease payable	6,299	-	6,299
Notes payable	180,000	-	180,000
TOTAL CURRENT LIABILITIES	1,032,644	631,664	1,664,308
Noncurrent Liabilities			
Capital lease payable	28,712	-	28,712
Notes payable	1,630,000	-	1,630,000
TOTAL NONCURRENT LIABILITIES	1,658,712	-	1,658,712
TOTAL LIABILITIES	2,691,356	631,664	3,323,020
NET ASSETS			
Invested in capital assets, net of related debt	9,808,140	(240,952)	9,567,188
Unrestricted	(769,081)	-	(769,081)
TOTAL NET ASSETS	$ 9,039,059	$ (240,952)	$ 8,798,107

JACKSON COUNTY AIRPORT AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2010

	OPERATIONS	CAPITAL	TOTAL
OPERATING REVENUES			
Charges for services	$ 379,723	$ -	$ 379,723
Total Operating Revenues	379,723	-	379,723
OPERATING EXPENSES			
Cost of goods sold	258,234	-	258,234
Salaries	55,611	-	55,611
Benefits	4,378	-	4,378
Credit card fees	9,048	-	9,048
Depreciation	151,234	-	151,234
Other costs	20,757	202,045	222,802
Professional fees	67,910	-	67,910
Repairs and maintenance	20,447	-	20,447
Supplies	6,381	-	6,381
Utilities	15,442	-	15,442
Total Operating Expenses	609,442	202,045	811,487
OPERATING INCOME (LOSS)	(229,719)	(202,045)	(431,764)
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	284	-	284
Interest expense	(24,922)	-	(24,922)
Gain (loss) on sale of capital assets	(18,670)	(134,058)	(152,728)
Total Nonoperating Revenues (Expenses)	(43,308)	(134,058)	(177,366)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(273,027)	(336,103)	(609,130)
Subsidy from Jackson County	313,201	-	313,201
Capital contributions from Jackson County	1,773,028	15,655	1,788,683
Capital grants	-	551,139	551,139
Transfer in	317,562	-	317,562
Transfer out	-	(317,562)	(317,562)
CHANGE IN NET ASSETS	2,130,764	(86,871)	2,043,893
TOTAL NET ASSETS, Beginning of year	6,908,295	(154,081)	6,754,214
TOTAL NET ASSETS, End of year	$ 9,039,059	$ (240,952)	$ 8,798,107

JACKSON COUNTY AIRPORT AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
STATEMENT OF CASH FLOWS
Year Ended December 31, 2010

	OPERATIONS	CAPITAL	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	$ 377,265	$ -	$ 377,265
Payments to suppliers	(486,179)	(202,045)	(688,224)
Payments to employees	(59,989)	-	(59,989)
Net cash provided by (used in) operating activities	(168,903)	(202,045)	(370,948)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Operating subsidy - JACKSON COUNTY	313,201	-	313,201
Net Cash provided (used) by non-capital financing activities	313,201	-	313,201
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(16,078)	(349,094)	(365,172)
Proceeds from sale of capital assets	21,100	-	21,100
Capital grants	-	551,139	551,139
Principal payments on debt	(172,889)	-	(172,889)
Interest paid	(21,648)	-	(21,648)
Net cash provided (used) by capital and related financing activities	(189,515)	202,045	12,530
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	284	-	284
Net cash provided (used) by investing activities	284	-	284
Net increase (decrease) in cash and cash equivalents	(44,933)	-	(44,933)
CASH, Beginning of year	74,019	-	74,019
CASH, End of year	$ 29,086	$ -	$ 29,086
DISPLAYED AS:			
Cash	$ 29,086	$ -	$ 29,086
Restricted cash	-	-	-
TOTAL CASH	$ 29,086	$ -	$ 29,086

	OPERATIONS	CAPITAL	TOTAL
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	$ (229,719)	$ (202,045)	$ (431,764)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Depreciation	151,234	-	151,234
(Increase) decrease in:			
Accounts receivable, net	172	-	172
Inventory	(4,122)	-	(4,122)
Prepaid expenses	1,682	-	1,682
Deferred revenue	(2,630)	-	(2,630)
Increase (decrease) in:			
Accounts payable	(16,579)	-	(16,579)
Due to other funds	(68,941)	-	(68,941)
Net cash provided by (used in) operating activities	$ (168,903)	$ (202,045)	$ (370,948)
SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES			
Jackson County & Developer contribution to capital assets	$ 1,773,028	$ 15,655	$ 1,788,683
Transfers of capital assets	$ 317,562	$ (317,562)	$ -
Net book value of deletions from capital assets	$ 151,234	$ 134,058	$ 285,292

JACKSON COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
Year Ended December 31, 2010

SPLOST #3 - Commenced April 1, 2000 Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year
Water and Sewerage improvements - County	$ 21,879,900	$ 15,399,433	$ 15,399,433	$ -
Water and Sewerage improvements - Cities				
Commerce			2,916,809	-
Jefferson			2,046,269	-
Nicholson			634,325	-
Hoschton			570,086	-
Braselton			304,509	-
Maysville			293,758	-
Water and Sewerage improvements - Cities	9,620,100	6,765,756	6,765,756	-
Roads, streets, bridges and sidewalks - County	6,555,690	4,448,560	4,353,462	-
Roads, streets, bridges and sidewalks - Cities				
Commerce			1,243,901	9,999
Jefferson			673,333	-
Arcade			272,468	-
Nicholson			228,421	-
Talmo			106,742	-
Hoschton			237,663	7,665
Pendergrass			111,892	-
Braselton			179,468	-
Maysville			120,744	-
Roads, streets, bridges and sidewalks, Cities	3,794,310	3,174,632	3,174,632	17,664
Parks and recreation - Jackson County	1,567,665	1,063,786	985,624	-
Parks and recreation - Municipalities				
Commerce			353,066	-
Jefferson			183,757	-
Arcade			67,027	-
Nicholson			51,050	-
Talmo			18,983	-
Hoschton			56,711	-
Pendergrass			19,014	-
Braselton			30,341	-
Maysville			24,590	-
Parks and recreation - Municipalities	907,335	804,539	804,539	-
Public safety facilities for Fire Departments	675,000	458,041	284,901	-
Totals	$ 45,000,000	$ 32,114,747	$ 31,768,347	$ 17,664

JACKSON COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
Year Ended December 31, 2010

SPLOST #4 - Commenced July 1, 2005 Project	Original Estimated Cost	Current Estimated Cost	Amount Expended Year 1 2005	Year 2 2006	Year 3 2007	Year 4 2008	Year 5 2009	Year 6 2010	Total
LEVEL 1 COUNTY PROJECTS									
County Jail	$ 10,200,000	$ 10,200,000	$ -	$ 202,201	$ (202,201)	$ 823,534	$ 2,566,658	$ 2,216,774	$ 5,606,966
County Health Clinic Facilities	510,000	510,000	394,066	-	-	-	-	-	394,066
LEVEL 2 COUNTY PROJECTS									
Water and Sewer Facilities	8,289,970	8,289,970	-	1,038,615	2,526,967	342,905	1,468,386	1,226,400	6,603,273
Roads, Streets, and Bridges	8,289,970	8,289,970	-	2,075,655	1,263,630	1,688,228	949,535	681,276	6,658,324
Recreational Facilities	5,101,520	5,101,520	-	402,511	993,870	1,163,631	1,259,909	1,127,126	4,947,047
Public Safety Facilities	3,571,064	3,571,064	6,200	177,150	1,022,102	107,840	-	1,711,816	3,025,108
Library Facilities	255,075	255,075	-	-	-	159,360	33,456	39,161	231,977
Subtotal All County Projects	36,217,599	36,217,599	400,266	3,896,132	5,604,368	4,285,498	6,277,944	7,002,553	27,466,761
MUNICIPAL PROJECTS									
City of Arcade									
Public Safety Facilities and Equipment	413,937	413,937	21,770	78,522	81,492	76,825	59,933	74,242	392,784
Administrative Facilities and Equipment	1,034,842	1,034,842	54,424	196,306	203,731	192,064	149,832	185,604	981,961
Roads, Streets, and Bridges	143,286	143,286	7,536	27,181	28,209	29,817	20,746	25,699	139,188
Subtotal	1,592,065	1,592,065	83,730	302,009	313,432	298,706	230,511	285,545	1,513,933
City of Braselton									
Roads, Streets, and Bridges	678,512	678,512	35,684	128,711	133,580	132,377	98,240	121,695	650,287
City of Commerce									
Water and Sewer Facilities	3,588,576	3,588,576	188,729	702,937	707,394	666,029	519,579	643,630	3,428,298
Roads, Streets, and Bridges	1,127,838	1,127,838	59,315	213,947	222,039	209,323	163,296	247,530	1,115,450
Recreational Facilities	205,061	205,061	10,784	38,899	47,069	38,059	29,690	36,779	201,280
Library Facilities	205,061	205,061	10,784	38,899	40,371	38,059	29,690	36,779	194,582
Subtotal	5,126,536	5,126,536	269,612	994,682	1,016,873	951,470	742,255	964,718	4,939,610
City of Hoshton									
Water and Sewer Facilities	777,185	777,185	40,873	153,028	153,355	144,243	112,526	139,392	743,417
Roads, Streets, and Bridges	207,249	207,249	10,900	39,314	40,801	38,465	30,007	37,171	196,658
Recreational Facilities	51,812	51,812	2,725	9,829	12,385	9,616	7,502	9,293	51,350
Subtotal	1,036,246	1,036,246	54,498	202,171	206,541	192,324	150,035	185,856	991,425
City of Jefferson									
Roads, Streets, Bridges, and Storm Water Management Facilities	1,426,221	1,426,221	75,009	276,806	279,482	264,702	206,498	255,800	1,358,297
Cultural, Historical, and Recreation Facilities	740,894	740,894	38,965	142,320	145,861	137,508	107,272	132,883	704,809
Public Safety Facilities	55,567	55,567	2,922	10,541	10,940	10,313	8,045	9,966	52,727
Water and Sewer Facilities	1,481,788	1,481,788	77,929	293,904	289,153	275,015	214,543	265,766	1,416,310
Subtotal	3,704,470	3,704,470	194,825	723,571	725,436	687,538	536,358	664,415	3,532,143
City of Maysville									
Water and Sewer Facilities	445,838	445,838	23,447	84,574	87,773	85,011	64,551	79,969	425,325
Roads, Streets, and Bridges	83,595	83,595	4,396	15,858	20,729	15,515	12,103	14,993	83,594
Recreational Facilities	27,864	27,864	1,465	5,286	5,486	5,172	4,806	4,998	27,213
Subtotal	557,297	557,297	29,308	105,718	113,988	105,698	81,460	99,960	536,132
City of Nicholson									
Roads, Streets, and Bridges	543,475	543,475	28,582	103,095	106,995	100,867	78,688	97,475	515,702
Recreational Facilities	483,089	483,089	25,406	91,640	95,106	89,660	69,945	86,644	458,401
Water Facilities	181,158	181,158	9,527	34,365	35,665	46,309	26,229	32,492	184,587
Subtotal	1,207,722	1,207,722	63,515	229,100	237,766	236,836	174,862	216,611	1,158,690
City of Pendergrass									
Recreational Facilities	333,490	333,490	17,539	63,321	65,655	61,895	48,285	59,813	316,508
Roads, Streets, and Bridges	83,374	83,374	4,385	15,832	16,414	15,474	12,071	14,953	79,129
Subtotal	416,864	416,864	21,924	79,153	82,069	77,369	60,356	74,766	395,637
City of Talmo									
Administrative and Library Facilities	208,210	208,210	10,950	39,497	40,991	38,643	30,146	37,344	197,571
Roads, Streets, and Bridges	138,807	138,807	7,300	31,602	27,923	25,762	20,097	24,896	137,580
Recreational Facilities	69,403	69,403	3,650	13,470	13,664	12,881	10,049	12,448	66,162
Public Safety Facilities	46,269	46,269	2,433	8,777	9,109	8,587	6,699	8,299	43,904
Subtotal	462,689	462,689	24,333	93,346	91,687	85,873	66,991	82,987	445,217
Total All City Projects (1)	14,782,401	14,782,401	777,429	2,858,461	2,921,372	2,768,191	2,141,068	2,696,553	14,163,074
Total All Projects	$ 51,000,000	$ 51,000,000	$1,177,695	$ 6,754,593	$ 8,525,740	$ 7,053,689	$ 8,419,012	$ 9,699,106	$ 41,629,835

1. The County remits the tax collected to the Municipalities who are responsible for reporting on the expenditures in accordance with OCGA 48-8-121.

JACKSON COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
Year Ended December 31, 2010

Statement of Revenues, Expenditures and Changes in Fund Balance (page 5)

Expenditures	6,046,648	
Transfers out	3,897,168	
Rounding	1	
Subtotal	9,943,817	
Less items not included as expenditures on SPLOST schedule below:		
Less amount paid to Water Authority for county water and sewer projects	(1,378,707)	**1**
Amounts expended by Water Authority for county water and sewer projects	1,226,400	**1**
Less amounts paid to cities for city water and sewer projects	(2,459,245)	**2**
Amounts expended by cities for city water and sewer projects	2,714,216	**2**
Revenue from DOT used for expenditures first before SPLOST funds	(194,710)	
Revenue from grants used for expenditures first before SPLOST funds	(40,000)	
Transfer in from General Fund used for road expenditures before SPLOST funds	(95,000)	
Subtotal of adjustments	(227,047)	
Expenditures reported on SPLOST schedule below	**9,716,770**	

Schedule of Projects Constructed With Special Purpose Local Option Sales Tax (pages 89-90)

SPLOST #3	17,664
SPLOST #4	9,699,106
Total	**9,716,770**

1. SPLOST proceeds are paid to the Jackson County Water & Sewerage Authority, a discretely presented component unit, who are acting as the County's agent for expending the funds for county water and sewer projects. Due to timing, some proceeds remain unspent at the end of the year.

2. Expenditures from SPLOST 3 related to the cities are reported by the County. This SPLOST was adopted prior to the new laws shifting responsibility for reporting expenditures to the cities. For SPLOST 4, expenditures reported by the county are equal to the amounts paid to the cities. For SPLOST 3, due to timing, some proceeds remain unspent at the end of the year.

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STATISTICAL SECTION

This part of the county'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 **Table**

Financial Trends

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

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Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

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Debt Capacity

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.

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Demographic and Economic Information

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

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Operating Information

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.

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Capital Asset Statistics by Function	19

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

Note: Tables may not add due to rounding

JACKSON COUNTY, GEORGIA
NET ASSETS BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting) (amounts expressed in thousands)

	Fiscal Year							
	2003	2004	2005 (1)	2006	2007	2008	2009	2010
GOVERNMENTAL ACTIVITIES								
Invested in capital assets, net of related debt	$ 24,390	$ 30,819	$ 113,915	$ 122,574	$ 130,571	$ 125,119	$ 90,886	$ 91,826
Restricted:								
Capital outlay	-	-	1,276	4,859	7,687	8,761	7,998	7,021
Debt service	279	1,323	491	-	79	2,706	766	551
Drug enforcement	-	105	122	128	-	-	-	-
Emergency services	-	184	381	272	-	-	-	-
Fire districts	-	1,282	677	1,243	-	-	-	-
Jail	-	384	466	179	-	-	-	-
General government	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	2,478	3,325	3,116	3,427
Public works	-	-	-	-	-	-	-	-
Health and Welfare	-	281	256	-	-	-	-	-
Recreation and culture	-	-	-	-	-	-	-	-
Housing and Development	-	181	277	-	-	-	-	-
Unrestricted:	3,231	(598)	4,300	5,311	3,039	8,686	10,012	9,240
Total governmental activities net assets	27,900	33,961	122,161	134,566	143,854	148,597	112,778	112,065
BUSINESS-TYPE ACTIVITIES								
Invested in capital assets, net of related debt	395	680	638	652	603	786	1,197	2,436
Unrestricted	(39)	(851)	(999)	(647)	(598)	(781)	(1,072)	(2,431)
Total business-type activities net assets	356	(171)	(361)	5	5	5	125	5
PRIMARY GOVERNMENT								
Invested in capital assets, net of related debt	24,785	31,499	114,553	123,226	131,174	125,905	92,083	94,262
Restricted	279	3,740	3,946	6,681	10,244	14,792	11,880	10,999
Unrestricted	3,192	(1,449)	3,301	4,664	2,441	7,905	8,940	6,809
Total primary government net assets	$ 28,256	$ 33,790	$ 121,800	$ 134,571	$ 143,859	$ 148,602	$ 112,903	$ 112,070

Note: The County adopted GASB 34 in 2003. Data for years prior to this are not available.
(1) Retroactive infrastructure was added in 2005.
(2) In 2007, all public safety restrictions were combined.
(3) In 2009, the County changed its method of depreciation expense for road infrastructure assets.
As a result, invested in capatial assets decreased $33,096,948.
(4) In 2010, the County implemented GASB 54.

JACKSON COUNTY, GEORGIA
CHANGES IN NET ASSETS
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2003	2004	2005	2006	2007	2008	2009	2010
EXPENSES								
Governmental activities:								
General government	$ 3,427	$ 4,773	$ 3,699	$ 4,215	$ 5,446	$ 5,517	$ 5,210	$ 4,952
Judicial	1,949	2,340	2,998	3,244	3,468	3,895	3,811	3,516
Public safety	12,103	14,131	14,825	15,659	17,328	18,609	21,411	23,332
Public works	2,749	2,622	4,246	4,499	9,263	12,354	12,810	15,052
Health and welfare	817	866	875	993	926	962	1,035	1,172
Recreation and culture	709	1,060	1,195	1,150	1,339	1,530	1,840	1,634
Housing and development	1,011	1,337	1,705	1,484	1,511	1,475	1,560	1,329
Intergovernmental	6,418	6,034	3,826	4,513	-	-	-	-
Interest on long-term debt	547	1,371	2,072	1,911	2,921	5,060	6,695	4,554
Total governmental activities expenses	29,730	34,534	35,441	37,668	42,202	49,402	54,372	55,541
Business-type activities:								
Solid waste disposal facility	956	1,322	1,507	1,353	1,485	1,200	1,177	1,417
Mayfield treatment plant	31	29	26	24	21	18	14	11
Total business-type activities expenses	988	1,351	1,533	1,377	1,506	1,218	1,191	1,428
Total primary government expenses	30,717	35,885	36,974	39,045	43,708	50,620	55,563	56,969
PROGRAM REVENUES								
Governmental activities:								
Charges for services:								
General government	1,046	787	759	1,091	1,271	1,454	1,533	1,668
Judicial	1,523	1,767	2,008	356	1,999	1,801	1,628	1,786
Public safety	1,946	2,037	2,373	2,147	2,423	2,890	4,443	4,369
Public works	359	4	32	57	-	-	21	5
Health and welfare	62	32	25	38	37	30	28	16
Recreation and culture	214	266	260	294	328	314	377	381

CONTINUED...

JACKSON COUNTY, GEORGIA
CHANGES IN NET ASSETS
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2003	2004	2005	2006	2007	2008	2009	2010
Total charges for services	5,801	5,848	6,596	5,071	6,914	6,920	8,293	8,403
Operating grants and contributions	2,737	1,825	2,708	1,953	1,915	2,337	1,266	2,388
Capital grants and contributions	4,226	4,337	3,713	6,907	3,364	2,661	2,539	4,076
Total governmental activities program revenues	12,764	12,010	13,017	13,931	12,193	11,918	12,098	14,867
Business-type activities:								
Charges for services:								
Solid waste disposal facility	586	706	945	1,056	926	833	871	912
Mayfield treatment plant	31	29	26	24	21	18	14	11
Total charges for services	617	735	971	1,080	947	851	885	923
Operating grants and contributions	-	-	-	37	280	-	-	-
Capital grants and contributions	-	-	-	-	-	-	10	-
Total business-type activities program revenues	617	735	971	1,117	1,227	851	895	923
Total primary government program revenues	$ 13,382	$ 12,745	$ 13,988	$ 15,048	$ 13,420	$ 12,769	$ 12,993	$ 15,790
Net (expense)/revenue								
Governmental activities	$ (16,966)	$ (22,524)	$ (22,424)	$ (23,737)	$ (30,009)	$ (37,484)	$ (42,274)	$ (40,674)
Business-type activities	(370)	(616)	(562)	(260)	(279)	(367)	(296)	(505)
Total primary government net expense	(17,336)	(23,140)	(22,986)	(23,997)	(30,288)	(37,851)	(42,570)	(41,179)

CONTINUED...

JACKSON COUNTY, GEORGIA
CHANGES IN NET ASSETS
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2003	2004	2005	2006	2007	2008	2009	2010
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS								
Governmental activities:								
Taxes								
Property Taxes	12,343	13,196	14,103	16,386	18,071	22,287	23,725	24,497
Sales Taxes	9,654	11,603	11,589	15,987	16,513	14,941	12,426	13,772
Insurance premium tax	1,004	1,086	1,160	1,215	1,278	1,309	1,290	1,255
Real estate and recording taxes	-	-	688	731	601	385	371	249
Other taxes	863	854	220	297	212	243	201	239
Total taxes	23,865	26,739	27,760	34,616	36,675	39,165	38,013	40,012
Unrestricted grants and contributions	738	775	823	915	934	1,001	1,050	-
Investment earnings	429	334	668	1,125	1,850	2,299	827	151
Gain on sale of capital assets	160	79	378	92	116	130	75	185
Transfers	(427)	(88)	(373)	(606)	(279)	(367)	(416)	(384)
Total governmental activities	24,764	27,839	29,256	36,142	39,296	42,228	39,549	39,964
Business-type activities:								
Gain on sale of capital assets	(3)	-	-	19	-	-	-	-
Transfers	427	88	373	606	279	367	416	384
Total business-type activities	425	88	373	625	279	367	416	384
Total primary government	25,188	27,927	29,629	36,767	39,575	42,595	39,965	40,348
CHANGE IN NET ASSETS								
Governmental activities	7,798	5,315	6,832	12,405	9,287	4,744	(2,725)	(710)
Business-type activities	54	(528)	(189)	365	-	-	120	(121)
Total primary government	$ 7,852	$ 4,787	$ 6,643	$ 12,770	$ 9,287	$ 4,744	$ (2,605)	$ (831)

Note: The County adopted GASB 34 in 2003. Data for years prior to this are not available.
Note: After 2006, intergovernmental expense has been allocated to other functions.

JACKSON COUNTY, GEORGIA
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2001	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
General fund										
Reserved	397	416	661	807	1,243	1,683	2,134	2,681	2,188	-
Unreserved, designated for:										
Road projects	-	-	-	-	-	566	-	-	-	-
Capital asset purchases	-	1,410	-	-	-	-	-	-	-	-
Debt service	-	640	-	1,169	-	-	-	-	-	-
Unreserved, undesignated	3,900	5,584	2,253	2,664	4,507	6,133	6,254	6,197	7,638	-
Total unreserved	3,900	7,634	2,253	3,833	4,507	6,699	6,254	6,197	7,638	-
Nonspendable	-	-	-	-	-	-	-	-	-	1,659
Restricted	-	-	-	-	-	-	-	-	-	1,183
Assigned	-	-	-	-	-	-	-	-	-	1,762
Unassigned	-	-	-	-	-	-	-	-	-	5,339
Total general fund	$ 4,297	$ 8,050	$ 2,914	$ 4,640	$ 5,750	$ 8,382	$ 8,388	$ 8,878	$ 9,826	$ 9,943
All other governmental funds										
Reserved	808	275	304	1,572	8,396	5,026	7,910	64,678	38,883	-
Unreserved, designated for:										
Capital asset purchases	-	-	15,306	-	-	-	-	-	-	-
Debt retirement	-	-	25	-	-	-	-	-	-	-
Braselton/West Jackson Library	-	-	92	92	-	-	-	-	-	-
Unreserved, undesignated	1,823	3,073	21,021	14,690	3,434	5,592	2,618	3,481	3,345	-
Nonspendable	-	-	-	-	-	-	-	-	-	393
Restricted	-	-	-	-	-	-	-	-	-	32,970
Committed	-	-	-	-	-	-	-	-	-	507
Unassigned	-	-	-	-	-	-	-	-	-	(56)
Total all other governmental funds	$ 2,631	$ 3,348	$ 21,325	$ 16,262	$ 11,830	$ 10,618	$ 10,528	$ 68,159	$ 42,228	$ 33,814

Note: In 2010, the County implemented GASB 54.

JACKSON COUNTY, GEORGIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
REVENUES										
Taxes (see table 5)	$ 14,926	$ 22,661	$ 23,938	$ 26,447	$ 27,858	$ 34,659	$ 36,603	$ 38,546	$ 37,847	$ 40,019
Licenses and permits	437	772	682	962	1,124	977	803	405	250	174
Fines and forfeitures	920	795	735	982	666	734	1,532	1,288	1,355	1,249
Charges for services	2,773	2,739	3,770	3,612	3,961	4,309	4,544	5,077	6,734	6,780
Investment earnings	458	773	429	334	667	1,125	1,850	2,299	827	164
Intergovernmental	3,371	2,734	3,717	3,459	4,558	4,089	3,646	4,143	2,406	4,175
Miscellaneous	962	1,254	56	31	119	693	169	202	168	258
Total revenues	23,847	31,728	33,327	35,827	38,953	46,586	49,147	51,960	49,587	52,819
EXPENDITURES										
General government	2,140	2,747	3,069	4,659	3,474	3,992	5,112	5,095	4,898	4,648
Judicial	1,493	1,600	1,806	2,134	2,436	2,651	2,932	3,253	3,172	2,880
Public safety	7,939	9,464	11,220	13,189	13,993	14,772	16,187	16,923	19,203	19,612
Public works	2,365	3,920	2,359	1,770	2,282	2,325	2,042	2,355	2,414	2,628
Health and welfare	561	639	736	787	798	801	877	902	980	1,110
Recreation and culture	1,298	799	834	990	1,003	1,080	1,212	1,254	1,506	1,328
Housing and development	661	1,598	1,267	1,124	1,705	1,466	1,496	1,431	1,548	1,295
Intergovernmental	4,573	4,762	6,471	6,039	3,924	4,545	12,675	6,167	6,423	8,126
Capital Outlay	3,131	4,562	13,799	25,041	12,687	9,890	11,793	36,122	21,831	11,194
Principal on long-term debt	1,194	1,575	5,145	1,249	1,728	2,370	3,306	2,993	32,424	20,386
Interest and issuance costs on long-term debt	900	285	242	1,261	1,930	2,076	2,698	5,053	6,482	4,879
Total expenditures	26,255	31,951	46,948	58,243	45,960	45,968	60,330	81,548	100,881	78,086
Excess of revenues over (under) expenditures	(2,408)	(223)	(13,621)	(22,416)	(7,007)	618	(11,183)	(29,588)	(51,294)	(25,267)
OTHER FINANCING SOURCES (USES)										
Proceeds from borrowing	569	5,464	27,683	19,739	2,167	1,234	49,005	47,503	26,583	17,186
Debt premiums and discounts	-	-	(1,033)	(421)	-	-	(54)	-	-	-
Sale of capital assets	29	15	243	86	1,891	174	179	2,821	124	188
Transfers in	649	629	6,949	6,275	2,757	3,533	5,262	6,864	43,520	29,523
Transfers out	(843)	(1,415)	(7,380)	(6,600)	(3,130)	(4,139)	(5,541)	(7,232)	(43,936)	(29,907)
Total other financing sources (uses)	404	4,693	26,462	19,079	3,685	802	48,851	49,956	26,291	16,990
Net change in fund balances	$ (2,004)	$ 4,470	$ 12,841	$ (3,337)	$ (3,322)	$ 1,420	$ 37,668	$ 20,368	$ (25,003)	$ (8,277)
Debt service as a percentage of noncapital expenditures	9.06%	6.79%	16.25%	7.56%	10.99%	12.32%	12.37%	17.71%	49.22%	37.77%

JACKSON COUNTY, GEORGIA
General Fund History
Statement of Revenues, Expenditures and Changes in Fund Balances
Last Five Fiscal Years

	2005	2006	2007	2008	2009	2010
REVENUES						
Taxes	$ 20,282,026	$ 23,530,410	$ 24,925,356	$ 27,611,602	$ 28,271,004	$ 29,449,772
Licenses and permits	54,094	34,987	26,579	31,714	39,490	45,840
Fines and forfeitures	480,873	570,186	1,252,838	1,054,044	1,113,677	1,006,114
Charges for services	1,916,917	2,249,642	2,421,572	2,449,468	3,760,108	3,821,048
Interest income	196,769	473,727	660,574	460,270	193,412	122,377
Intergovernmental	2,793,492	2,627,741	2,534,414	2,891,932	1,489,694	614,625
Other	178	75,217	62,439	85,259	80,537	124,474
TOTAL REVENUES	25,724,349	29,561,910	31,883,772	34,584,289	34,947,922	35,184,251
EXPENDITURES						
Current						
General government	3,468,243	3,986,757	5,105,664	5,092,003	4,728,375	4,490,347
Judicial	2,415,415	2,627,551	2,899,977	3,230,681	3,157,800	2,869,171
Public safety	9,948,178	10,391,540	11,211,710	11,376,969	12,313,601	13,315,640
Public works	1,814,432	2,149,023	1,879,416	2,147,621	1,781,366	1,961,834
Health and welfare	343,902	341,011	357,424	406,030	461,166	611,197
Recreation and culture	75,000	75,000	77,500	78,139	100,000	100,000
Housing and development	664,657	360,953	511,282	579,876	729,515	790,367
Intergovernmental	-	-	-	1,747,334	1,807,644	1,607,260
Capital Outlay	4,096,453	818,535	952,839	5,518,452	178,636	191,060
Debt Service						
Principal	1,441,643	2,117,503	2,855,093	2,504,478	-	-
Interest	1,292,058	1,278,776	1,931,681	3,809,579	-	-
TOTAL EXPENDITURES	25,559,981	24,146,649	27,782,586	36,491,162	25,258,104	25,936,875
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	164,368	5,415,261	4,101,186	(1,906,873)	9,689,818	9,247,376
OTHER FINANCING SOURCES (USES)						
Proceeds from borrowings	2,166,760	557,000	1,000,000	2,418,021	-	-
Proceeds from sale of fixed assets	1,869,342	12,004	22,752	2,758,620	48,521	21,450
Transfers in	19,984	393,500	22,000	2,226,452	396,431	91,705
Transfers out	(3,110,088)	(3,745,899)	(5,141,120)	(5,005,162)	(9,186,861)	(9,243,348)
TOTAL OTHER FINANCING SOURCES (USES)	945,998	(2,783,395)	(4,096,368)	2,397,931	(8,741,909)	(9,130,193)
EXCESS OF REVENUES AND OTHER FINANCING OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	1,110,366	2,631,866	4,818	491,058	947,908	117,183
FUND BALANCES, JANUARY 1	4,639,897	5,750,263	8,382,129	8,386,947	8,878,005	9,825,913
FUND BALANCES, DECEMBER 31	$ 5,750,263	$ 8,382,129	$ 8,386,947	$ 8,878,005	$ 9,825,913	$ 9,943,097

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
General Fund Budget (unaudited)
Fiscal Year Ending December 31, 2011

REVENUES	
Taxes	$28,487,481
Licenses and permits	34,800
Fines and forfeitures	1,004,995
Charges for services	3,835,003
Interest & other Income	127,000
Intergovernmental	416,111
TOTAL REVENUES	33,905,390
EXPENDITURES	
Current	
General government	4,558,055
Public Safety	3,000,721
Court System	12,907,228
Public Works	2,021,279
Health and Welfare	460,281
Recreation and Culture	100,000
Housing and Development	595,699
Intergovernmental	2,086,159
Capital Outlay	13,000
TOTAL EXPENDITURES	25,742,422
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	8,162,968
OTHER FINANCING SOURCES (USES)	
Transfers in	86,566
Transfers out	(10,011,176)
TOTAL OTHER FINANCING SOURCES (USES)	(9,924,610)
APPROPRIATION OF PRIOR YEARS' SURPLUS	(1,761,642)
FUND BALANCE, December 31, 2010	9,943,097
FUND BALANCES, December 31, 2011	$ 8,181,455

Table 4B

JACKSON COUNTY, GEORGIA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Property Taxes	Sales Taxes	Insurance Premium Tax	Real Estate & Recording Taxes	Other Taxes	Total
2001	$ 4,302	$ 9,446	$ 848	$ 211	$ 119	$ 14,926
2002	11,727	9,436	936	408	154	22,661
2003	12,375	9,654	1,004	711	194	23,938
2004	12,904	11,603	1,086	602	252	26,447
2005	14,202	11,589	1,160	688	220	27,858
2006	16,429	15,986	1,216	731	297	34,659
2007	17,999	16,513	1,278	601	212	36,603
2008	21,667	14,941	1,309	386	243	38,546
2009	23,559	12,426	1,290	371	201	37,847
2010	$ 24,504	$ 13,772	$ 1,255	$ 249	$ 239	$ 40,019

JACKSON COUNTY, GEORGIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Real Property				Personal Property				Less Exemptions:					
Tax Year	Residential Property	Agricultural Property (1)	Commercial & Industrial	Public Utilities	Inventory & Equipment (4)	Motor Vehicles	Mobile Homes	Other (2)	Real Property	Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate (5)	Estimated Actual Value (3)	Assessed Value as a Percentage of Actual Value
2001	$ 497,780	$ 273,987	$ 148,706	$ 92,732	$ 225,737	$ 105,701	$ 13,897	$ 5,658	$ 132,389	$ 82,553	$ 1,149,256	9.107	$ 2,873,140	40.00%
2002	549,520	276,386	160,828	46,728	293,711	111,673	18,079	8,147	130,742	59,455	1,274,875	9.102	3,187,188	40.00%
2003	612,880	276,952	158,680	94,467	295,037	116,425	19,724	9,729	131,614	60,594	1,391,686	9.067	3,479,215	40.00%
2004	688,097	282,412	171,035	50,783	298,430	138,647	18,520	5,903	136,107	61,986	1,455,734	9.089	3,639,335	40.00%
2005	809,255	284,376	185,796	50,167	319,579	129,596	22,025	4,943	139,008	78,847	1,587,882	9.599	3,969,704	40.00%
2006	957,166	281,690	252,738	53,826	352,705	129,346	19,259	6,620	143,309	88,239	1,821,802	9.129	4,554,505	40.00%
2007	1,217,908	376,972	301,949	71,365	447,231	148,390	14,776	6,460	186,797	162,008	2,236,246	9.042	5,590,615	40.00%
2008	1,320,570	379,620	358,937	69,948	462,739	161,442	13,819	7,865	195,969	171,466	2,407,505	8.959	6,018,763	40.00%
2009	1,329,441	385,816	378,063	71,850	464,415	169,846	13,031	6,142	211,453	173,324	2,433,827	8.965	6,084,568	40.00%
2010	$ 1,253,548	$ 385,344	$ 377,257	$ 77,120	$ 434,650	$ 144,595	$ 11,490	$ 3,879	$ 221,741	$ 162,702	$ 2,303,440	8.992	$ 5,758,600	40.00%

Source: Georgia Department of Revenue
(1) Includes conservation use and preferential property.
(2) Includes aircraft, boats, miscellaneous personal property, timber and heavy equipment.
(3) Property that is exempt from taxation has not been included. That is typically property owned by governments and not-for-profit organizations like churches.
(4) Includes furniture and fixtures.
(5) This is a weighted average of individual direct rates applied to the taxable assessed value of the different portions of the county (incorporated and unincorporated).

JACKSON COUNTY, GEORGIA
ASSESSED VALUATION BY PROPERTY TYPE

PROPERTY TYPE	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Residential	$ 1,255,246,003	$ 1,331,583,736	$ 1,323,104,559	$ 1,220,448,259	959,266,666	$ 811,485,341	$ 689,735,427	$ 614,588,222	$ 551,699,589	$ 499,658,703
Historic	203,660	203,660	203,660	203,660	204,187	-	-	-	-	-
Agricultural	189,832,089	200,543,467	209,438,215	213,634,888	158,937,162	162,898,237	161,735,657	159,183,494	158,003,723	151,126,676
Preferential	249,420	360,419	580,304	580,303	502,740	669,118	964,606	1,974,892	2,943,265	5,634,774
Conservation Use	195,280,567	184,934,791	169,625,853	162,781,951	122,366,218	121,039,383	119,933,418	116,014,476	115,519,432	117,682,923
Commercial	296,176,940	303,498,419	289,325,675	278,110,066	239,080,144	168,082,448	140,181,354	130,839,415	128,706,348	116,985,637
Industrial	516,892,573	541,659,068	536,560,495	473,166,473	369,511,616	339,124,367	330,848,580	326,253,894	329,155,631	258,462,079
Utility	77,119,665	71,850,152	69,947,929	71,364,766	53,826,355	50,166,549	50,782,535	94,466,777	46,727,901	92,732,441
Motor Vehicle	144,595,210	169,846,410	161,441,830	148,390,370	129,346,320	129,595,689	138,646,580	116,424,700	111,673,260	105,701,460
Mobile Home	11,489,841	13,031,351	13,818,918	14,775,983	19,258,511	22,025,410	18,519,782	19,724,155	18,078,682	13,896,956
Timber 100%	569,612	776,025	349,346	365,584	606,050	265,928	805,483	1,636,294	271,279	1,054,483
Heavy Equipment	226,969	317,319	542,517	1,228,580	443,529	385,609	1,672,712	2,788,087	2,295,506	1,262,095
Gross Digest	$ 2,687,882,549	$ 2,818,604,817	$ 2,774,939,301	$ 2,585,050,883	$ 2,053,349,498	$ 1,805,738,079	$ 1,653,826,134	$ 1,583,894,406	$ 1,465,074,616	$ 1,364,198,227
Bond Exemptions	-	-	-	-	-	-	-	-	-	-
Net Bond Digest	$ 2,687,882,549	$ 2,818,604,817	$ 2,774,939,301	$ 2,585,050,883	$ 2,053,349,498	$ 1,805,738,079	$ 1,653,826,134	$ 1,583,894,406	$ 1,465,074,616	$ 1,364,198,227
M & O Exemptions	384,442,628	384,776,437	367,434,554	348,804,934	231,547,714	217,854,756	198,093,713	192,208,071	190,197,376	214,942,437
Net M & O Digest	$ 2,303,439,921	$ 2,433,828,380	$ 2,407,504,747	$ 2,236,245,949	$ 1,821,801,784	$ 1,587,883,323	$ 1,455,732,421	$ 1,391,686,335	$ 1,274,877,240	$ 1,149,255,790
Total real & personal	$ 2,453,881,252	$ 2,562,783,560	$ 2,528,838,761	$ 2,348,925,600	$ 1,849,868,733	$ 1,603,298,894	$ 1,443,399,042	$ 1,348,854,393	$ 1,286,027,988	$ 1,149,550,792

JACKSON COUNTY, GEORGIA
Direct and Overlapping Property Tax Rates - Mills
Last Ten Fiscal Years
(Mills - rate per $1,000 of taxable assessed value)

Tax Year	*2001*	*2002*	*2003*	*2004*	*2005*	*2006*	*2007*	*2008*	*2009*	*2010*
Fiscal Year	*2002*	*2003*	*2004*	*2005*	*2006*	*2007*	*2008*	*2009*	*2010*	*2011*
County - Incorporated	9.780	9.760	9.740	9.770	10.280	9.770	9.590	9.490	9.500	9.550
County - Unincorporated (1)	8.720	8.750	8.730	8.690	9.190	8.730	8.730	8.610	8.610	8.610
School Operations	15.500	17.500	18.500	18.500	18.400	18.900	18.900	18.900	18.900	18.900
School Debt Service	0.780	1.000	1.000	1.000	3.700	3.350	3.100	3.100	3.100	0.000
State of Georgia	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250
Total Incorporated	10.030	10.010	9.990	10.020	10.530	10.020	9.840	9.740	9.750	9.800
Total Unincorporated	25.250	27.500	28.480	28.440	31.540	31.230	30.980	30.860	30.860	27.760
Fire Districts										
Arcade	1.380	1.380	1.380	1.380	1.380	1.370	1.160	1.160	1.640	1.640
East Jackson	1.550	1.550	1.510	1.510	1.510	1.510	1.600	1.600	1.600	1.600
Harrisburg	1.480	1.490	1.760	1.760	1.760	1.760	1.400	1.470	1.470	1.470
Jackson Trail	1.370	1.210	1.140	1.140	1.090	1.070	0.950	0.950	0.950	1.080
Maysville	1.070	1.100	1.100	1.100	1.100	1.100	0.980	1.100	1.100	1.110
Nicholson	0.770	0.770	0.780	0.780	0.770	0.770	0.710	0.710	0.960	0.960
North Jackson	0.640	1.000	0.850	0.850	0.850	0.840	0.730	0.730	0.730	0.730
Plainview	1.700	1.700	1.700	1.700	1.700	1.660	1.660	1.500	1.500	1.510
South Jackson	1.130	1.430	1.420	1.750	1.730	1.730	1.500	1.500	1.500	1.520
West Jackson	1.600	1.570	1.570	1.570	1.720	1.690	1.690	1.670	1.670	1.692
Municipalities(including school)*										
Commerce *	16.300	17.410	18.040	17.740	19.414	19.410	18.810	19.250	19.250	20.040
Jefferson *	17.940	20.520	20.740	22.540	23.790	23.790	23.030	22.940	23.030	23.026
Maysville	3.000	4.510	-	4.850	4.216	3.190	2.728	1.764	2.730	2.730
Pendergrass	-	-	-	-	-	-	-	3.000	3.000	3.000

Source: Georgia Department of Revenue

Overlapping rates are those of local and county governments that apply to property owners within the County. Not all overlapping rates apply to all County property owners (e.g., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district. The districts that are within the city limits of municipalities that do not levy a city tax are considered with the unincorporated areas in computing the maximum rates.

(1) For purposes of this schedule, the County unincorporated rate is considered the total direct rate.

Maximum rates:

Total Incorporated	27.970	30.530	30.730	32.560	34.320	33.810	32.870	32.680	32.780	32.826
Total Unincorporated	26.950	29.200	30.240	30.200	33.300	32.990	32.670	32.530	32.530	29.452

Table 7

JACKSON COUNTY, GEORGIA
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago
(amounts expressed in thousands)

	2010				2001		
	1	2			1		
Taxpayer	Taxable Assessed Value	County Tax Levied	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Southern Power Company	$ 53,435	$ 460,073	1	2.32%	$ -		0.00%
Jackson EMC	30,648	277,247	2	1.33%	-		0.00%
TD Automotive Compressor (Toyota Industries)	36,348	253,496	3	1.58%	-		0.00%
Windstream	14,641	181,951	4	0.64%	-		0.00%
Huber Engineered Woods LLC	21,374	169,284	5	0.93%	9,642	1	0.84%
Kubota Industrial Equipment	16,710	159,584	6	0.73%	-		0.00%
Duke Secured Financing LLC	11,920	124,625	7	0.52%	-		0.00%
Georgia Power Company	10,488	92,991	8	0.46%	-		0.00%
1090 Broadway Avenue Investors	8,886	84,863	9	0.39%	-		0.00%
Stone Mountain Industrial Park Inc	8,240	78,697	10	0.36%	-		0.00%
Caterpillar	-	-		0.00%	8,905	2	0.77%
Mission Foods	-	-		0.00%	8,490	3	0.74%
Wayne Farms	-	-		0.00%	5,931	4	0.52%
Louisiana Pacific	-	-		0.00%	5,567	5	0.48%
Georgia Freezer	-	-		0.00%	5,240	6	0.46%
Mayfield Dairy	-	-		0.00%	5,045	7	0.44%
Mitsubishi	-	-		0.00%	4,900	8	0.43%
Tanger Properties	-	-		0.00%	4,513	9	0.39%
J. M. Family Enterprises	-	-		0.00%	3,764	10	0.33%
Totals	$ 212,690	$ 1,882,811		8.74%	$ 61,997		5.39%

Source: Jackson County Tax Commissioner

1. Amounts expressed in thousands.
2. Rank is based on the amount of County maintenance & operations taxes billed since exemptions that reduce the assessed value can vary by entity.

JACKSON COUNTY, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Tax Years
(amounts expressed in thousands)

Tax Year	Tax Due Date	Taxes Levied for the Tax Year (Original Levy)	Adjustments	Interest, Costs, & Penalties	Total Adjusted Levy	Collected within Fiscal year of the Levy		Collections in Subsequent Years	Total Collections to Date		Uncollected Balance
						Amount	Percentage of Original Levy		Amount	Percentage of Adjusted Levy	
2001	12/20/2001	$ 10,257	$ 398	$ 357	11,012	$ 9,095	88.67%	$ 1,915	$ 11,010	99.98%	$ 2
2002	1/20/2003	12,059	659	340	13,058	3,946	32.72%	9,099	13,045	99.90%	13
2003	12/30/2003	13,383	278	327	13,988	11,716	87.54%	2,263	13,979	99.94%	9
2004	12/20/2004	13,893	850	359	15,102	13,157	94.70%	1,934	15,091	99.93%	11
2005	12/31/2005	16,022	1,070	386	17,478	12,641	78.90%	4,817	17,458	99.89%	20
2006	12/20/2006	18,002	980	465	19,447	16,132	89.61%	3,250	19,382	99.67%	65
2007	12/20/2007	21,845	985	809	23,639	18,616	85.22%	4,894	23,510	99.45%	129
2008	12/20/2008	23,359	968	1,066	25,393	19,728	84.46%	5,526	25,254	99.45%	139
2009	12/20/2009	23,798	253	595	24,646	19,644	82.54%	4,257	23,901	96.98%	745
2010	12/20/2010	$ 23,179	(22)	83	$ 23,240	$ 19,354	83.50%	$ -	$ 19,354	83.28%	$ 3,886

Note:
Taxes levied during the calendar year 2010 are recorded as revenues in the financial statements in 2011 since they are levied to finance that year's expenditures.
Taxes levied include real and personal property, motor vehicle, mobile home, timber, and heavy equipment taxes.
Schedule includes amounts for County maintenance and operations and Fire Districts Special Revenue Funds.

JACKSON COUNTY, GEORGIA
Local Option Sales Tax Revenues
Last Ten Fiscal Years

Month	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
January	$ 296,042	$ 342,992	$ 306,835	$ 367,617	$ 354,287	$ 511,504	$ 471,384	$ 428,140	$ 386,118	$ 707,519
February	281,243	283,735	276,885	292,192	375,207	497,456	432,693	474,993	305,419	466,281
March	333,035	264,816	298,292	358,479	423,899	510,665	492,622	504,223	541,414	426,565
April	313,842	266,853	274,592	348,321	425,224	522,497	572,104	465,876	387,353	461,020
May	331,379	294,851	333,735	402,036	416,842	473,097	606,113	575,834	384,810	442,728
June	301,844	336,325	288,191	359,817	426,991	558,450	470,511	488,923	425,345	447,686
July	319,443	311,830	316,143	382,045	433,237	552,436	585,458	473,075	488,153	465,776
August	320,799	288,571	318,934	389,516	512,539	552,970	592,816	469,737	398,758	432,155
September	359,438	328,845	359,290	444,568	482,838	681,687	566,647	530,739	404,146	409,324
October	330,964	323,051	336,383	351,255	430,946	370,377	539,572	477,119	423,750	412,249
November	323,943	300,396	324,011	388,904	422,601	443,552	495,908	356,471	473,329	486,774
December	304,892	287,876	292,802	410,040	473,008	512,432	522,912	512,092	147,603	129,965
	$ 3,816,864	$ 3,630,141	$ 3,726,093	$ 4,494,790	$ 5,177,619	$ 6,187,123	$ 6,348,741	$ 5,757,224	$ 4,766,198	$ 5,288,042

In December 2009, the method of estimating the amount of sales tax revenue related to the current year was changed.

Prior to that date, the flow of sales taxes was estimated based on the premise that the business collected the tax in the current month, then remitted the funds to the State Department of Revenue in the next month. The State in turn remitted the funds to the County the month following that. Therefore it was estimated that funds received two months later were for the current period.

The Department of Revenue informed the County that with the shift to electronic reporting and paying of sales taxes by the businesses, they were able to distribute funds to the County more quickly than before. The current estimate is that only 1/3 of the amount received in the second month were for the current period.

The County adjusts the accrual only at the end of the fiscal year. In the table above, the revenue for January 2010 includes the 2/3 that previously would have been recorded in December or $295,207.

JACKSON COUNTY, GEORGIA
Special Purpose Local Option Sales Tax Revenues
Last Ten Fiscal Years

Month	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
January	$ 435,814	$ 492,109	$ 492,151	$ 581,786	$ 567,584	$ 814,780	$ 754,505	$ 680,813	$ 616,852	$ 1,135,094
February	417,572	417,901	439,989	459,516	590,399	705,608	684,497	760,725	488,378	748,084
March	487,018	445,584	471,433	579,792	658,343	804,568	802,818	804,773	867,594	680,436
April	460,385	477,526	436,976	552,236	220,938	829,779	910,071	745,565	621,423	739,640
May	492,113	540,259	526,461	638,642	157,154	756,055	959,339	921,427	617,301	714,202
June	444,013	503,256	457,159	564,520	127,236	891,761	753,945	740,155	681,403	718,247
July	465,600	496,943	498,277	604,846	579,279	882,354	945,125	801,601	782,793	747,708
August	472,174	466,050	521,968	614,155	703,770	886,534	946,491	752,612	638,835	693,331
September	531,568	504,458	562,933	698,201	723,480	1,083,767	906,503	848,580	648,397	655,356
October	486,345	530,923	535,391	565,823	675,637	611,529	863,130	752,948	679,842	662,283
November	482,573	477,840	514,661	616,176	662,114	709,257	801,192	567,773	780,595	782,990
December	454,382	453,230	470,610	632,338	745,666	823,286	836,541	806,873	236,806	206,448
	$ 5,629,558	$ 5,806,079	$ 5,928,009	$ 7,108,031	$ 6,411,600	$ 9,799,278	$ 10,164,158	$ 9,183,845	$ 7,660,219	$ 8,483,819

In December 2009, the method of estimating the amount of sales tax revenue related to the current year was changed.

Prior to that date, the flow of sales taxes was estimated based on the premise that the business collected the tax in the current month, then remitted the funds to the State Department of Revenue in the next month. The State in turn remitted the funds to the County the month following that. Therefore it was estimated that funds received two months later were for the current period.

The Department of Revenue informed the County that with the shift to electronic reporting and paying of sales taxes by the businesses, they were able to distribute funds to the County more quickly than before. The current estimate is that only 1/3 of the amount received in the second month were for the current period.

The County adjusts the accrual only at the end of the fiscal year. In the table above, the revenue for January 2010 includes the 2/3 that previously would have been recorded in December or $473,613.

JACKSON COUNTY, GEORGIA
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years

	Governmental Activities				Business-Type Activities				
Fiscal Year	Capital Leases	GEFA Notes Payable	Contracts Payable (2)	IDA Economic Development Bonds	GEFA Notes Payable	Capital Leases	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
2001	$ 1,832	$ 338	$ 26,238	$ -	$ 639	$ -	$ 29,047	2.69%	$ 660
2002	6,377	322	705	-	596	55	8,055	0.73%	173
2003	27,747	306	1,688	-	551	-	30,292	2.64%	645
2004	28,914	289	1,601	16,815	504	-	48,123	3.80%	981
2005	29,400	271	1,511	16,815	454	-	48,451	3.38%	927
2006	28,313	251	1,418	16,815	402	-	47,199	2.90%	846
2007	26,245	231	49,900	16,145	346	-	92,867	5.59%	1,567
2008	26,588	215	49,799	60,455	288	-	137,345	7.83%	2,229
2009	25,972	187	49,698	55,385	226	-	131,468	7.03%	2,104
2010	$ 25,145	$ 163	$ 47,520	$ 54,930	$ 160	$ -	$ 127,918	7.50%	$ 2,115

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics on Table 15 for personal income and population data.

(2) The contract payable of $24,982 for the Upper Oconee Basin Water Authority was moved to the Jackson County Water & Sewerage Authority component unit in 2002 since the source for repayment is water sales made by that entity.

(3) Debt excludes premiums, discounts, and amounts deferred on refunding.

JACKSON COUNTY, GEORGIA
OTHER LONG-TERM LIABILITIES
Last Ten Fiscal Years
(amounts expressed in thousands)

	Governmental Activities				Business-Type Activities					
Fiscal Year	Landfill Closure/ Post-closure (2)	Compensated Absences	Net OPEB Obligation	Total	Landfill Closure/ Post-closure	Compensated Absences	Total	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
2001	$ 296	$ 307	$ -	$ 603	$ -	$ 12	$ 12	$ 615	0.06%	$ 14
2002	262	377	-	639	-	13	13	652	0.06%	14
2003	245	426	-	671	-	11	11	682	0.06%	15
2004	-	469	-	469	611	13	624	1,093	0.09%	22
2005	-	466	-	466	831	13	844	1,310	0.09%	25
2006	-	525	-	525	807	13	820	1,345	0.08%	24
2007	-	535	-	535	956	15	971	1,506	0.09%	25
2008	-	630	-	630	946	17	963	1,593	0.09%	26
2009	-	709	1,292,931	1,293,640	896	16	912	1,294,552	69.26%	20,722
2010	$ -	$ 749	$ 2,038,847	$ 2,039,596	$ 876	$ 18	$ 894	$ 2,040,490	119.66%	$ 33,735

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.
(1) See the Schedule of Demographic and Economic Statistics on Table 15 for personal income and population data.
(2) Landfill closure/postclosure costs were moved from the General fund to the Solid Waste Enterprise fund in 2004.

JACKSON COUNTY, GEORGIA
Direct and Overlapping Governmental Activities Debt
General Obligation Debt
December 31, 2010

Jurisdiction	*Debt Outstanding*	*Percentage Applicable to Government*	*Amount Applicable to Government*
Direct Debt			
GEFA Loans	$ 163,468	100.00%	$ 163,468
Total Direct	163,468		163,468
Intergovernmental Contracts Obligation			
Banks-Jackson-Commerce Hospital Authority	1,490,000	75.00%	1,117,500
Jackson County Industrial Development Authority	14,000,000	100.00%	14,000,000
Jackson County Airport Authority	1,810,000	100.00%	1,810,000
City of Jefferson Public Building Authority	39,845,000	100.00%	39,845,000
City of Jefferson Public Building Authority	7,675,000	100.00%	7,675,000
Jackson County Industrial Development Authority	15,880,000	100.00%	15,880,000
City of Jefferson Public Building Authority	25,050,000	100.00%	25,050,000
Total Intergovernmental Contracts Obligation	105,750,000		105,377,500
Capital Leases			
Capital Lease - Courthouse	22,245,000	100.00%	22,245,000
Capital Leases - Other	2,687,342	100.00%	2,687,342
Total Capital Leases	24,932,342		24,932,342
Guaranteed Revenue Debt			
Upper Oconee Basin Water Authority	43,008,536	41.52%	17,857,144
Jackson County Water and Sewer Authority	18,856,441	100.00%	18,856,441
Total Guaranteed Revenue Debt	61,864,977		36,713,585
Overlapping General Obligation Debt:			
Jackson County School System	77,357,779	100.00%	77,357,779
City of Commerce Board of Education	18,099,700	100.00%	18,099,700
City of Jefferson Board of Education	21,535,000	100.00%	21,535,000
City of Arcade	1,091,688	100.00%	1,091,688
City of Braselton	15,462,063	28.61%	4,423,696
City of Commerce	3,543,394	100.00%	3,543,394
City of Hoschton	5,622,889	100.00%	5,622,889
City of Jefferson	23,807,955	100.00%	23,807,955
City of Maysville	1,333,300	53.79%	717,182
City of Nicholson	142,848	100.00%	142,848
City of Pendergrass	136,720	100.00%	136,720
Total Overlapping General Obligation Debt	168,133,336		156,478,851
Total	$ 360,844,123		$ 323,665,746

Sources: Assessed value data used to estimate applicable percentages provided by the State Department of Revenue. Debt outstanding provided by the County. See Table 10.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the county. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the 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.

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the overlapping government's boundaries and dividing it by the overlapping government's total taxable assessed value.

JACKSON COUNTY, GEORGIA
Direct and Overlapping Governmental Activities Debt
General Obligation Debt
December 31, 2010

Debt and Assessed Value per Capita[1]

		Per Capita		Debt Amount
Direct General Obligation (G.O.) debt per capita		$	2.70	163,468
Direct and Contractual G.O. debt per capita	2	$	1,745	105,540,968
Direct debt, Contractual Debt, Notes, and Leases per capita	3	$	2,157	130,473,310
Direct and Contractual Debt, Notes, Leases, and Overlapping Debt per capita	4	$	5,351	323,665,746
Fair Market Value of Taxable Property per capita	5	$	111,097	
Grossed Assessed value of property before exemptions		$	2,687,882,549	
Net Tax digest for Maintenance and operations		$	2,303,439,921	
Estimated Fair Market Value of Taxable Property		$	6,719,706,373	
Population, 2010 census			60,485	

1 Based on estimated population for the County for 2010 as shown above.

2 Contractual debt represents long term Intergovernmental Contract obligations of Jackson County.

3 Includes all G.O. Debt, contract obligations, leases and short-term notes secured by ad valorem taxes and general revenues of Jackson County.

4 Includes all G.O. Debt, contract obligations, leases and short-term notes secured by ad valorem taxes and general revenues of Jackson County and overlapping direct general obligation debt.

5 Based on 2010 gross assessed valuation before exemptions and estimated fair market value of taxable property in the County shown above.

JACKSON COUNTY, GEORGIA
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year									
	2001	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**
Assessed value of property	$ 1,364,198	$ 1,465,072	$ 1,583,894	$ 1,653,827	$ 1,805,737	$ 2,053,350	$ 2,585,051	$ 2,774,940	$ 2,818,604	$ 2,687,883
Debt limit (10% of total assessed value)	136,420	146,507	158,389	165,383	180,574	205,335	258,505	277,494	281,860	268,788
Amount of Debt applicable to limit:										
General obligation bonds	-	-	-	-	-	-	-	-	-	-
Less: Resources restricted to paying principal	-	-	-	-	-	-	-	-	-	-
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	$ 136,420	$ 146,507	$ 158,389	$ 165,383	$ 180,574	$ 205,335	$ 258,505	$ 277,494	$ 281,860	$ 268,788
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

JACKSON COUNTY, GEORGIA
PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years
(amounts expressed in thousands)

	Sales Tax Increment Bonds [1]			
		Debt Service		
Fiscal Year	Sales Tax Increment	Principal	Interest	Coverage
2001	$ -	$ -	$ -	-
2002	-	-	-	-
2003	-	-	-	-
2004	-	-	-	-
2005	6,412	-	-	-
2006	9,799	-	-	-
2007	10,164	1,285	181	6.93
2008	9,184	1,040	190	7.47
2009	7,660	1,080	145	6.25
2010	$ 8,484	$ 1,135	$ 91	6.92

[1] Sales tax increment bonds are backed by the sales tax revenue produced by the sales tax rate in effect when the bonds were issued.

Note: Details regarding the government's outstanding debt can be found in the notes to the financial statements.

JACKSON COUNTY, GEORGIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (3)	School Enrollment (4)	Unemployment Rate (6)
2001	44,010	$ 1,080,974	$ 24,562	-	3.9%
2002	46,651	1,110,574	23,806	-	4.8%
2003	46,998	1,148,866	24,445	-	3.8%
2004	49,035	1,267,702	25,853	5,907	3.1%
2005	52,292	1,433,899	27,421	6,203	4.1%
2006	55,778	1,626,654	29,163	6,600	3.9%
2007	59,254	1,661,186	28,035	7,125	3.9%
2008	61,620	1,754,013	28,465	7,200	9.5%
2009	62,472	1,869,027	29,918	6,963	10.9%
2010	60,485	$ 1,705,209	$ 33,125	7,984	10.8%

Data sources:
(1) US Bureau of the Census
(2) Amount expressed in thousands
(3) Federal Bureau of Economic Analysis; Then projected for 2009
(4) School District; Information for years prior to 2003 is not available.
(5) State Department of Labor
(6) Jackson County Area Chamber of Commerce

JACKSON COUNTY, GEORGIA
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

		2010			2001		
Employer	**Type of Business**	**Employees**	**Rank**	**Percentage of Total County Employment**	**Employees**	**Rank**	**Percentage of Total County Employment**
Wayne Farms, LLC	Processed Chicken	1,150	1	6.87%	1,400	1	9.52%
Jackson County Board of Education	School System	825	2	4.93%	800	2	5.44%
BJC Medical	Hospital	585	3	3.49%	403	5	2.74%
Gruma Corporation (Mission Foods)	Food Service	485	4	2.90%	450	4	3.06%
Systemax Inc.	Electronics Distributor	425	5	2.54%	-		0.00%
Baker & Taylor Books	Book Distributor	400	6	2.39%	328	7	2.23%
Kubota Industrial Equipment Corp.	Farm Machinery Manufacturer	400	7	2.39%	-		0.00%
Jackson County Government	Government	378	8	2.26%	-		0.00%
TD Automotive Compressors	Compressor Manufacturer	300	9	1.79%	-		0.00%
TenCate Nicolon	Geotextiles	300	10	1.79%	-		0.00%
Mayfield Dairy Farms	Milk/Ice Cream Processing	-			750	3	5.10%
Jackson EMC	Electric Utility	-			400	6	2.72%
Commerce City Board of Education	School System	-			302	8	2.05%
Roper Pump Co.	Manufacturing/pumps				300	9	2.04%
All other employers		11,496		68.66%	9,578		65.11%
Total		16,744		100.00%	14,711		100.00%

Source: Jackson County Area Chamber of Commerce and Georgia Department of Labor
The 2011 Georgia County Guide, published by the Carl Vinson Institute of Government (for 2010 figures)
The 2003 Georgia County Guide, published by the Carl Vinson Institute of Government (for 2001 figures)

JACKSON COUNTY, GEORGIA
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
Last Ten Fiscal Years

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General government	-	-	44	45	48	51	53	60	60	60
Public safety										
Sheriff										
Officers	-	-	48	48	67	66	69	70	80	80
Civilians	-	-	64	64	73	74	74	90	103	104
Emergency	-	-	45	45	49	45	44	50	54	54
Court system	-	-	29	29	29	35	35	44	44	44
Public works	-	-	40	40	42	43	26	27	30	30
Health and welfare	-	-	5	5	7	6	-	1	1	1
Senior Center	-	-	10	10	11	11	11	11	11	11
Transport	-	-	2	2	-	-	2	2	3	3
Recreation and culture	-	-	7	7	8	8	8	8	11	11
Housing and development	-	-	-	-	-	-	20	20	8	8
Solid Waste	-	-	-	-	-	4	4	4	5	5
Total	-	-	294	295	334	343	346	387	410	411

Source: Government Budget Office, FY2011 Budget Document

Notes: A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.
Information for years prior to 2003 is not available.

JACKSON COUNTY, GEORGIA
OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Function										
Sheriff										
Citations Issued	n/a	n/a	2,052	2,071	2,184	3,049	5,154	4,324	6,432	5,205
Fire										
Number of calls answered	2,182	1,700	1,947	2,206	2,718	2,670	2,152	1,979	1,959	2,200
Highways and streets										
Street resurfacing (miles)	n/a	n/a	n/a	34	18	25	25	23	7	8
Sanitation										
Refuse collected (tons/day)	n/a	n/a	53	53	74	81	91	54	73	69 *
Culture and recreation										
Athletic field permits issued	11	9	25	24	23	35	30	15	18	20

Sources: Various County departments
Note: Information is not available for many years.

* estimate

JACKSON COUNTY, GEORGIA
CAPITAL ASSET STATISTICS BY FUNCTION
Last Ten Fiscal Years

Function	Fiscal Year 2006	2007	2008	2009	2010
General government					
Undeveloped Land	13 parcels, 442.174 acres	11 parcels, 255.98 acres	11 parcels, 255.98 acres	11 parcels, 255.98 acres	11 parcels, 255.98 acres
Buildings (1)	2	4	4	4	4
Vehicles	31	36	28	31	39
Small Equipment	31	57	57	64	83
Public safety					
Undeveloped Land	2	1	1	1	1
Buildings (2)	29	33	33	35	32
Vehicles					
Fire/Pumper Trucks	39	40	45	47	55
Other Fire Dept. Vehicles	9	9	15	17	16
Ambulance/Rescue	16	10	15	15	20
Sheriffs Vehicles	74	88	104	111	133
JCCI Vehicles	9	22	20	20	20
Other Public Safety Vehicles	18	29	35	36	35
Equipment	125	140	114	116	175
Other Public Safety Assets (3)	36	37	38	53	-
Court system					
Buildings (4)	2	2	2	2	2
Vehicles	5	1	4	4	1
Small Equipment	15	18	21	21	19
Public works					
Buildings	10	9	9	9	9
Vehicles					
Road Department	45	43	50	51	57
Building Inspector (5)	11	10	10	10	-
Other	13	8	6	6	11
Small Equipment	3	2	4	8	3
Heavy Equipment	60	77	97	103	104
Roads					
Miles Paved during year	22	5	5	5	-
Miles Resurfaced during year	9.6	25.0	22.9	7.2	8.0
Total Miles Paved Roads	530	540	532	500	500
Total Miles Unpaved Roads	134	140	140	111	111
Health and welfare					
Undeveloped Land	1 parcel, 1.06 acres	1 parcel, 1.08 acres	1 parcel, 1.08 acres	1 parcel, 1.08 acres	1 parcel, 1.08 acres
Buildings	6	6	6	6	6
Vehicles	6	6	6	7	8
Equipment	2	2	2	2	2
Recreation and culture					
Undeveloped Land	6 parcels, 101.12 acres	2 parcels, 33.52 acres	2 parcels, 33.52 acres	2 parcels, 33.52 acres	2 parcels, 33.52 acres
Buildings (4)	7	5	5	8	10
Vehicles	12	11	14	14	14
Equipment	22	26	29	35	35
Housing and development					
Buildings	1	1	1	1	1
Vehicles	4	4	4	5	5
Equipment	2	2	2	2	2

Sources: Various county departments
No data is available prior to 2006

(1) Major buildings include Administration Building .
(2) Major buildings include Jail and Correctional Institute. The Jail currently has a 424 bed capacity. The Correctional Institute currently has a 174 bed capacity.
(3) Major Buildings include historic courthouse and new courthouse.
(4) Major buildings include structures at County Recreation Complex.
Note: Some land figures in 2007 have changed from 2006 due to better asset controls.

JACKSON COUNTY , GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For Year Ended December 31, 2010

FEDERAL GRANTOR/ PASS-THRU GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT/ CONTRACT NUMBER	PROGRAM OR AWARD AMOUNT	EXPENDITURES
U.S. DEPARTMENT OF JUSTICE				
- LLEBG Bulletproof Vest Partnership Program	16.607	2010BUBX	9,978	9,978
Total U.S. Department of Justice			**9,978**	**9,978**
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed-through the Georgia Department of Community Affairs				
- CDBG	14.228	08-p-y-078-1-5052	500,000	481,092
Total U.S. Department of Housing and Urban Development			**500,000**	**481,092**
U.S. DEPARTMENT OFHEALTH AND HUMAN SERVICES				
Passed-through the Northeast Georgia Regional Development Center				
- Special Programs for the Aging, Title III, B	93.044	FY 2010 Aging Services Contract	9,408	4,704
- Special Programs for the Aging, Title III, B	93.044	FY 2011 Aging Services Contract	9,408	4,704
- Special Programs for the Aging, Title III, C1	93.045	FY 2010 Aging Services Contract	54,221	27,103
- Special Programs for the Aging, Title III, C1	93.045	FY 2011 Aging Services Contract	57,863	28,928
- Special Programs for the Aging, Title III, C2	93.045	FY 2010 Aging Services Contract	34,311	17,158
- Special Programs for the Aging, Title III, C2	93.045	FY 2011 Aging Services Contract	39,296	19,647
- Special Programs for the Aging, NSIP	93.053	FY 2010 Aging Services Contract	14,687	7,352
- Special Programs for the Aging, NSIP	93.053	FY 2011 Aging Services Contract	12,388	6,255
		Aging Cluster	231,582	115,851
Passed through Advantage Behavioral Systems of Northeast Georgia Regional Commission				
- Special Programs for the Aging, SSBG	93.667	HCBS	1,488	827
			1,488	827
Total U.S. Department of Health and Human Services			**233,070**	**116,678**
U.S. DEPARTMENT OF TRANSPORTATION				
Passed-through the Georgia Department of Transportation				
-Operating Assistance Grant July 2009 -June 2010	20.507	GA-18-4030	65,943	33,918
-Operating Assistance Grant July 2010 - June 2011	20.507	GA-18-4031	64,188	23,823
-ARRA Supplemental Contract	20.507	GA-86-X001	48,500	47,437
			178,631	105,178
Passed-through the Georgia Department of Transportation				
-Airport Improvement	20.106	AP090-9010-19(157)	180,683	154,492
Passed through Advantage Behavioral Systems of Northeast Georgia Regional Commission				
-Coordinated Transportation Grant	20.513	FY 2010 Contract	15,747	15,747
-Coordinated Transportation Grant	20.513	FY 2011 Contract	23,453	23,453
-Coordinated Transportation Grant - ARRA Funds	20.513	FY 2011 Contract	5,909	5,909
			45,109	45,109
Total U.S. Department of Transportation			**404,423**	**304,779**
DEPARTMENT OF HOMELAND SECURITY				
Passed-through the Georgia Emergency Management Agency				
-GEMA Citizen Corp Program, EMA	97.042	2008-GE-T8-0017	10,000	591
			10,000	591
Federal Emergency Management Agency				
-FEMA Assistance to Firefighters Grant	97.044	2010-M9-3120GF-25000	102,600	102,600
			102,600	102,600
Total Federal Emergency Management Agency			**112,600**	**103,191**
GRAND TOTAL			**$ 1,260,071**	**$ 1,015,718**

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
1 This schedule is prepared on the modified accrual basis of accounting.

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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*

June 16, 2011

Board of Commissioners
Jackson County, Georgia
Jefferson, 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 JACKSON COUNTY, GEORGIA, as of and for the year ended December 31, 2010, which collectively comprise JACKSON COUNTY, GEORGIA's basic financial statements and have issued our report thereon dated June 16, 2011. Our report includes a reference to 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. Other auditors audited the financial statements of the JACKSON COUNTY HEALTH DEPARTMENT, as described in our report on JACKSON COUNTY, GEORGIA's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses, We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be significant deficiencies in internal control over financial reporting. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency 10-01 described in the accompanying Schedule of Findings and Questioned Costs to be significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether JACKSON 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 an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Questioned Costs as items 10-02.

We noted certain matters that we reported to management of JACKSON COUNTY, GEORGIA, in a separate letter dated June 16, 2011.

JACKSON COUNTY, GEORGIA's response to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit JACKSON COUNTY, GEORGIA's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Board of Commissioners, others within the entity, 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.

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PO DRAWER 2396
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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

June 16, 2011

Board of Commissioners
Jackson County, Georgia
Jefferson, Georgia

Compliance

We have audited JACKSON COUNTY, GEORGIA's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of JACKSON COUNTY, GEORGIA's major federal programs for the year ended December 31, 2010. JACKSON COUNTY, GEORGIA's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of JACKSON COUNTY, GEORGIA's management. Our responsibility is to express an opinion on JACKSON COUNTY, GEORGIA's compliance based on our audit.

JACKSON COUNTY, GEORGIA's basic financial statements include the operations of a legally separate component unit, JACKSON COUNTY HEALTH DEPARTMENT. Any amounts of federal awards received by that component unit are not included in the accompanying schedule of expenditures of federal awards. Our audit, described below, did not include the operations of JACKSON COUNTY HEALTH DEPARTMENT because the component unit engaged other auditors to perform any audit required in accordance with OMB Circular A-133.

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

In our opinion, JACKSON COUNTY, GEORGIA, complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010.

Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the management, the Board of Commissioners, others within the entity, 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.

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PO DRAWER 2396
GAINESVILLE, GEORGIA 30503
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JACKSON COUNTY, GEORGIA
AUDITORS' SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2010

I SUMMARY OF AUDITORS' RESULTS:

1. Report issued on Financial Statements - Unqualified opinion.
2. Internal Control (financial statements) – One finding including one significant deficiency and no material weaknesses.
3. Compliance (financial statements) – Two instances of noncompliance.
4. Compliance (major programs) - Unqualified opinion, no instances of noncompliance.
5. Internal control (major programs) – No material weaknesses noted.
6. Audit findings required to be reported under A133 Section 510(a)
    - i) Significant deficiencies in internal controls over major programs – None reported
    - ii) Material noncompliance related to major programs – None reported
    - iii) Known questioned costs greater than $10,000 for major programs – None reported
    - iv) Known questioned costs greater than $10,000 for a program not audited as major – None reported
    - v) Circumstances if report on compliance is other than unqualified - N/A
    - vi) Known fraud - N/A
    - vii) Misrepresentation in schedule of prior audit findings - None reported
7. Major programs for the year: CFDA 14.228 CDBG Grant, 20.106 DOT Airport Improvement Grant.
8. Dollar threshold used to distinguish between Type A and Type B programs - $300,000.
9. Does the auditee qualify as a low risk auditee under A133 Section 530 - No.

II AUDIT FINDINGS - GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS

SIGNIFICANT DEFICIENCIES
INTERNAL CONTROLS

CLERK OF COURT

10-01 **Statement of Condition:**

This was a prior year finding. The Clerk of Court does not have an accurate detailed listing of custodial funds including restitution, cash bonds, and other items that agrees to the balance in the bank accounts.

Criteria:

Since the Clerk's funds are all held in trust for some entity, the amounts of money due to each entity should be identifiable at the end of each month.

Effect of Condition:

The absence of detailed listings lends itself to errors and a failure to disburse money to the appropriate parties.

Cause of Condition:

The Clerk had never created an adequate system to track funds held in trust. The computer software that they have been using does not have reports available that are complete and easy to run that would automate and simplify this process.

Recommendation:

The Clerk has been working with the software vendor to have these reports written in order to track such items not yet disbursed.We recommend that all due diligence be given to ensuring that this process is finished by the end of June 2011. Furthermore, once those reports are written, the Clerk will need to run them to obtain detailed listings by individual item not yet disbursed. The total of these undisbursed funds should be agreed to the bank balance at the end of each month.

Response:

The Clerk will ensure that the software vendor will have reports written and put into place by June 30, 2011. Clerk and staff will run reports monthly to ensure undisbursed funds are disbursed and that the bank balance will agree.

COMPLIANCE AND OTHER MATTERS
WEST JACKSON FIRE DISTRICT

10-02 **Statement of Condition:**

Three accounts at Hometown Community Bank were not sufficiently collateralized by about $17,000 at December 31, 2010. The amount of collateral was 103%.

Criteria:
State statutes require collateral pledged in the amount of 110% of deposits.

Effect of Condition:
The State law protects the county funds on deposit in the event of a bank failure.

Cause of Condition:
Unknown.

Recommendation:
We recommend that the account be sufficiently collateralized.

Response:
The West Jackson Fire District will ensure all deposits are properly collateralized per Georgia State Law.

III FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

There were no findings or questioned cost relating to Federal awards reported for the year ended December 31, 2010.

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