

DAWSON COUNTY

GEORGIA

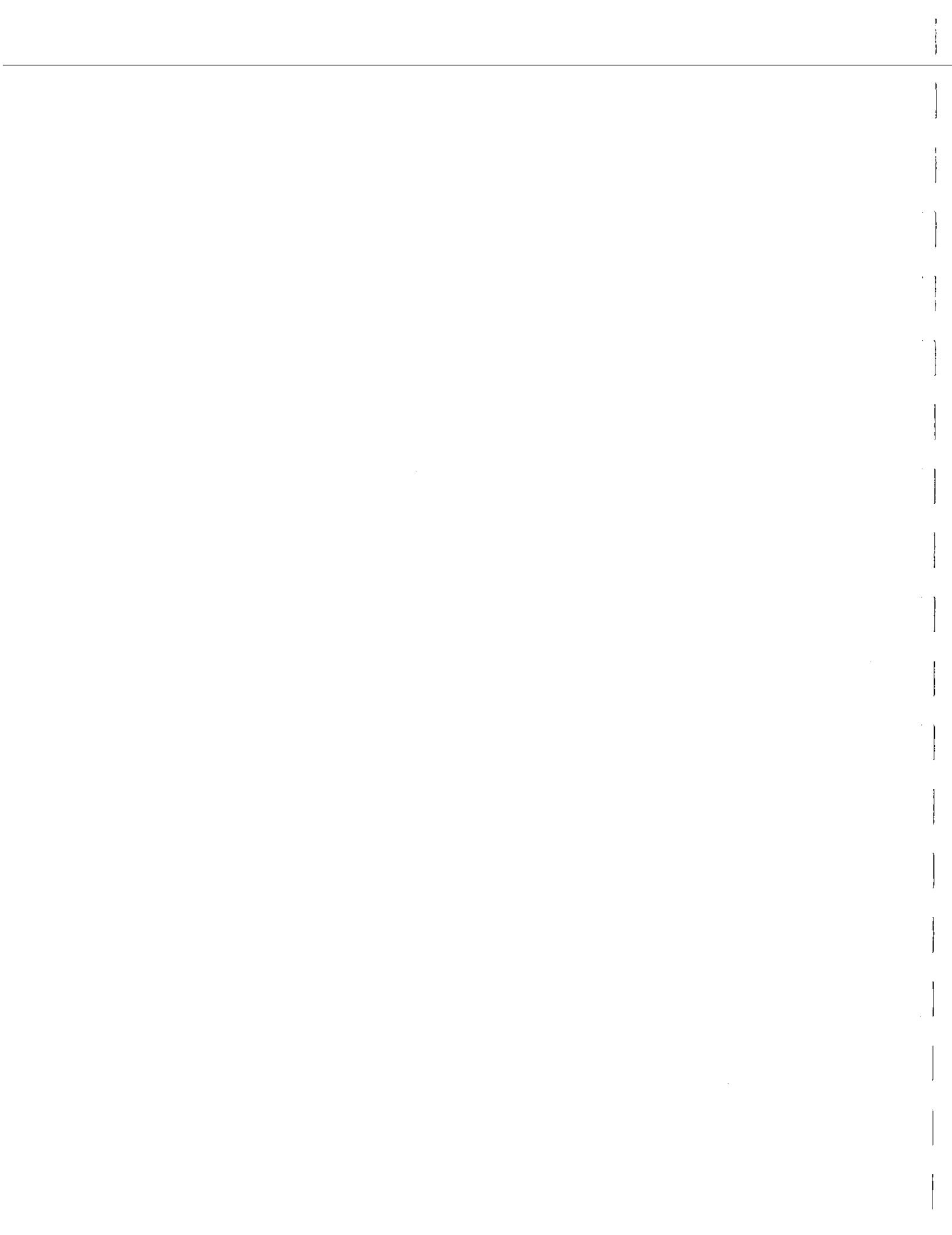
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED
DECEMBER 31, 2009



PREPARED BY
DAWSON COUNTY FINANCE DEPARTMENT
CINDY G. CAMPBELL, CPA
CHIEF FINANCIAL OFFICER

2009



**DAWSON COUNTY, GEORGIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED December 31, 2009**

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June 24, 2010

Citizens
Chairman and
Members of the Board of Commissioners
Dawson County, Georgia:

We are pleased to issue to you the 2009 Comprehensive Annual Financial Report (CAFR) for Dawson County, Georgia, (the "County") for the fiscal year ended December 31, 2009 as required by state law within six months of the close of the fiscal year. Dawson County's 2009 CAFR contains a complete set of financial statements presented in conformity with Generally Accepted Accounting principles (GAAP) and audited in accordance with Generally Accepted Auditing Standards (GAAS) by a firm of licensed certified public accountants. The report is prepared in accordance with Section 2-18 of the Dawson County, Georgia Enabling Legislation, Senate Bill Number 176, Act No. 73 as approved in March of 1995 and meets the requirements of the Act providing uniform standards for audits of municipalities and counties within the State of Georgia, approved April 21, 1967 (Ga. Laws 1967, p. 883).

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the County. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds of the government. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

The Chief Finance Officer and the County Manager are responsible for establishing and maintaining internal controls to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. As stated above, internal controls are not absolute in fraud prevention. The County had an occurrence of fraud in an elected official's office in early 2010. The external audit firm assisted with an investigation and subsequently assisted the specific office to establish better procedures in the elected official office. New safeguards have been implemented that will help guard against future incidents. Additionally, the external audit firm was requested

by County management to provide internal control training to all County department leaders. As management, we assure that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The State of Georgia and the Dawson enabling legislation requires an annual audit by independent certified public accountants. This requirement has been met for the fiscal year ended December 31, 2009 as the County's financial statements have been audited by Bates, Carter & Co., LLP, a firm of licensed certified public accountants. The independent audit provides reasonable assurance that the financial statements of the County for the fiscal year ended December 31, 2009, are free of material misstatement. The independent audit involves: 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 on the financial statements of the County for the fiscal year ended December 31, 2009 and that the financial statements are fairly presented in conformity with GAAP. The report of the independent auditors is presented in the financial section of this report.

The requirements of GAAP governmental and auditing principles necessitate that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). Dawson County's MD&A can be found immediately following the report of the independent auditors. The Auditors' reports are located on pages x and xi of the Financial Section. An organizational chart of the County is included as well as a list of government officials.

Dawson County, established in 1857, is a growing rural county, located in the foothills of the North Georgia Mountains and celebrated its 150th anniversary in 2007. There is one incorporated city in the County, the City of Dawsonville, Georgia. Growth from metro Atlanta makes its way northward via the 400 Corridor, thus making the County a gateway to the mountains of North Georgia. Growth continued to slow in 2009 due to the downturn in the economy; however, it continues to be a primary concern for the future of the County as the economy recovers and regains momentum.

The governing authority of the County consists of a five-person Board of Commissioners, including a part-time Chairman and four District Commissioners elected at large. The County operates under the County Manager form of management with 9 operating departments, and elected officials, i.e., the Courts, Sheriff Department, Tax Commissioner, Tax Assessor, as well as the Registrar. The County Manager reports directly to the Board of Commissioners and oversees the activities of the operating departments, as well as serving as a liaison for the Board with those departments headed by elected officials. Since the County commission also serves as the oversight body of the Dawson County

Health Department, Dawson County Development Authority and the Dawson County Industrial Building Authority, these entities are included in this report.

Dawson County provides a range of services including public safety (Law Enforcement - Sheriff and Emergency Services-Fire, Ambulance, Coroner and Civil Defense), judicial, health and social services, recycling services, public works/road/traffic department, Geographic Information System (GIS), inspections, and cultural and recreational programs.

Formal budgetary integration is employed as a non-GAAP management control device during the year. A triennial budget process was implemented during 2006 for 2007-2009 and continued on a rolling basis in 2009 for 2010-2012. All departments submit their budget requests online into the Budget Prep System for each year of the next three years. After conferences are conducted with each department and constitutional officers to review their requests, a tentative budget (Chairman's Proposed Budget) is submitted to the commissioners and the public. Public hearings are held to obtain taxpayer comments with the final budget adopted and the millage rate set. Budget changes at the department level within fund are approved by the County Manager and/or Finance Director as outlined in the annual Budget Resolution. The Board of Commissioners must approve all other changes. Budget to actual comparisons are presented in this report for each individual fund for which an annual budget has been adopted. For the general fund, the comparisons are included in the required supplemental section. The other funds with legally adopted annual budgets are included in the combining statement and schedule section. Dawson County follows the laws of Georgia regarding the control, adoption and amendment of the budget during each fiscal year.

Local Economy. Dawson experienced slower growth during 2009 along with a downturn in its economy, especially within the housing industry. However, an approximate 37.5% population growth (22,006) since the 2000 census (15,999) continues to impact all levels of service needs in the County regardless of the slowed growth. Some characteristics:

- 1) Sembler delayed a major pending development in the 400 area due to the economy, but is expected to begin construction in 2011 or 2012;
- 2) The County supports Dawson Development Authority efforts to bring new business opportunities into Dawson County;
- 3) Approximately 93.4% of the County's population resides in the unincorporated portion of the County with the remaining 6.6% residing in the one municipality, the City of Dawsonville;
- 4) The County's unemployment level jumped to a high of 10.9% in June of 2009, ending the year at 10.6% which is higher than the State's 10.3%, and then climbed again to 10.9% in January of 2010;
- 5) Foreclosures hit an all-time high during 2009 resulting in declining property tax revenue;

- 6) North Georgia Premium Outlet Mall is the County's largest employer, drawing many visitors from the Atlanta and surrounding areas with the Dawson County Board of Education and Wal-Mart coming in second and third, respectively;
- 7) The number of building permits overall decreased from 389 in 2008, to 247 in 2009, a decrease of 37%; house permits declined by 68% while farm building increased by 400%; grading permits decreased by 75% except for existing home landscaping (driveways, etc.).

Goals and Objectives. The County continues to focus on infrastructure improvements, business retention and new business investment into the community for future growth and sound fiscal management of resources while maintaining the quality of life we enjoy here in Dawson County. Financing these goals is a great concern for the County especially with the continued economic decline. While new business is desired and needed to level the tax base between residential, commercial and industrial, funding the infrastructure is costly. The County implemented and collected impact fees from mid-2006 through early 2009. However, the County suspended the impact fee collections in 2009 in an effort to stimulate the local economy. It is anticipated the collections will remain suspended until the economy recovers. The County citizens voted approval to continue the Special Purpose Local Option Sales Tax (SPLOST V) in September of 2007. The voter approval allows the County to continue to collect the one (1) percent sales tax upon completion of the previous SPLOST in 2009. The new SPLOST had anticipated funding a new courthouse, renovation of the existing courthouse for an administration facility, refunding of existing debt to general fund, road improvements, a new library in the 400 corridor, emergency services improvements, recreation improvements and many other projects over a six-year period. The SPLOST V referendum was based upon growth continuing as the County experienced during 2005-2007. However, with the decline in the economy, the SPLOST V collection may only produce sufficient funds to build the new courthouse facility under a reduced budget. The prefunded courthouse facility is designed with construction scheduled to start in early 2010.

The SPLOST IV program ended in June of 2009 funding the following projects:

- a new jail with administrative offices for law enforcement that opened in late 2007;
- a multi-purpose facility, Rock Creek Park continues to serve the community daily with recreational functions as well as the location for many meetings;
- land acquisition for future county facility;
- road improvements and equipment; and
- fire facility, equipment and vehicles for Emergency Services. Fire Station 2 is under construction in 2009 with completion anticipated for early 2010.

Due to the downturn in the economy, the County reduced its 2009 operating budget by almost \$5 million. And though, during 2009, property taxes were held at the millage rate from the prior year, many other revenues were negatively impacted. The County continues to find innovative ways to maintain current services levels such as:

- Furloughed employees during 2009 for savings as part of the cost reduction plan;
- Continued to provide data to citizens in many areas via the Dawson County web site;
- Expended Impact Fees collected in 2008 under the budget adopted for 2009 to fund Emergency Services, Fire, Roads, Parks and Library improvements. As stated earlier, the County, in May 2009, eliminated the collection of impact fees to stimulate the local economy;
- Conducted the second Citizens Academy to educate and inform citizens regarding the government process of the County;
- Established a customer service focus group “In Touch With Dawson County” whose resulting communication program won an award from the 2009 Association of County Commissioner’s Georgia County Excellence Award. The program incorporated many facets to boost communications between citizens and the County, including the Citizens Academy mentioned above, an e-newsletter for citizens and another for county employees, a high school local government class for students, a monthly newspaper column, consistent information delivery to the media, routine meetings with neighborhoods and civic groups, and much more;
- Implemented a 311 number for citizens to call for government information;
- Restructured several departments for more efficient operations with County Manager oversight;
- Implemented a new system to recycle comingled recyclables;
- Implemented a fuel station for County and other government use to reduce the cost of fuel through bulk purchase. The station currently is utilized by County departments, the City of Dawsonville, the Board of Education, Public Health, and Etowah Water and Sewer Authority resulting in significant savings for each entity;
- Implemented an in-house Fleet Maintenance Shop to perform routine maintenance for County vehicles thus reducing cost;
- Developed procedures for a Vehicle Replacement Fund that will allow vehicle replacement at lower costs in the future. Due to the declined economy, the implementation must be addressed in a future triennial budget process; and
- Researched the provision of health care benefits for Dawson County employees and how to fund those benefits given the rising cost of health care.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in financial reporting to Dawson County for its comprehensive annual financial report for the fiscal year ended 2008. This was the second consecutive year that Dawson County government achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual financial report continues to meet the Certificate of Achievement Programs' requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments. The preparation of this report has been accomplished through the dedicated effort of the entire staff of the Finance Department and the County Manager's office in conjunction with the external audit firm, Bates, Carter & Co., LLP. Additionally, we would like to thank the Board of Commissioners for their leadership and support in conducting the financial affairs of the County in a responsible manner.

Respectfully submitted,

Cindy Campbell

Cindy Campbell, CPA
Chief Finance Officer

Kevin Tanner

Kevin Tanner
County Manager

DAWSON COUNTY, GEORGIA
GOVERNMENT OFFICIALS
AS OF DECEMBER 31, 2009

Board of Commissioners

Chairman:	Mike Berg
Vice Chairman:	Gary Pichon
District 1 Commissioner:	Gary Pichon
District 2 Commissioner:	James Swafford
District 3 Commissioner:	Mike Connor
District 4 Commissioner:	Julie Nix

Other Elected Officials

Clerk of Court:	Becky McCord
Probate Judge:	Jennifer Burt
Magistrate Judge:	Lisa Poss-Thurmond
Sheriff:	Billy Carlisle
Tax Commissioner:	Linda Townley

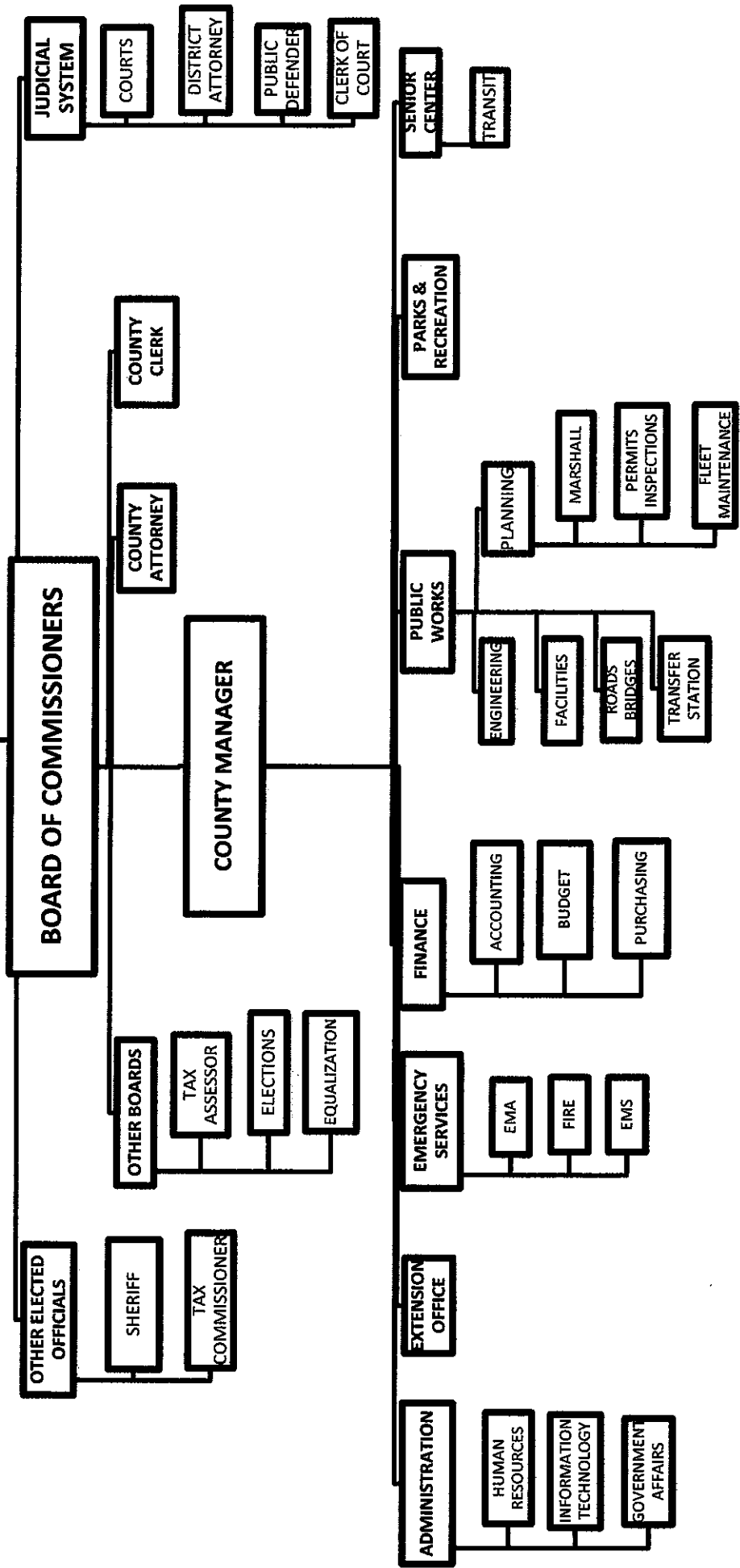
Administration

County Manager:	Kevin Tanner
Clerk of Commission:	Dauida Simpson
Chief Financial Officer:	Cindy Campbell
Finance Director:	Lowayne Craig

2010 DAWSON COUNTY ORGANIZATION CHART



DAWSON COUNTY CITIZENS



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Dawson County
Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2008

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.



A stylized handwritten signature in black ink, appearing to read "J.R. Emer".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

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INDEPENDENT AUDITORS' REPORT

June 24, 2010

Board of Commissioners
DAWSON COUNTY, GEORGIA
Dawsonville, 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 DAWSON COUNTY, GEORGIA, as of, and for the year ended December 31, 2009, 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 DAWSON 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 DAWSON COUNTY Health Department, a component unit of the County, as of and for the year then ended December 31, 2009, which statements reflect total assets of \$269,781 as of December 31, 2009, and total revenues of \$608,274, 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 DAWSON 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 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 DAWSON COUNTY, GEORGIA, as of December 31, 2009, 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.

As discussed in Note 15 to the financial statements, the County has adopted the composite method to calculate depreciation expense for road infrastructure assets.

In accordance with *Government Auditing Standards*, we have also issued a report dated June 24, 2010, on our consideration of DAWSON COUNTY, GEORGIA's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulation, contracts, grants, 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.

The Management's Discussion and Analysis, Schedule of Pension Funding Progress, and Budgetary Comparison Schedule-General Fund are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise DAWSON COUNTY, GEORGIA's basic financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements and supplemental budgetary comparison schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

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

As management of Dawson County, Georgia, (the "Government"), we offer readers of the Government's financial statements this narrative overview and analysis of the financial activities of Dawson County, Georgia for the year ended December 31, 2009. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the Government's financial statements, which follow this narrative.

Financial Highlights

- The assets of the County exceeded its liabilities at the close of the fiscal year by \$68.9 million (net assets).
- The government's total net assets increased by \$1.7 million prior to a change in accounting principle. This is, in part, attributable to the fact that property tax revenues were levied to purchase capital assets in excess of depreciation of \$0.5 million and to pay principal on debt of \$4.2 million. These items are not expenses that reduce net assets at the entity-wide level.
- As of the close of the current fiscal year, the Government's governmental funds reported combined ending fund balances of \$53.6 million a decrease of \$3.3 million from the prior year due to planned spending for budgeted activities including impact fees expended for 2006-2008 collections. This amount includes the restricted Special Purpose Local Option Sales Tax and Capital Projects fund balances. Approximately 5.78% of this total amount or \$3.1 million is available for spending at the government's discretion.
- At the end of the current fiscal year, \$3.1 million of total general fund balance of \$3.3 million is designated as operating reserve and is 40.4% (\$2.1 million) short of the goal for reserving three month's operating funds for the General Fund (\$5.2 million). The reserve represents 14.8% of total general fund expenditures for the fiscal year. One month's operating cost is \$1.7 million, a decrease over 2008 costs of \$1.9 million.
- The Government's total debt decreased by \$4.4 million during the current fiscal year, primarily due to debt reductions via scheduled payments on existing debt.
- In 2007, the Government increased from the "A" rating from Standards and Poor's Rating Group from the issuance of 2004 Certificates of Participation SPLOST General Obligation Bonds to an "A+" rating. Moody's Rating Group also gave Dawson County an "A1" rating in 2007 on the issuance of Special Purpose Local Option Sales Tax General Obligation Bonds to pre-fund the courthouse and renovation of the existing courthouse.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Government's basic financial statements. The Government's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different views of the Government through the use of government-wide statements and fund financial statements. In addition to the basic financial statements,

this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the Government.

Basic Financial Statements

The first two statements (page 1 and 2) in the basic financial statements are the Government-wide Financial Statements. They provide both short and long-term information about the Government's financial status.

The next statements (pages 3 through 10) are Fund Financial Statements. These statements focus on the activities of the individual parts of Dawson County, Georgia's government. These statements provide more detail than the government-wide statements. There are three parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the proprietary fund statements; and 3) the fiduciary fund statements.

The next section are the combining statements for the three component units. These provide more details than pages 1 and 2.

The next section of the basic financial statements is the Notes. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, supplemental information is provided to show details about the Government's non-major governmental funds, all of which are added together in one column on the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the Government's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the Government's financial status as a whole.

The two government-wide statements report the Government's net assets and how they have changed. Net assets are the difference between the Government's total assets and total liabilities. 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.

The government wide statements are divided into three categories: 1) governmental activities; 2) business type activities; and 3) component units. The governmental activities include most of the Government's basic services such as general administration, public safety, court system, public works, culture and recreation, health and welfare, and community development. Property taxes, sales taxes, and state and federal grant funds finance most of these activities. The business type activities are those that the Government charges customers to provide. These include waste management, geographical information services and daycare services (which was closed in 2009). The final category is component units. The Dawson County Department of Health is a public health department. Although legally separate from the government, the Government owns the facility the Health Department is housed in as well as appointing a voting majority of the board for the Department of Health. Other component units are the Dawson County Development Authority and the Dawson County Industrial Building Authority. The Government appoints a voting majority of these Authorities.

Fund Financial Statements

The fund financial statements provide a more detailed look at the Government's most significant activities. 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 Government, like all other governmental entities in Georgia, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the County's budget resolution. All of the funds of the Government can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the Government's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash and the amount of funds left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*. This method also has a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are financial resources available to finance the Government's programs. The relationship between government activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Budgetary comparison schedules have been provided for the general fund to demonstrate compliance with the annual appropriated budget. The budgetary comparison schedules use the budgetary basis of accounting (which is modified accrual). The schedules show four columns: 1) the original budget as adopted by the commission; 2) the final budget as amended by the commission; 3) the actual resources, charges to appropriations, and ending fund balances; and 4) the difference or variance between the final budget and the actual resources and charges. Budgetary comparison schedules for the Debt Service fund and all special revenue funds can be found in later sections of this report. These statements and schedules demonstrate compliance with the County's adopted and final revised budgets.

Proprietary Funds – The Government has two types of proprietary funds. *Enterprise Funds* are used to report the same functions presented as business type activities in the government wide financial statements. The Government uses enterprise funds to account for its Solid Waste Disposal Facility Fund, DCAR GIS, and the Child Development Center Fund which was closed in 2009. *Internal Service Funds* account for the financing of services provided by one department or agency to other departments or agencies of the Government on a cost reimbursement basis.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The Government has five fiduciary funds, all of which are agency funds.

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 start on page 13 of this report.

Government-wide Financial Analysis

This report is presented in accordance with the mandates for financial statement reporting as dictated by the Governmental Accounting Standards Board (GASB) in Statement 34. This year, comparison analysis is made from the year ended December 31, 2008 to the year ended December 31, 2009.

DAWSON COUNTY, GEORGIA'S NET ASSETS

DECEMBER 31, 2009

(\$ In thousands)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2009	2008	2009	2008	2009	2008
Assets						
Current and other assets	\$ 67,735	\$ 71,497	\$ 356	\$ 411	\$ 68,091	\$ 71,908
Capital assets (net of depreciation)	<u>67,523</u>	<u>96,274</u>	<u>2,271</u>	<u>2,255</u>	<u>69,794</u>	<u>98,529</u>
TOTAL ASSETS	<u>135,258</u>	<u>167,771</u>	<u>2,627</u>	<u>2,666</u>	<u>137,885</u>	<u>170,437</u>
Liabilities:						
Long-term liabilities outstanding	54,290	58,880	930	785	55,220	59,665
Other liabilities	<u>13,782</u>	<u>14,181</u>	<u>15</u>	<u>26</u>	<u>13,797</u>	<u>14,207</u>
TOTAL LIABILITIES	<u>68,072</u>	<u>73,061</u>	<u>945</u>	<u>811</u>	<u>69,017</u>	<u>73,872</u>
Net assets:						
Invested in capital assets, net of related debt	51,217	78,191	2,271	2,255	53,488	80,446
Restricted	9,595	11,990	-	1	9,595	11,991
Unrestricted	<u>6,375</u>	<u>4,529</u>	<u>(590)</u>	<u>(401)</u>	<u>5,785</u>	<u>4,128</u>
TOTAL NET ASSETS	<u>\$ 67,187</u>	<u>\$ 94,710</u>	<u>\$ 1,681</u>	<u>\$ 1,855</u>	<u>\$ 68,868</u>	<u>\$ 96,565</u>

As noted earlier, net assets may serve over time as one useful indicator of a government's financial condition. The assets of the Government exceeded liabilities by \$68.9 million as of December 31, 2009. The same comparison for 2008 indicates that the assets exceeded liabilities by \$96.6 million. This is a decrease of \$(27.7) million which is mainly due to \$29.4 million reduction related to a change in accounting principles.

One of the largest portions of net assets, \$53.5 million (77.7%) reflects the Government's investment in capital assets (e.g. land, buildings, machinery, and equipment) less any related debt still outstanding that was issued to acquire those items. The Government uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Government's investment in its capital assets is reported net of the outstanding debt, the resources needed to repay the debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities.

An additional portion of the Government's net assets, \$9.6 million (13.9%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets \$5.8 million may be used to meet the Government's ongoing obligations to citizens and creditors.

Several particular aspects of the Government's financial operations positively influenced the total unrestricted governmental net assets:

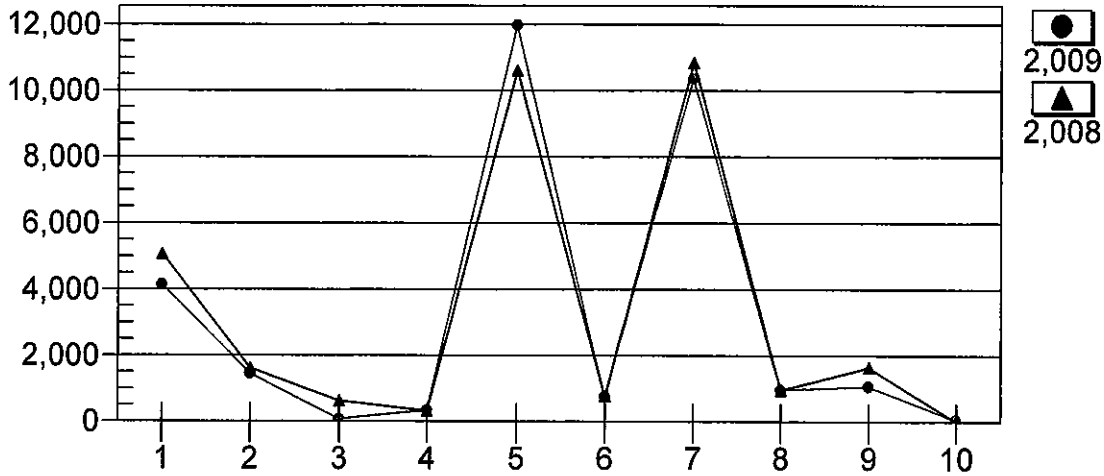
- Continued low cost of debt due to the County's bond rating and ability to finance at lower rates;
- Continued stringent control of spending;
- Continued diligence in the collection of property taxes.

DAWSON COUNTY, GEORGIA'S CHANGES IN NET ASSETS
DECEMBER 31, 2009
(\$ In thousands)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2009	2008	2009	2008	2009	2008
REVENUES						
Program revenues:						
Charges for services	\$ 3,656	\$ 4,702	\$ 484	\$ 375	\$ 4,140	\$ 5,077
Operating grants and contributions	1,424	1,593	24	181	1,448	1,617
Capital grants and contributions	61	618	-	-	61	618
General Revenues:						
Property taxes	11,968	10,599	-	-	11,968	10,599
Sales taxes	10,357	10,832	-	-	10,357	10,832
Insurance premium tax	754	765	-	-	754	765
Other taxes	958	945	-	-	958	945
Unrestricted investment earnings	1,057	1,640	-	-	1,057	1,640
Grants and contributions not restricted for a specific programs	337	315	-	-	337	315
Other	-	3	45	6	45	9
TOTAL REVENUES	<u>30,572</u>	<u>32,012</u>	<u>553</u>	<u>562</u>	<u>31,125</u>	<u>32,574</u>
EXPENSES						
General Government	4,684	4,987	-	-	4,684	4,987
Judicial	2,698	2,664	-	-	2,698	2,664
Public safety	11,798	10,771	-	-	11,798	10,771
Public works	3,689	1,544	-	-	3,689	1,544
Health and welfare	1,090	956	-	-	1,090	956
Recreation and culture	1,578	1,446	-	-	1,578	1,446
Housing and development	1,133	1,492	-	-	1,133	1,492
Interest	2,235	2,392	-	-	2,235	2,392
Solid Waste Disposal Facility	-	-	441	194	441	194
DCAR GIS	-	-	30	-	30	-
Child Development Center	-	-	-	1	-	1
TOTAL EXPENSES	<u>28,905</u>	<u>26,252</u>	<u>471</u>	<u>195</u>	<u>28,434</u>	<u>26,447</u>
Increase in net assets before transfers	1,667	5,760	82	367	1,749	6,127
Transfers	256	(159)	(256)	160	-	1
Increase in net assets	1,923	5,601	(174)	527	1,749	6,128
Net assets, beginning of year restated	65,265	94,710	1,855	1,328	67,120	96,038
Change in accounting principle	-	(29,445)	-	-	-	(29,445)
Net assets, end of year	<u>\$ 67,188</u>	<u>\$ 65,265</u>	<u>\$ 1,681</u>	<u>\$ 1,855</u>	<u>\$ 68,869</u>	<u>\$ 67,120</u>

Government-Wide Revenues

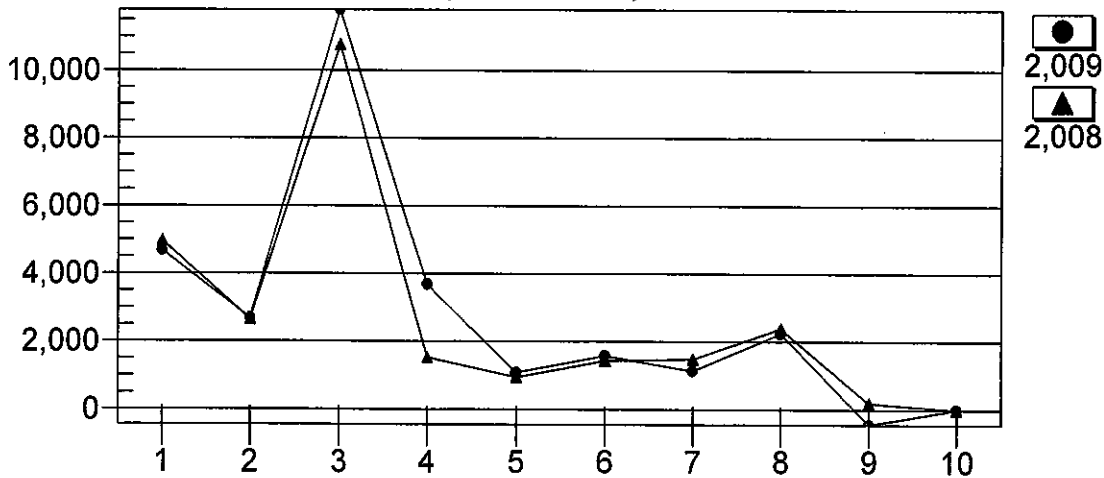
(in thousands \$)



- | | |
|--------------------------------------|-------------------------------------|
| 1. Charges for Services | 6. Insurance Premium Tax |
| 2. Operating Grants/Contributions | 7. Sales Tax |
| 3. Capital Grants/Contributions | 8. Other Taxes |
| 4. Unrestricted Grants/Contributions | 9. Unrestricted Investment Earnings |
| 5. Property Taxes | 10. Other |

Government-Wide Expenses

(in thousands \$)



- | | | |
|-----------------------|--------------------------|-----------------------|
| 1. General Government | 5. Health & Welfare | 9. Solid Waste |
| 2. Court System | 6. Culture & Recreation | 10. Child Development |
| 3. Public Safety | 7. Housing & Development | |
| 4. Public Works | 8. Interest & Fees | |

Governmental activities. Governmental activities increased the Government's net assets by \$1.9 million. Key elements of this increase are discussed on page xii.

Governmental Activities Revenues: Property taxes, insurance premium tax and other taxes (exclusive of Sales tax) continue as the main source of revenue of the Government amounting to 44.7% in 2009 which is an increase from 38.5% in 2008. The Sales tax revenue for 2009 was 33.9% of the revenue as compared to 33.8% in 2008.

Governmental Activities Functional Expenses: As reflected in Dawson County's Changes in Net Assets (above), the Government expended 50.2% of the total expenses for the judicial system and public safety, compared to 51.2% in 2008.

Business-type activities: Business-type activities decreased the Government's net assets by \$(173,438). Key elements of this increase are as follows:

- The Solid Waste Transfer activity reported a loss of \$(3,285), which was less than the \$168,489 gain in 2008. The primary reason for the difference was due to a transfer of land to the Board of Education (BOE) for the BOE Maintenance Facility.
- The DCAR GIS activity reported a gain of \$70,958 for the current year of operations. This is primarily due to the receipt of additional capital.
- The Child Development Center reported a loss of \$(240,239) in 2009, as compared to the \$14,907 gain in 2008. This was due to the decision to outsource the delivery of childcare services in 2008 and subsequently closing the fund in 2009 and transferring the assets back to the primary government.

Financial Analysis of the Government's Funds

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

Governmental Funds. The focus of the Government's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the Government's financing requirements. Specifically, unreserved fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

At December 31, 2009, the governmental funds of the Government reported a combined fund balance of \$53.6 million. This is a decrease of \$3.3 million over the prior year fund balance of \$56.9 million

The general fund is the chief operating fund of the Government. As a measure of the general fund's liquidity, it may be useful to compare both undesignated and designated fund balance to total fund expenditures for the year. At the end of the current fiscal year, unreserved, designated fund balance of the General Fund operating reserve was \$3.1 million or 14.8% of total general fund expenditures for the fiscal year. This amount is designated for operating reserve. This is an increase of \$0.5 million from prior year.

The fund balance of the debt service fund increased by \$3.1 million during the current fiscal year in anticipation of future principal payments. The debt service fund has an ending fund balance of \$6.1 million.

The fund balance of the County's capital projects fund decreased by \$(2.7) million during the current fiscal year. The decrease is primarily due to the payment of project start-up costs. The capital projects fund has an ending fund balance of \$36.8 million.

The fund balance of the County's SPLOST fund decreased by \$(3.8) million during the current fiscal year. This is primarily due to the timing of revenue collections versus the timing of construction costs. The SPLOST fund has an ending balance of \$6.0 million.

Proprietary Funds. The Government's proprietary fund statements provide the same type of information found in the government-wide statements but in more detail.

Capital Asset and Debt Administration

Capital assets. The Government's capital assets for its governmental and business-type activities as of December 31, 2009, totals \$69.8 million (net of accumulated depreciation). These assets include buildings, infrastructure, land, furniture, fixtures and equipment, vehicles and construction in progress.

Major capital asset transactions with increases of approximately \$4.6 million during the year include:

- Building Improvements \$140,082 for both governmental activities and business-type activities.
- Construction in progress additions totaling \$2,882,610 for governmental activities. Major projects were the construction of a fire station and the new courthouse project (SPLOST). Business-type activities construction in progress additions totaled \$143,804 which consisted of photography for the GIS system.
- Purchase of vehicles totaling \$742,962 (General Fund and fire trucks from Impact Fees)
- Purchase of equipment totaling \$386,151 (General Fund and Solid Waste Transfer Station)
- Purchase of land totaling \$161,620 (SPLOST)
- Purchase of infrastructure totaling \$138,688(SPLOST and donated capital assets).

DAWSON COUNTY, GEORGIA's CAPITAL ASSETS (net of depreciation)

DECEMBER 31, 2009

(\$ In thousands)

	Governmental Activities	Business-type Activities	Total
Land (not depreciated)	\$ 12,121	\$ 1,122	\$ 13,243
Construction in progress	4,061	414	4,475
Buildings and Improvements	24,536	492	25,028
Vehicles, Machinery, Equipment	7,276	243	7,519
Infrastructure	19,529	-	19,529
Total	<u>\$ 67,523</u>	<u>\$ 2,271</u>	<u>\$ 69,794</u>

Additional information on the Government's capital assets can be found in Note 5 of the basic financial statements.

Long-term Debt. As of December 31, 2009, the Government had contracts payable outstanding in the amount of \$4,735,000 through an intergovernmental agreement with Etowah Water and Sewer Authority to pay \$5,680,000 of the total \$8,595,000 Authority's Series 2002 Revenue Bonds that is backed by the full faith and credit of the Government. The Government had total bonded debt outstanding of \$41,175,000 that is backed by the Special Purpose Local Option Sales Tax (SPLOST) collections for 2005-2009. \$2,850,000 of the debt backed by SPLOST is from the \$12,200,000 original issue in 2004 to pre-fund the jail and the Multi-purpose Recreation facility and the remaining \$38,325,000 is from the \$38,325,000 original issue in 2007 to finance the costs of acquiring, constructing, remodeling, and equipping of the Courthouse and Administration Building. The 2004 SPLOST debt issuance was approved by the citizens of the County in March of 2004. The 2007 SPLOST debt issuance was approved by the citizens of the county in September of 2007. The \$5,415,000 jail loan was included in the 2007 SPLOST referendum to be paid from sales taxes. However, until the economy recovers, this debt will continue to be paid from the Government's operating budget (General Fund). The Government also had \$925,662 of capital lease debt, backed also by the full faith and credit of the Government and contributed funds from other agencies. The Government had no outstanding general obligation debt for 2009 other than the SPLOST debt mentioned above.

**DAWSON COUNTY, GEORGIA's OUTSTANDING DEBT
DECEMBER 31, 2009**

(\$ In thousands)

	Governmental Activities		Business-type Activities	
	2009	2008	2009	2008
General Obligation Bonds				
Special Purpose Local Option Sales Tax Bonds	\$ 41,175	\$ 43,875	\$ -	\$ -
Original issue premium	2,051	2,465	-	-
Contracts Payable:				
Etowah Water and Sewer-Bond Agreement 2002	4,735	4,890	-	-
Other Debt:				
Agreement for sale payable-Jail	5,060	5,415	-	-
Solid Waste Post Closure Liability *	-	-	928	784
Capital Leases	926	1,928	-	-
Net Pension Obligation	77	68	-	-
Compensated Absences	266	239	1	1
Total Debt	<u>\$ 54,290</u>	<u>\$ 58,880</u>	<u>\$ 929</u>	<u>\$ 785</u>

*This debt is to be paid over remaining period of 23 years.

The Government's total debt of \$55.2 million decreased by \$(4.4) million during the past year primarily due to scheduled payments of existing debt.

As mentioned in the financial highlights section of this document, the Government received in 2007 an upgraded "A+" bond rating from a previous "A" bond/certificate rating from Standard and Poor's Rating Group. Additionally, Moody's assigned an initial rate for the Government of "A1" in 2007. This increased bond rating clearly indicates a sound financial condition for the Government.

The State of Georgia limits the amount of general obligation debt that a unit of government can issue to 10 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt limit for the Government is \$171,107,000. (See table 13 in the Statistical Section).

Additional information regarding the Government's long-term debt can be found in Note 6 of the basic financial statements.

General Fund Budgetary Highlights: During the year ended 2009, the Government's financial picture reflected a weakening local economy and slower growth as experienced in the nation. The County approved to maintain the millage rate the same as 2008 in order to provide the necessary resources for the delivery of public services.

Generally, budget amendments fall into one of the following categories: 1) amendments made to adjust the estimates that are used to prepare the original budget resolution once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund decreased budgeted revenues by approximately 18.40% and decreased budgeted expenditures by 18.26%.

For the year, actual expenditures and other financing uses were equal to actual revenue and other financing sources to show no change in fund balance from 2008 leaving fund balance to be \$3,338,442.

Economic Factors and Next Year's Budgets and Rates

The following key economic indicators reflect the financial position of the County.

- The County has an unemployment rate of 9.7% at 2009 year end, which is lower than the state rate of 10.3% for the same time frame.
- The 2009 millage tax rate remained the same as 2008 at \$8.138 per \$1000 of valuation.
- Fund balance for the general fund remained the same for the year ended December 31, 2009, leaving a \$3,338,442 fund balance that still indicates a relatively strong financial position for the County. This was due to stringent controls on spending, furloughs, and budget cuts.

Budget Highlights for the Fiscal Year Ending December 31, 2010

Governmental Activities: The 2009 tax digest showed a decrease primarily due to legislative changes increasing exemptions for property owners and reassessments of property values of a negative (\$14,752,000). The budget for 2010, adopted in July of 2009, anticipated sales tax revenues to remain the same as 2008 since the previous 17% growth rate declined from late 2007 - 2008. Due to the slow recovery rate, the FY2010 budget may require additional reductions if sales tax collections do not match 2009 revenues which were 5% less than FY2008. This will depend upon the actual collection of sales tax as received for 2010 and the anticipated economic recovery. However, given the retail businesses located in the County such as the Premium Outlet Mall, WalMart, Home Depot, Chevrolet dealership, etc., Dawson's sales tax collection is historically more stable than surrounding counties. For example, in economic crisis, consumers look for the bargains, thus frequenting the Outlet Mall in lieu of retail stores in other locations. The shoppers at the Mall are approximately 80-85% nonresidents according to Outlet Mall Management. It is anticipated that 2010 use of fund balance will be minimal, although this depends on the continued recovery of the economy. The citizens voted approval in 2007 to continue the

Special Purpose Local Option Sales Tax referendum to fund capital projects critical to the Government's services such as a new courthouse, the elimination of general fund debt for the jail facility, the courthouse parking lot, road, streets and bridge improvements, a Public Works facility, emergency services improvements/equipment, 800 MHZ communication system, as well as many other projects. The declined economy now dictates that the Courthouse project will be the only project at the current collection rates for sales tax. Sales tax general obligation bonds (\$38,325,000) were issued to prefund the courthouse construction and renovation of the existing courthouse in December of 2007. This project began in 2008 and is under construction as of January 2010. Fuel cost was a major budgetary concern for early 2009; however, the County installed a fuel station in 2009 which has assisted to offset rising fuel costs by purchasing at bulk rates. Additionally, to reduce maintenance cost, the County installed a maintenance facility to perform routine vehicle repairs in lieu of contracting out. The commercial and building permits issued for 2009 at year end are down significantly from 2008. For example, housing permits are down 68% and commercial permits are down 30%. With stringent control over expenditures during 2009, and furloughs, the use of fund balance was not necessary. Management continues to closely monitor revenue collection rates and control spending.

Requests for Information

This report is designed to provide an overview of the Government's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Chief Financial Officer, Dawson County, Georgia, 78 Howard Avenue East, Suite 100, Dawsonville, Georgia 30534.

DAWSON COUNTY, GEORGIA
STATEMENT OF NET ASSETS
December 31, 2009

	<u>PRIMARY GOVERNMENT</u>			
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
ASSETS				
Cash	\$ 18,644,433	\$ -	\$ 18,644,433	\$ 920,624
Receivables (net of allowance for uncollectibles)	6,586,473	145,204	6,731,677	11,244
Internal balances	(209,422)	209,422	-	-
Inventories	96,700	-	96,700	-
Prepaid items	193,427	-	193,427	-
Restricted assets:				
Cash	20,627,775	-	20,627,775	37,585
Investments	20,675,379	-	20,675,379	-
Receivables	109,128	-	109,128	-
Non-current assets:				
Deferred charges	509,672	-	509,672	-
Prepaid capacity	502,000	-	502,000	-
Capital assets:				
Capital assets not being depreciated	16,182,714	1,535,858	17,718,572	44,592
Capital assets being depreciated	108,707,033	899,190	109,606,223	157,441
Less: accumulated depreciation	(57,366,971)	(163,693)	(57,530,664)	(29,395)
Capital assets, net of depreciation	<u>67,522,776</u>	<u>2,271,355</u>	<u>69,794,131</u>	<u>172,638</u>
TOTAL ASSETS	<u>135,258,341</u>	<u>2,625,981</u>	<u>137,884,322</u>	<u>1,142,091</u>
LIABILITIES				
Accounts payable	757,656	13,808	771,464	4,116
Accrued interest payable	1,037,623	-	1,037,623	-
Other accrued items	509,851	1,488	511,339	3,072
Unearned revenue	11,346,175	-	11,346,175	-
Amounts held in trust	130,722	-	130,722	37,585
Noncurrent liabilities:				
Due within one year				
Compensated absences payable	266,225	1,178	267,403	33,500
Accrued landfill closure / postclosure	-	42,200	42,200	-
Capital leases payable	136,326	-	136,326	-
General obligation bonds payable	6,738,227	-	6,738,227	-
Contracts payable	160,000	-	160,000	-
Agreement for sale	370,000	-	370,000	-
Due in more than one year				
Net pension obligation	76,841	-	76,841	-
Compensated absences payable	-	-	-	7,153
Accrued landfill closure / postclosure	-	886,200	886,200	-
Capital leases payable	789,336	-	789,336	-
General obligation bonds payable	36,487,579	-	36,487,579	-
Contracts payable	4,575,000	-	4,575,000	-
Agreement for sale	4,690,000	-	4,690,000	-
TOTAL LIABILITIES	<u>68,071,561</u>	<u>944,874</u>	<u>69,016,435</u>	<u>85,426</u>
NET ASSETS				
Invested in capital assets, net of related debt	51,216,847	2,271,355	53,488,202	172,638
Restricted for:				
Debt service	4,093,111	-	4,093,111	-
Capital outlay projects	5,087,634	-	5,087,634	-
Public safety programs	319,919	-	319,919	-
Recreation and Culture	28,155	-	28,155	-
Public health and welfare	12,710	-	12,710	-
Housing and development	53,812	-	53,812	-
Unrestricted	6,374,592	(590,248)	5,784,344	884,027
TOTAL NET ASSETS	<u>\$ 67,186,780</u>	<u>\$ 1,681,107</u>	<u>\$ 68,867,887</u>	<u>\$ 1,056,665</u>

The accompanying notes are an integral part of this statement.

DAWSON COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2009

FUNCTIONS/PROGRAMS PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES	PROGRAM REVENUES.....			NET (EXPENSE) AND CHANGES IN NET ASSETS....		COMPONENT UNITS	
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES		TOTAL
General government	\$ 4,683,502	\$ 1,143,890	\$ 105,033	\$ -	\$ (3,434,579)	\$ -	\$ (3,434,579)	-
Judicial	2,697,924	962,961	78,761	-	(1,656,202)	-	(1,656,202)	-
Public safety	11,798,273	1,173,020	606,952	30,500	(9,987,801)	-	(9,987,801)	-
Public works	3,688,865	203	125,742	13,000	(3,549,920)	-	(3,549,920)	-
Public health and welfare	1,090,145	12,323	292,853	17,161	(767,808)	-	(767,808)	-
Recreation and culture	1,578,341	178,927	67,516	-	(1,331,898)	-	(1,331,898)	-
Housing and development	1,132,711	185,007	146,841	-	(800,863)	-	(800,863)	-
Interest	2,235,443	-	-	-	(2,235,443)	-	(2,235,443)	-
Total Governmental Activities	28,905,204	3,656,331	1,423,698	60,661	(23,764,514)	-	(23,764,514)	-
BUSINESS-TYPE ACTIVITIES								
Solid waste/recycling	440,809	461,187	23,550	-	-	43,928	43,928	-
DCAR GIS	29,500	9,915	-	-	-	(19,585)	(19,585)	-
Child development center	-	13,200	-	-	-	13,200	13,200	-
Total Business-Type Activities	470,309	484,302	23,550	-	-	37,543	37,543	-
TOTAL PRIMARY GOVERNMENT	\$ 29,375,513	\$ 4,140,633	\$ 1,447,248	\$ 60,661	\$ (23,764,514)	\$ 37,543	\$ (23,726,971)	-
COMPONENT UNITS								
Health Department	\$ 717,489	\$ 245,544	\$ 362,730	\$ -	\$ -	\$ -	\$ -	(109,215)
Development Authority	179,768	-	176,127	-	-	-	-	(3,641)
Industrial Building Authority	23,991	8,000	-	-	-	-	-	(15,991)
TOTAL COMPONENT UNITS	\$ 921,248	\$ 253,544	\$ 538,857	\$ -	\$ -	\$ -	\$ -	(128,847)
GENERAL REVENUES								
Property taxes					11,967,749		11,967,749	-
Sales taxes					10,356,642		10,356,642	-
Insurance premium taxes					753,765		753,765	-
Real estate recording taxes					291,374		291,374	-
Other taxes					666,562		666,562	-
Total taxes					24,036,092		24,036,092	-
Unrestricted investment earnings					1,056,748		1,056,748	22,048
Grants and contributions not restricted to a specific program					337,166		337,166	-
Gain on sale of capital assets					-	45,081	45,081	-
TRANSFERS					(256,062)	(256,062)	-	-
TOTAL GENERAL REVENUES AND TRANSFERS					25,686,068	(210,981)	25,475,087	22,048
CHANGES IN NET ASSETS					1,921,554	(173,438)	1,748,116	(106,799)
NET ASSETS, Beginning					94,709,808	1,854,545	96,564,353	1,163,464
CHANGE IN ACCOUNTING PRINCIPLE					(29,444,582)	-	(29,444,582)	-
NET ASSETS, Beginning as restated					65,265,226	1,854,545	67,119,771	1,163,464
NET ASSETS, Ending					\$ 67,186,780	\$ 1,681,107	\$ 68,867,887	\$ 1,056,665

The accompanying notes are an integral part of this statement

**DAWSON COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS**

December 31, 2009

	GENERAL	DEBT SERVICE	SPLOST	CAPITAL PROJECTS	IMPACT FEES	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS							
Cash	\$ 12,790,200	\$ -	\$ 4,503,584	\$ 125,223	\$ 871,424	\$ 353,997	\$ 18,644,428
Receivables (net of allowance for uncollectibles)	3,040,880	284	2,735,493	561,126	-	226,997	6,564,780
Due from other funds	1,315,258	1,020,906	-	-	-	215,512	2,551,676
Prepaid items	193,427	-	-	-	-	-	193,427
Inventories	61,941	-	-	-	-	-	61,941
Restricted assets:							
Cash	-	5,000,609	-	15,627,166	-	-	20,627,775
Investments	-	-	-	20,675,379	-	-	20,675,379
Interest receivable	-	109,128	-	-	-	-	109,128
TOTAL ASSETS	\$ 17,401,706	\$ 6,130,927	\$ 7,239,077	\$ 36,988,894	\$ 871,424	\$ 796,506	\$ 69,428,534
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 340,988	\$ -	\$ 205,110	\$ 32,396	\$ 1,038	\$ 122,006	\$ 701,538
Other accrued items	468,862	-	-	833	-	39,828	509,523
Due to other funds	1,423,656	-	1,021,186	113,719	-	193,408	2,751,969
Deferred revenue	11,705,236	-	-	-	-	7,500	11,712,736
Amounts held in trust	124,522	-	-	-	-	6,199	130,721
TOTAL LIABILITIES	\$ 14,063,264	\$ -	\$ 1,226,296	\$ 146,948	\$ 1,038	\$ 368,941	\$ 15,806,487
FUND BALANCES							
Reserved:							
Prepaid expenditure	193,427	-	-	-	-	-	193,427
Public safety	-	-	-	-	-	12,082	12,082
Public health and welfare	12,710	-	-	-	-	-	12,710
Recreation and culture	28,155	-	-	-	-	-	28,155
Debt service	-	6,130,927	-	10,371,111	-	-	16,502,038
Capital outlay projects	-	-	6,012,781	26,470,835	-	-	32,483,616
Impact fee projects	-	-	-	-	870,386	-	870,386
Unreserved, designated:							
General Fund	-	-	-	-	-	-	-
Public safety	1,900	-	-	-	-	-	1,900
Operating reserve	3,102,250	-	-	-	-	-	3,102,250
Special Revenue Funds	-	-	-	-	-	60,000	60,000
Capital outlay projects	-	-	-	-	-	112,314	112,314
Wireless service upgrades	-	-	-	-	-	-	-
Unreserved, undesignated:							
Special revenue funds	-	-	-	-	-	243,169	243,169
TOTAL FUND BALANCES	\$ 3,338,442	\$ 6,130,927	\$ 6,012,781	\$ 36,841,946	\$ 870,386	\$ 427,565	\$ 53,622,047
TOTAL LIABILITIES AND FUND BALANCES	\$ 17,401,706	\$ 6,130,927	\$ 7,239,077	\$ 36,988,894	\$ 871,424	\$ 796,506	\$ 69,428,534

The accompanying notes are an integral part of this statement

DAWSON COUNTY, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET ASSETS
For the Year Ended December 31, 2009

Total Fund Balances for Governmental Funds (page 3) \$ 53,622,047

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. 67,522,776

Prepaid sewer capacity paid for by governmental funds is not a financial resource and is therefore is not reported in the funds. 502,000

Some assets are not available in the current period and therefore are not reported in the funds.

Deferred charge for issuance cost	<u>509,672</u>	509,672
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Internal service funds are used by the County to charge the cost of group health and other types of insurance to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net assets. Internal service fund net assets are: 872

Revenues in the statement of activities that do not provide current financial resources are reported as deferred revenues in the funds.

Property taxes	232,438	
Fines	<u>134,123</u>	
		366,561

Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

General obligation bonds, net of premium and discounts	(43,225,806)	
Accrued interest	(1,037,623)	
Accrued interest on Etowah Water and Sewer Authority		
Sprayfield lease (see Note 7), included in amounts due to other governments	(9,991)	
Compensated absences	(266,225)	
Capital leases	(925,662)	
Contracts payable	(4,735,000)	
Agreement for sale	(5,060,000)	
Net Pension obligation liability	<u>(76,841)</u>	
		(55,337,148)

Total net assets of governmental activities (page 1) \$ 67,186,780

The accompanying notes are an integral part of this statement.

DAWSON COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2009

	GENERAL	DEBT SERVICE	SPOST	CAPITAL PROJECTS	IMPACT FEES	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES	\$ 18,162,730	\$ -	\$ 5,567,421	\$ -	\$ -	\$ 234,597	\$ 23,964,748
Taxes	430,657	-	-	-	25,140	-	455,797
Licenses and permits	949,854	-	11,663	86,530	-	559,426	1,607,473
Intergovernmental	648,757	-	-	-	-	167,333	816,090
Fines and forfeitures	1,756,007	-	-	-	-	545,791	2,301,798
Charges for services	103,014	-	-	-	-	98,039	201,053
Contributions and donations	14,242	136,883	7,656	896,223	1,298	443	1,056,745
Interest income	38,517	-	-	1	-	85,673	124,191
Miscellaneous	22,103,778	136,883	5,586,740	982,754	26,438	1,691,302	30,527,895
TOTAL REVENUES							
EXPENDITURES							
Current Expenditures							
General government	3,870,425	-	20,958	23,450	-	-	3,914,833
Judicial	2,380,010	-	-	-	-	310,546	2,690,556
Public safety	9,622,136	-	-	-	-	1,006,406	10,628,542
Public works	1,460,222	-	276,075	-	-	3,158	1,739,455
Public health and welfare	412,453	-	-	-	-	616,620	1,029,073
Recreation and culture	1,308,621	-	-	-	5,000	-	1,313,621
Housing and development	713,229	-	-	-	-	408,934	1,122,163
Intergovernmental	333,177	-	-	-	-	-	333,177
Capital outlay	10,285	-	2,187,865	1,924,363	1,038	141,460	4,265,011
Debt service							
Principal	594,229	2,855,000	710,000	52,989	-	-	4,212,218
Interest	242,335	2,254,863	17,574	39,115	-	-	2,553,887
TOTAL EXPENDITURES	20,947,122	5,109,863	3,212,472	2,039,917	6,038	2,487,124	33,802,536
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,156,656	(4,972,980)	2,374,268	(1,057,163)	20,400	(795,822)	(3,274,641)
OTHER FINANCING SOURCES (USES)							
Sale of county property	956	-	-	-	-	1,740	2,696
Transfers in	59,911	8,051,803	5,368	265,648	-	962,712	9,345,442
Transfers out	(1,217,523)	-	(6,190,653)	(1,861,150)	(50,267)	(59,203)	(9,378,796)
TOTAL OTHER FINANCING SOURCES (USES)	(1,156,656)	8,051,803	(6,185,285)	(1,595,502)	(50,267)	905,249	(30,658)
NET CHANGE IN FUND BALANCES	-	3,078,823	(3,811,017)	(2,652,665)	(29,867)	109,427	(3,305,299)
FUND BALANCES, Beginning of year	3,338,442	3,052,104	9,823,798	39,494,611	900,253	318,138	56,927,346
FUND BALANCES, End of year	\$ 3,338,442	\$ 6,130,927	\$ 6,012,781	\$ 36,841,946	\$ 870,386	\$ 427,565	\$ 53,622,047

The accompanying notes are an integral part of this statement

DAWSON 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, 2009

Net change in fund balances (page 5) \$ (3,305,299)

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	4,265,011	
Depreciation expense	<u>(3,748,831)</u>	516,180

In the statement of activities, only the gain/loss on the sale of various equipment 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 equipment sold.

Net book value of equipment sold	<u>(74,203)</u>	(74,203)
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	232,438	
Donated assets	13,000	
Transfer of capital assets from Child Development Center	238,427	
Fines	<u>134,123</u>	617,988

Revenues reported in the funds that relate to prior years are not reported as revenue in the statement of activities

Property taxes	(161,094)	
Fines	<u>(175,669)</u>	(336,763)

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.

Principal payments on long-term debt	4,212,218	
Amortization of bond premium	414,499	
Amortization of bond issuance cost	(128,051)	
Accrued interest on bonds, current year	(1,037,623)	
Accrued interest on bonds, prior year	1,069,620	
Accrued interest on Etowah Water and Sewer Authority Sprayfield lease, included in amounts due to other governments, current year	(9,991)	
Accrued interest on Etowah Water and Sewer Authority Sprayfield lease, included in amounts due to other governments, prior year	<u>18,192</u>	4,538,864

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	(266,225)	
Compensated absences, prior year	<u>238,778</u>	(27,447)

Internal service funds are used by management to charge the costs of certain activities, such as group health and other types of insurance. The net revenue (expenses) of certain internal service funds is reported with governmental activities.

872

Net pension obligation is not due during the current period and therefore is not reported in the funds.

Beginning of year	68,202	
End of year	<u>(76,841)</u>	(8,639)

Rounding		<u>1</u>
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Changes in net assets of governmental activities (page 2) \$ 1,921,554

The accompanying notes are an integral part of this statement.

DAWSON COUNTY, GEORGIA
STATEMENT OF NET ASSETS
PROPRIETARY FUND
December 31, 2009

	BUSINESS-TYPE ACTIVITIES- ENTERPRISE FUNDS			GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUND
	SOLID WASTE DISPOSAL FACILITY	DCAR GIS FUND	TOTAL	FUEL AND FLEET MAINTENANCE
ASSETS				
Current Assets				
Receivables (net of allowance for uncollectibles)	\$ 145,204	\$ -	\$ 145,204	\$ 21,694
Due from other funds	209,967	327	210,294	-
Inventories	-	-	-	34,759
Total Current Assets	355,171	327	355,498	56,453
Noncurrent Assets				
Capital assets				
Capital assets not being depreciated	1,122,008	413,850	1,535,858	-
Capital assets being depreciated	899,190	-	899,190	-
Less: accumulated depreciation	(163,693)	-	(163,693)	-
Total capital assets (net of accumulated depreciation)	1,857,505	413,850	2,271,355	-
Total Noncurrent assets	1,857,505	413,850	2,271,355	-
TOTAL ASSETS	2,212,676	414,177	2,626,853	56,453
LIABILITIES				
Current Liabilities				
Accounts payable	13,808	-	13,808	46,125
Other accrued items	1,161	327	1,488	327
Due to other funds	-	-	-	10,001
Compensated absences payable	1,178	-	1,178	-
Accrued landfill closure/postclosure	42,200	-	42,200	-
Total current liabilities	58,347	327	58,674	56,453
Noncurrent Liabilities				
Accrued landfill closure/postclosure	886,200	-	886,200	-
Total noncurrent liabilities	886,200	-	886,200	-
TOTAL LIABILITIES	944,547	327	944,874	56,453
NET ASSETS				
Invested in capital assets	1,857,505	413,850	2,271,355	-
Unrestricted	(589,376)	-	(589,376)	-
TOTAL NET ASSETS	\$ 1,268,129	\$ 413,850	\$ 1,681,979	\$ -
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			(872)	
Net assets of business-type activities			<u>\$ 1,681,107</u>	

The accompanying notes are an integral part of this statement.

DAWSON COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
For the Year Ended December 31, 2009

	BUSINESS-TYPE ACTIVITIES- ENTERPRISE FUNDS			TOTAL	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUND
	SOLID WASTE DISPOSAL FACILITY	DCAR GIS FUND	CHILD DEVELOPMENT CENTER		FUEL AND FLEET MAINTENANCE
OPERATING REVENUES					
Charges for services-other	\$ 459,994	\$ 9,915	\$ 13,200	\$ 483,109	\$ 58,610
Charges to other funds	-	-	-	-	227,725
Miscellaneous income	1,193	-	-	1,193	-
Total Operating Revenues	<u>461,187</u>	<u>9,915</u>	<u>13,200</u>	<u>484,302</u>	<u>286,335</u>
OPERATING EXPENSES					
Salaries and benefits	136,221	14,883	-	151,104	14,882
Other expenses	41,354	14,617	-	55,971	322,442
Landfill closure/postclosure costs	160,018	-	-	160,018	-
Depreciation	39,064	-	-	39,064	-
Waste disposal fees	46,085	-	-	46,085	-
Professional fees	760	-	-	760	-
Repairs and maintenance	16,435	-	-	16,435	-
Total Operating Expenses	<u>439,937</u>	<u>29,500</u>	<u>-</u>	<u>469,437</u>	<u>337,324</u>
OPERATING INCOME (LOSS)	<u>21,250</u>	<u>(19,585)</u>	<u>13,200</u>	<u>14,865</u>	<u>(50,989)</u>
NONOPERATING REVENUES (EXPENSES)					
Operating grants	-	23,550	-	23,550	-
Gain (loss) on sale of capital assets	45,081	-	-	45,081	-
Total Nonoperating Revenues (Expenses)	<u>45,081</u>	<u>23,550</u>	<u>-</u>	<u>68,631</u>	<u>-</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	66,331	3,965	13,200	83,496	(50,989)
Transfer in	-	66,993	-	66,993	50,989
Transfer out	(69,616)	-	(253,439)	(323,055)	-
CHANGE IN NET ASSETS	<u>(3,285)</u>	<u>70,958</u>	<u>(240,239)</u>	<u>(172,566)</u>	<u>-</u>
TOTAL NET ASSETS, Beginning of year	<u>1,271,414</u>	<u>342,892</u>	<u>240,239</u>		<u>-</u>
TOTAL NET ASSETS, End of year	<u>\$ 1,268,129</u>	<u>\$ 413,850</u>	<u>\$ -</u>		<u>\$ -</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				<u>(872)</u>	
Change in net assets of business-type activities				<u>\$ (173,438)</u>	

The accompanying notes are an integral part of this statement.

DAWSON COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2009

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUND
	SOLID WASTE DISPOSAL FACILITY	DCAR GIS FUND	CHILD DEVELOPMENT CENTER	TOTAL	FUEL AND FLEET MAINTENANCE
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$ 412,689	\$ 158,315	\$ 24,000	\$ 595,004	\$ 36,916
Payments to suppliers	(103,607)	(90,498)	(8,989)	(203,094)	(301,075)
Payments to employees	(134,981)	(14,556)	-	(149,537)	(14,555)
Internal activity-payments from (to) other funds	-	-	-	-	227,725
Net cash provided by (used in) operating activities	<u>174,101</u>	<u>53,261</u>	<u>15,011</u>	<u>242,373</u>	<u>(50,989)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Payments from other governments	-	23,550	-	23,550	-
Transfers in (out)	-	66,993	(15,011)	51,982	50,989
Net Cash provided (used) by non-capital financing activities	<u>-</u>	<u>90,543</u>	<u>(15,011)</u>	<u>75,532</u>	<u>50,989</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and construction of capital assets	(174,102)	(143,804)	-	(317,906)	-
Proceeds from sale of capital assets	69,616	-	-	69,616	-
Transfers out	(69,616)	-	-	(69,616)	-
Net cash provided (used) by capital and related financing activities	<u>(174,102)</u>	<u>(143,804)</u>	<u>-</u>	<u>(317,906)</u>	<u>-</u>
Investment earnings	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>-</u>
Net cash provided (used) by investing activities	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>-</u>
CASH, End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	\$ 21,250	\$ (19,585)	\$ 13,200	\$ 14,865	\$ (50,989)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities					
Depreciation	39,064	-	-	39,064	-
Landfill closure/postclosure costs	160,018	-	-	160,018	-
(Increase) decrease in:					
Accounts receivable	-	-	10,800	10,800	-
Due from other governments	(48,498)	148,400	-	99,902	(21,694)
Inventory	-	-	-	-	(34,759)
Increase (decrease) in:					
Accounts payable	2,119	(14,748)	-	(12,629)	46,125
Compensated absences	79	-	-	79	-
Accrued landfill costs	(15,218)	-	-	(15,218)	-
Other accrued items	1,160	327	-	1,487	327
Due to other funds	14,127	(61,133)	(8,989)	(55,995)	10,001
Net cash provided by (used in) operating activities	<u>\$ 174,101</u>	<u>\$ 53,261</u>	<u>\$ 15,011</u>	<u>\$ 242,373</u>	<u>\$ (50,989)</u>
SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES					
Disposal of assets	<u>\$ 24,535</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 24,535</u>	<u>\$ -</u>
Transfers of capital assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 238,427</u>	<u>\$ 238,427</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

DAWSON COUNTY, GEORGIA
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
December 31, 2009

	AGENCY FUNDS
ASSETS	
Cash	\$ <u>1,115,702</u>
TOTAL ASSETS	\$ <u><u>1,115,702</u></u>
LIABILITIES	
Amount held in trust	\$ <u>1,115,702</u>
TOTAL LIABILITIES	\$ <u><u>1,115,702</u></u>

The accompanying notes are an integral part of this statement.

DAWSON COUNTY, GEORGIA
COMPONENT UNITS
COMBINING STATEMENT OF NET ASSETS
December 31, 2009

	HEALTH DEPARTMENT	DEVELOPMENT AUTHORITY	INDUSTRIAL BUILDING AUTHORITY	TOTAL
ASSETS				
Cash	\$ 258,537	\$ (120)	\$ 662,207	\$ 920,624
Receivables (net of allowance for uncollectibles)	11,244	-	-	11,244
Restricted assets:				
Cash	-	37,585	-	37,585
Capital assets:				
Capital assets not being depreciated	-	-	44,592	44,592
Capital assets being depreciated	14,758	13,943	128,740	157,441
Less: accumulated depreciation	<u>(14,758)</u>	<u>(7,339)</u>	<u>(7,298)</u>	<u>(29,395)</u>
Capital assets, net of depreciation	-	6,604	166,034	172,638
TOTAL ASSETS	<u>269,781</u>	<u>44,069</u>	<u>828,241</u>	<u>1,142,091</u>
LIABILITIES				
Accounts payable	4,116	-	-	4,116
Other accrued items	-	3,072	-	3,072
Amounts held in trust	-	37,585	-	37,585
Noncurrent liabilities:				
Due within one year				
Compensated absences payable	33,500	-	-	33,500
Due in more than one year				
Compensated absences payable	<u>7,153</u>	<u>-</u>	<u>-</u>	<u>7,153</u>
TOTAL LIABILITIES	<u>44,769</u>	<u>40,657</u>	<u>-</u>	<u>85,426</u>
NET ASSETS				
Invested in capital assets, net of related debt	-	6,604	166,034	172,638
Unrestricted	<u>225,012</u>	<u>(3,192)</u>	<u>662,207</u>	<u>884,027</u>
TOTAL NET ASSETS	<u>\$ 225,012</u>	<u>\$ 3,412</u>	<u>\$ 828,241</u>	<u>\$ 1,056,665</u>

The accompanying notes are an integral part of this statement.

DAWSON COUNTY, GEORGIA
COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2009

PROGRAM REVENUES.....				NET (EXPENSE) AND CHANGES IN NET ASSETS....		
FUNCTIONS/PROGRAMS COMPONENT UNITS	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	HEALTH DEPARTMENT	DEVELOPMENT AUTHORITY	INDUSTRIAL BUILDING AUTHORITY	TOTAL
GOVERNMENTAL ACTIVITIES								
Health Department	\$ 717,489	\$ 245,544	\$ 362,730	\$ -	\$ (109,215)	\$ -	\$ -	\$ (109,215)
BUSINESS-TYPE ACTIVITIES								
Development Authority	179,768	-	176,127	-	-	(3,641)	-	(3,641)
Industrial Building Authority	23,991	8,000	-	-	-	-	(15,991)	(15,991)
TOTAL COMPONENT UNITS	\$ 921,248	\$ 253,544	\$ 538,857	\$ -	\$ (109,215)	\$ (3,641)	\$ (15,991)	\$ (128,847)
GENERAL REVENUES								
Unrestricted investment earnings					-	97	21,951	22,048
TOTAL GENERAL REVENUES AND TRANSFERS					(109,215)	(3,544)	21,951	22,048
CHANGES IN NET ASSETS					334,227	6,956	5,960	(106,799)
NET ASSETS, Beginning					\$ 225,012	\$ 3,412	\$ 822,281	\$ 1,163,464
NET ASSETS, Ending					\$ -	\$ -	\$ 828,241	\$ 1,056,665

The accompanying notes are an integral part of this statement
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DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Dawson 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 and four commissioners are elected at-large. The four commissioners must reside in the geographical districts which they represent. 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 Tax Commissioner, Probate Court Judge, Sheriff, and Clerk of Superior Court. The Constitutional Officers are elected county wide. Other elected officials include the Magistrate Court Judge, Superior Court Judges, District Attorney, Coroner, and Surveyor. The Board of County Commissioners budgets and approves all funding used by the Constitutional Officers and other elected officials. 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:

DAWSON COUNTY INDUSTRIAL BUILDING AUTHORITY: The Dawson County Industrial Building Authority (Building Authority) is a legally separate entity. The Board of Commissioners of Dawson County appoints the five-member board. There is the potential for financial benefit to the primary government. The purpose of the Building Authority is to acquire and develop property in an industrial park. The Building Authority's fiscal year end is December 31.

DAWSON COUNTY DEVELOPMENT AUTHORITY: The Dawson County Development Authority (Development Authority) is a legally separate entity. The seven-member board is appointed by the Board of Commissioners of Dawson County. There is the potential for financial benefit or burden to the primary government. The Development Authority's purpose is to encourage economic development in Dawson County. During fiscal year 2009, the Development Authority received \$155,523 from the County Board of Commissioners to subsidize annual operations. The Development Authority's fiscal year end is December 31.

DAWSON COUNTY, GEORGIA
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DAWSON 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 Dawson County Board of Health (board) governs the health department. 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 2009, the Health Department received \$214,555 from the County Board of Commissioners to subsidize annual operations. The Health Department's fiscal year end is June 30.

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

Dawson County Health Department
54 Highway 53 East
Dawsonville, Georgia 30534

Dawson County Development Authority
135 Prominence Court, Suite 170
Dawsonville, Georgia 30534

Dawson County Industrial Building Authority
135 Prominence Court, Suite 170
Dawsonville, Georgia 30534

(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. In addition, the government-wide statements of activities reflect depreciation expenses on the County's capital assets.

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.

DAWSON COUNTY, GEORGIA
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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 statement. 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. For example, the County's 2009 levy is to fund 2010's expenditures. 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 by the end of the current fiscal year. Fines are considered available if they are collected within 60 days of the end of the current fiscal period for which they are levied. Other revenues susceptible to accrual are considered available if they are collected within 60 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.

DAWSON COUNTY, GEORGIA
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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 *Debt Service Fund* accounts for the servicing of general long-term debt not being financed by other funds.

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 for fire departments.

The *Capital Projects Fund* accounts for financial resources to be used for the acquisition of construction of major capital facilities.

The *Impact Fee Capital Projects Fund* accounts for impact fees restricted for the acquisition or construction of specific capital projects.

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 *DCAR GIS Enterprise Fund* accounts for activities related to geographical data related to Dawson County as well as Etowah Water & Sewer Authority.

The *Child Development Center Enterprise Fund* accounts for the activities related the lease of a facility to a private enterprise which provides child care services.

Additionally, the government reports the following fund types:

The *Internal Service Fund* accounts for operations that provide services to other departments or agencies of the government on a cost reimbursement basis. The County uses internal service funds to account for fuel and fleet maintenance.

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 County holds for the State, the City of Dawsonville, and others in an agency capacity.

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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 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, DCAR GIS, and the Child Development Center enterprise funds are charges to customers for sales and services. Operating expenses for enterprise 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.

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

(D) ASSETS, LIABILITIES AND NET 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.

DAWSON COUNTY, GEORGIA
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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 December 1 of each year. The 2009 property taxes were levied October 1, 2009, and were due on December 1, 2009. Interest and penalties are assessed on taxes not paid by this date. The taxes are subject to penalty after March 1, 2010.

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 State. Only the County's tax levy is recognized as revenue when levied and uncollected taxes are recorded as deferred revenue in the general fund.

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, bonds, and contracts payable are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable debt agreements.

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

5. Capital Assets

Capital assets, which include property, 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. 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. Roads, bridges, culverts and other infrastructure acquired prior to January 1, 2003 have been reported.

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 2009.

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

<u>Asset</u>	<u>Years</u>
Buildings	40
Computers and peripherals	5
Infrastructure	20
Machinery and equipment	5-10
Nonstructural improvements	7-10
Vehicles	3-5

Prepaid sewer capacity: The Intergovernmental Agreement of December 1998 between Etowah Water & Sewerage Authority (EWSA) transferred 263 sewer taps of 250 gallons per day to the County. Those taps may be used for County projects or sold to developers. As the taps are used, they will be expensed at the fair value in 1998 of \$2,000 per tap. At December 31, 2009, the County had 251 taps with a remaining value of \$502,000.

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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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 Section 3.2.5 of the Dawson County Handbook. The County pays unused sick pay benefits to vested employees upon termination unless termination is with cause. The County pays unused vacation benefits to employees who leave employment in good standing and provide proper notice upon resignation. In accordance with the provisions of Statement of Governmental Accounting Standards No. 16, "Accounting for Compensated Absences," a liability is reported for unpaid accumulated sick leave because the benefits are paid upon termination of the employee (if vested), and the amount of such payments can 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*

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change. The government-wide statement of net assets governmental activities reports \$9,595,341 restricted net assets, none of which is restricted by enabling legislation.

9. *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 expenses during the reporting period. Actual results could differ from those estimates.

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 2 - 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, Debt Service Fund, and all Special Revenue Funds. Project length budgets are adopted for the Capital Projects Funds. Annual operating budgets are prepared for each Enterprise 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 spring (May to June or earlier) 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 December 1, the proposed budget is presented to the government's Board of Commissioners for review and adoption. The government's Board of Commissioners holds public hearings and may add to, subtract from, or change appropriations. In 2009, the budget process will require requested amounts and information for three budget years, 2010, 2011, and 2012.

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.

(B) EXCESS OF REVENUES AND EXPENDITURES OVER APPROPRIATIONS

There were no material excess of expenditures over appropriations at the department level (the legal level of control).

(C) DEFICIT FUND BALANCE

At December 31, 2009, the K-9 Seizure Special Revenue Fund had a fund balance deficit of \$(25,277), which resulted primarily from operations. This fund deficit will be eliminated by a transfer from the general fund in 2010.

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 3 - DEPOSITS AND INVESTMENTS

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. The County's policy permits the County to 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, 2009, all deposits of the County were adequately insured or collateralized.

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 the pooled method to secure deposits of public funds.

As of December 31, 2009, Dawson County had the following investments. All are included in cash equivalents:

Investment Type	Fair Value	INVESTMENT MATURITIES (in Years)				Rating (1)
		Less Than 1	1-5	6-10	More Than 10	
General, SPLOST and Capital Project Funds						
GA Fund I	\$ 13,493,733	\$ 13,493,733	\$ -	\$ -	\$ -	AAA
Fidelity Treasury Port CI Select	6,421,172	6,421,172	-	-	-	AAA
Debt Service Fund						
Fidelity Treasury Port CI Select	2,907,000	2,907,000	-	-	-	AAA
Federated Treasury Obligations	230,753	230,753	-	-	-	AAA
Total Debt Securities	<u>\$ 23,052,658</u>	<u>\$ 23,052,658</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Maximum Investment		100.00 %	0.00 %	0.00 %	0.00 %	

1. Standard & Poor's

Cash per financial statements (page 1)	
Cash	\$ 18,644,433
Restricted cash	20,627,775
less cash equivalents that are investments	(23,052,658)
Investments that are deposits	20,675,379
Cash held by Fiduciary Funds (page 10)	1,115,702
Deposits	<u>\$ 38,010,631</u>

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

Investments per financial statements (page 1)	
Restricted investments	\$ 20,675,379
Investments included in cash equivalents	23,052,658
less investments that are deposits	<u>(20,675,379)</u>
Investments as listed above	<u>\$ 23,052,658</u>

The goal of Dawson County in investing is to obtain a reasonable return on investments with a minimum exposure to potential loss of capital due to market fluctuations.

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 Rule 2a-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. Investments are carried at fair value. Unrealized gains are recognized as income.

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. Dawson County has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates as follows:

under 30 days	10% minimum	under 1 year	75% minimum
under 90 days	25% minimum	under 2 years	100% minimum
under 180 days	50% minimum		

DAWSON COUNTY, GEORGIA
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Credit Risk. State statutes authorize the government to invest in obligations of the U.S. Treasury (100%) and of its agencies and instrumentalities (80%); bonds or certificates of indebtedness of this state and of its agencies and instrumentalities (25%); certificates of deposits of banks insured by FDIC (75%); prime bankers' acceptances (10%); the State of Georgia Local Government Investment Pool (100%); repurchase agreements (25%); bonds, debentures, notes or other evidence of indebtedness of any solvent corporation subject to certain conditions (0%). Dawson County has an investment policy that prohibits the use of derivatives as an investment. They limit the amount that may be invested in certain types of investments. The percentages are shown above. The ratings of Dawson County's investments at December 31, 2009, are shown above.

Concentration of credit risk. Dawson County places limits on the amount it may invest in any one issuer as follows. Repurchase agreements - 10%; certificates of deposit - 35%; prime bankers acceptances - 10%.

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.

NOTE 4 - 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	Debt Service	SPLOST	Capital Projects	Nonmajor Governmental	Solid Waste	Fuel & Fleet Maintenance
Receivables:							
Property Taxes	\$ 1,746,487	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts	2,205,677	284	21	561,126	73,593	-	-
Intergovernmental	998,494	-	2,735,472	-	153,404	145,204	21,694
Total Gross Receivables	4,950,658	284	2,735,493	561,126	226,997	145,204	21,694
Less: Allowance for Uncollectibles	(1,909,778)	-	-	-	-	-	-
Total Net Receivables	<u>\$ 3,040,880</u>	<u>\$ 284</u>	<u>\$2,735,493</u>	<u>\$561,126</u>	<u>\$ 226,997</u>	<u>\$145,204</u>	<u>\$ 21,694</u>

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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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:

	<u>Unavailable</u>	<u>Unearned</u>
Property taxes (General Fund)	\$ 232,438	\$11,338,675
Probation Fines (General Fund)	134,123	-
Grant draw downs prior to meeting all eligibility requirements (Nonmajor Funds)	-	7,500
	<u>\$ 366,561</u>	<u>\$11,346,175</u>

Property taxes receivable at December 31, 2009, consist of the following:

<u>DIGEST YEAR</u>	<u>GENERAL FUND</u>
2009	\$ 1,447,646
2008	259,239
2007	22,590
2006	8,229
2005	3,375
2004	3,574
2003	176
2002 and prior	1,658
Total	<u>\$ 1,746,487</u>

COMPONENT UNITS Receivables:	<u>Health Department</u>
Intergovernmental	\$ 11,244
Total Gross Receivables	11,244
Total Net Receivables	<u>\$ 11,244</u>

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2009, was as follows:

	Beginning Balance	Prior Period Adjustment	Adjusted Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Governmental Activities:							
Non-Depreciable Assets:							
Land and improvements	\$ 48,886,499	\$ (36,926,797)	\$ 11,959,702	\$ 161,620	\$ -	\$ -	\$ 12,121,322
Construction in progress	1,655,307	(239,926)	1,415,381	2,882,610	(9,653)	(226,946)	4,061,392
Total non-depreciable capital assets	<u>50,541,806</u>	<u>(37,166,723)</u>	<u>13,375,083</u>	<u>3,044,230</u>	<u>(9,653)</u>	<u>(226,946)</u>	<u>16,182,714</u>
Depreciable Assets:							
Buildings and improvements	28,650,031	-	28,650,031	98,446	(41,970)	394,706	29,101,213
Machinery and equipment	6,617,035	-	6,617,035	253,685	-	-	6,870,720
Vehicles	5,781,575	-	5,781,575	742,962	(185,180)	22,752	6,362,109
Infrastructure	29,957,062	36,073,047	66,030,109	138,688	-	204,194	66,372,991
Total depreciable capital assets	<u>71,005,703</u>	<u>36,073,047</u>	<u>107,078,750</u>	<u>1,233,781</u>	<u>(227,150)</u>	<u>621,652</u>	<u>108,707,033</u>
Less Accumulated Depreciation for:							
Buildings and improvements	(3,657,483)	-	(3,657,483)	(778,250)	26,337	(156,280)	(4,565,676)
Machinery and equipment	(2,229,274)	-	(2,229,274)	(513,692)	-	-	(2,742,966)
Vehicles	(2,865,580)	-	(2,865,580)	(484,899)	136,263	-	(3,214,216)
Infrastructure	(16,521,217)	(28,350,906)	(44,872,123)	(1,971,990)	-	-	(46,844,113)
Total accumulated depreciation	<u>(25,273,554)</u>	<u>(28,350,906)</u>	<u>(53,624,460)</u>	<u>(3,748,831)</u>	<u>162,600</u>	<u>(156,280)</u>	<u>(57,366,971)</u>
Total depreciable capital assets, net	<u>45,732,149</u>	<u>7,722,141</u>	<u>53,454,290</u>	<u>(2,515,050)</u>	<u>(64,550)</u>	<u>465,372</u>	<u>51,340,062</u>
Governmental activities capital assets, net	<u>\$ 96,273,955</u>	<u>\$ (29,444,582)</u>	<u>\$ 66,829,373</u>	<u>\$ 529,180</u>	<u>\$ (74,203)</u>	<u>\$ 238,426</u>	<u>\$ 67,522,776</u>

On January 1, 2009, the County changed its method of calculating depreciation expense for road infrastructure assets. As a result, the cumulative effect of applying the new method decreased beginning net assets by \$29,444,582. See Note 15 for additional details.

A transfer of \$238,427 was made from Child Development Enterprise fund to entity wide to close fund.

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

Additions to governmental activities capital assets for fiscal year ending December 31, 2009, consist of the following:

Capital Outlay	\$ 4,265,011
Donated vehicles	13,000
Total	<u>\$ 4,278,011</u>

Non-depreciable capital assets additions	\$ 3,044,230
Depreciable capital assets additions	1,233,781
Total	<u>\$ 4,278,011</u>

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Business-type Activities:					
Non-Depreciable Assets:					
Land and improvements	\$ 1,146,543	\$ -	\$ (24,535)	\$ -	\$ 1,122,008
Construction in progress	270,046	143,804	-	-	413,850
Total non-depreciable capital assets	<u>1,416,589</u>	<u>143,804</u>	<u>(24,535)</u>	<u>-</u>	<u>1,535,858</u>
Depreciable Assets:					
Buildings and improvements	959,949	41,636	-	(394,706)	606,879
Machinery and equipment	119,395	132,466	-	-	251,861
Vehicles	40,450	-	-	-	40,450
Total depreciable capital assets	<u>1,119,794</u>	<u>174,102</u>	<u>-</u>	<u>(394,706)</u>	<u>899,190</u>
Less Accumulated Depreciation for:					
Land improvements	(740)	-	-	740	-
Buildings	(255,231)	(15,632)	-	155,539	(115,324)
Machinery and equipment	(22,693)	(19,791)	-	-	(42,484)
Vehicles	(2,244)	(3,641)	-	-	(5,885)
Total accumulated depreciation	<u>(280,908)</u>	<u>(39,064)</u>	<u>-</u>	<u>156,279</u>	<u>(163,693)</u>
Total depreciable capital assets, net	<u>838,886</u>	<u>135,038</u>	<u>-</u>	<u>(238,427)</u>	<u>735,497</u>
Business-type activities capital assets, net	<u>\$ 2,255,475</u>	<u>\$ 278,842</u>	<u>\$ (24,535)</u>	<u>\$ (238,427)</u>	<u>\$ 2,271,355</u>

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General Government	\$ 387,259
Judicial	5,782
Public Safety	1,078,030
Public Works	1,942,961
Public Health and Welfare	57,819
Recreation and Culture	262,188
Housing and Development	14,791
Rounding	<u>1</u>
Total depreciation expense-governmental activities	<u>\$ 3,748,831</u>

Business-type Activities:	
Solid Waste	<u>\$ 39,064</u>

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, 2009, 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:					
Road Projects	\$ 415,378	\$ 100,859	\$ -	\$ 314,519	SPLOST
Courthouse	41,590,431	1,724,000	339,940	39,526,491	Series 2007 Revenue Notes
Black Mill Sewer Projects	1,932,407	122,593	-	1,809,814	Series 2002 EWSA Revenue Notes
Fire Station #2	2,642,501	1,926,197	716,304	-	SPLOST
Veterans Memorial Park Trail	139,046	1,038	-	138,008	SPLOST
Burt Creek Project	200,000	186,705	-	13,295	Series 2002 EWSA Revenue Notes
	<u>\$ 46,919,763</u>	<u>\$ 4,061,392</u>	<u>\$ 1,056,244</u>	<u>\$ 41,802,127</u>	
Business-type Activities					
GIS system	423,850	413,850	10,000	-	Operating
	<u>\$ 423,850</u>	<u>\$ 413,850</u>	<u>\$ 10,000</u>	<u>\$ -</u>	

Discretely Presented Component Units

Activity for the discretely component units for the year ended are as follows:

Health Department	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities:				
Depreciable Assets:				
Furniture and equipment	\$ 14,758	\$ -	\$ -	\$ 14,758
Less Accumulated Depreciation	<u>(14,758)</u>	<u>-</u>	<u>-</u>	<u>(14,758)</u>
Capital Assets, net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

Development Authority	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Business-type Activities:				
Non-Depreciable Assets:				
Depreciable Assets:				
Machinery and equipment	\$ 13,943	\$ 4,157	\$ (4,157)	\$ 13,943
Less Accumulated Depreciation for:				
Machinery and equipment	<u>(5,239)</u>	<u>(2,382)</u>	<u>282</u>	<u>(7,339)</u>
Total depreciable capital assets, net	<u>8,704</u>	<u>1,775</u>	<u>(3,875)</u>	<u>6,604</u>
Business-type activities capital assets, net	<u>\$ 8,704</u>	<u>\$ 1,775</u>	<u>\$ (3,875)</u>	<u>\$ 6,604</u>

Industrial Building Authority	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Business-type Activities:				
Non-Depreciable Assets:				
Infrastructure land and land improvements	\$ 44,592	\$ -	\$ -	\$ 44,592
Depreciable Assets:				
Buildings	124,701	-	-	124,701
Infrastructure	<u>4,039</u>	<u>-</u>	<u>-</u>	<u>4,039</u>
Total depreciable assets	<u>128,740</u>	<u>-</u>	<u>-</u>	<u>128,740</u>
Less Accumulated Depreciation for:				
Buildings	(1,039)	(1,039)	(2,079)	(4,157)
Infrastructure	<u>(2,872)</u>	<u>(270)</u>	<u>1</u>	<u>(3,141)</u>
Total accumulated depreciation	<u>(3,911)</u>	<u>(1,309)</u>	<u>(2,078)</u>	<u>(7,298)</u>
Total depreciable capital assets, net	<u>124,829</u>	<u>(1,309)</u>	<u>(2,078)</u>	<u>121,442</u>
Business-type activities capital assets, net	<u>\$ 169,421</u>	<u>\$ (1,309)</u>	<u>\$ (2,078)</u>	<u>\$ 166,034</u>

NOTE 6 - LONG-TERM DEBT

Long-term liability activity for the year ended December 31, 2009, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>	<u>Due After One Year</u>
Governmental Activities:						
Bonds payable	\$ 43,875,000	\$ -	\$ (2,700,000)	\$ 41,175,000	\$ 6,350,000	\$ 34,825,000
Plus: original issue premium	2,465,305	-	(414,499)	2,050,806	388,227	1,662,579
Subtotal bonds payable	<u>46,340,305</u>	<u>-</u>	<u>(3,114,499)</u>	<u>43,225,806</u>	<u>6,738,227</u>	<u>36,487,579</u>
Contracts payable - EWSA	4,890,000	-	(155,000)	4,735,000	160,000	4,575,000
Agreement for sale - Jail	5,415,000	-	(355,000)	5,060,000	370,000	4,690,000
Capital leases	1,927,879	-	(1,002,218)	925,662	136,326	789,336
Net pension obligation	68,202	319,575	(310,936)	76,841	-	76,841
Compensated absences	238,778	612,426	(584,979)	266,225	266,225	-
Governmental activities long-term liabilities	<u>\$ 58,880,164</u>	<u>\$ 932,001</u>	<u>\$ (5,522,632)</u>	<u>\$ 54,289,534</u>	<u>\$ 7,670,778</u>	<u>\$ 46,618,756</u>

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due After One Year
Business-type Activities:						
Landfill closure/postclosure	\$ 783,600	\$ -	\$ 144,800	\$ 928,400	\$ 42,200	\$ 886,200
Compensated absences	1,099	904	(825)	1,178	1,178	-
Business-type activities long-term liabilities	<u>\$ 784,699</u>	<u>\$ 904</u>	<u>\$ 143,975</u>	<u>\$ 929,578</u>	<u>\$ 43,378</u>	<u>\$ 886,200</u>

Compensated absences are generally liquidated by the general fund.

A summary of payments on all debt for governmental activities, excluding original issue premiums and compensated absences is presented below. Details of individual debts are provided following that.

SUMMARY OF ALL DEBT - GOVERNMENTAL ACTIVITIES

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 7,016,326	\$ 2,399,099	\$ 9,415,425
2011	6,602,638	2,174,608	8,777,246
2012	6,930,114	1,849,472	8,779,586
2013	7,667,696	1,507,687	9,175,383
2014	8,340,390	1,149,014	9,489,404
2015 - 2019	11,806,566	1,761,469	13,568,035
2020 - 2024	2,126,932	598,782	2,725,714
2025 - 2029	1,405,000	156,010	1,561,010
	<u>\$51,895,662</u>	<u>\$11,596,141</u>	<u>\$63,491,803</u>

CAPITAL LEASES

The County leases certain land, facilities, equipment and vehicles under non-cancelable leases with interest rates from 2.93% to 5.85%. Ownership of the related assets will be transferred to the County at the end of the lease terms. The assets acquired through capital leases are as follows:

	Governmental Activities
Buildings and improvements	\$ 856,025
Vehicles	241,664
Total assets	<u>1,097,689</u>
Less accumulated depreciation	(38,168)
	<u>\$ 1,059,521</u>

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

Minimum future lease obligations for these leases, as of December 31, 2009, are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 136,326	\$ 38,273	\$ 174,599
2011	57,638	32,940	90,578
2012	60,114	30,465	90,579
2013	62,696	27,883	90,579
2014	65,389	25,190	90,579
2015 - 2019	371,566	81,330	452,896
2020 - 2024	171,933	9,230	181,163
	<u>\$ 925,662</u>	<u>\$ 245,311</u>	<u>\$ 1,170,973</u>

CONTRACTS PAYABLE

Etowah Water and Sewer Authority Revenue Bonds, Series 2002. The County entered into an intergovernmental agreement with the Etowah Water and Sewer Authority (EWSA) to pay for the \$5,630,000 of the total \$8,595,000 in Etowah Water and Sewer Authority Revenue Bonds, Series 2002. The County agreed to pay \$5,630,000 of the total bond issue, and Etowah Water and Sewer Authority agreed to pay the remaining \$2,965,000. The County also agreed to pay to the Authority amounts sufficient to enable the Authority to pay the debt service on the Series 2002 Bonds in the event that the Authority's net revenues are insufficient to pay debt service on the Series 2002 bonds.

The bonds are issued as a combination of serial and term bonds with interest rates from 2% to 5.375% maturing from March 1, 2003 through March 1, 2028. The purpose of the bonds is to finance the improvements to the water and sewer system and refunding the outstanding bonds of the Authority. As of December 31, the County's portion of the Series 2002 bonds had an outstanding balance of \$4,735,000. The outstanding balance of the Authority's liability, for which the County will be liable if the Authority defaults, was \$2,110,000 at December 31, 2009.

The annual requirements to amortize contracts payable as of December 31, 2009, are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 160,000	\$ 226,614	\$ 386,614
2011	160,000	220,454	380,454
2012	165,000	214,033	379,033
2013	175,000	207,124	382,124
2014	190,000	199,478	389,478
2015 - 2019	1,085,000	862,201	1,947,201
2020 - 2024	1,395,000	565,640	1,960,640
2025 - 2029	1,405,000	156,010	1,561,010
	<u>\$ 4,735,000</u>	<u>\$ 2,651,554</u>	<u>\$ 7,386,554</u>

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

Etowah Water and Sewer Authority Sprayfield Lease. The County entered into an intergovernmental agreement with EWSA to pay the interest on a bank note used to acquire 1,236 acres of land. The note was modified on November 24, 2009, to extend the maturity date from November 24, 2009 to November 5, 2011. The balance at December 31, 2009, was \$2,661,444, and bears interest at 75% of prime. The interest rate on December 31, 2009, was 0.73%. The amount of interest paid in 2009 was \$52,677. The County made payments of principal of \$280,500 from the sale of wetland credits on that land, but is not directly liable for the debt.

BONDS PAYABLE

General Obligation Sales Tax Bonds, Series 2004. The County issued general obligation bonds in the amount of \$12,200,000. The bonds are issued as term bonds with interest rates from 3% to 4% maturing June 1, 2010. The purpose of the bonds is to finance the construction of the detention center, a facility for 911 emergency services and animal control. The bonds will also be used for the acquisition, construction and equipping a recreational complex. The bonds are secured by a 1% local option sales tax approved by the voters on March 2, 2004 and then from the levy of an ad valorem tax. As of December 31, 2009, the bonds had an outstanding balance of \$2,850,000.

The annual requirements to amortize bonds payable as of December 31, 2009, are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	<u>\$ 2,850,000</u>	<u>\$ 57,000</u>	<u>\$ 2,907,000</u>

General Obligation Sales Tax Bonds, Series 2007. In 2007, the County issued general obligation bonds in the amount of \$38,325,000. The bonds are issued as term bonds with interest rates from 4% to 5% maturing June 1, 2015. The purpose of the bonds is to finance the costs of acquiring, constructing, remodeling, and equipping of the Courthouse and Administration Building and the Sheriff's Office. The bonds are secured by a 1% local option sales tax approved by the voters on November 6, 2007 and then from the levy of an ad valorem tax. As of December 31, 2009, the bonds had an outstanding balance of \$38,325,000.

The annual requirements to amortize bonds payable as of December 31, 2009, are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 3,500,000	\$ 1,861,150	\$ 5,361,150
2011	6,000,000	1,721,150	7,721,150
2012	6,300,000	1,421,150	7,721,150
2013	7,010,000	1,106,150	8,116,150
2014	7,650,000	775,750	8,425,750
2015 - 2016	7,865,000	393,250	8,258,250
	<u>\$ 38,325,000</u>	<u>\$ 7,278,600</u>	<u>\$ 45,603,600</u>

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

AGREEMENT FOR SALE PAYABLE

Jail Construction. On April 1, 2006, the County entered into a variable rate installment sale agreement in the amount of \$6,080,000 with the Association of County Commissioners of Georgia through the Bank of America. In addition, in order to manage its interest rate risk, the County determined that it should enter into an interest rate swap agreement with the Bank. The purpose of the agreement is to complete the financing for the construction of the new jail which is being partially funded through the 2004 SPLOST proceeds.

Objective of the Interest Rate Swap. The County's asset/liability strategy is to have a mixture of fixed-and variable-rate debt to take advantage of market fluctuations. Because the County anticipated that interest rates might decline, it decided to synthetically create variable-rate debt by entering into a derivative.

Terms. The County entered into a pay-variable, receive-fixed interest rate swap for the term of its \$6,080,000, 4.27% Agreement for Sale. The notional value of the swap is \$5,060,000. Under the terms of the swap, entered into March 28, 2006 and scheduled to end December 1, 2020, the County pays a fixed rate of 4.27%, and receives a variable-rate equivalent to one month London Interbank Offered Rate (LIBOR) less 63 basis points, which totaled 0.92% at December 31, 2009.

Fair Value. As of December 31, 2009, the swap had a fair value of \$5,328,793, calculated using the par-value method: the fixed rate on the swap was compared with the current fixed rates that could be achieved in the marketplace should the swap be unwound. The fixed-rate bond component was valued by discounting the fixed-rate cash flows using the current yield to maturity of a comparable bond. The variable-rate component was assumed to be at par value because the interest rate resets to the market rate at every reset date. The fair value was then calculated by subtracting the established market value of the fixed component from the established market value of the variable component (the par value of the bond).

Credit Risk. The swap's fair value represented the County's credit exposure to the counterparty as of December 31, 2009. Should the counterparty to this transaction fail to perform according to the terms of the swap contract, the County faces a maximum possible loss equivalent to the fixed interest amount.

Interest Rate Risk. The swap increases the County's exposure to interest rate risk. As LIBOR plus decreases, the County's net payment on the swap increases.

Swap Payments and Associated Debt. Using interest rates as of December 31, 2009, principal and interest requirements of the debt and net swap payments for the term of the swap and the debt are as follows. As rates vary, net swap payments will vary.

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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Year	Governmental Activities			
	Fixed Rate Bonds		Interest Rate	Total
	Principal	Interest	Swaps, Net	
2010	\$ 370,000	\$ 216,062	\$ 169,510	\$ 755,572
2011	385,000	200,064	157,115	742,179
2012	405,000	183,824	144,218	733,042
2013	420,000	166,530	130,650	717,180
2014	435,000	148,596	116,580	700,176
2015 - 2019	2,485,000	447,070	350,746	3,282,816
2020 - 2021	560,000	23,912	18,760	602,672
	\$ 5,060,000	\$ 1,386,058	\$ 1,087,579	\$ 7,533,637

PLEDGED REVENUE

Dawson County has pledged SPLOST IV revenues to repay its contract payable related its 2004 General Obligation Sales Tax Bonds with an original debt of \$12.2 million. In the event that the County's SPLOST IV revenues are insufficient to cover the principal and interest payments, the County has agreed to pledge its property tax revenue. The contract payable is payable through 2010. The total principal and interest remaining to be paid is \$2.9 million. For the current year, the principal and interest paid and SPLOST IV revenues recognized by the County were \$2.9 million and \$2.8 million, respectively. Current year principal and interest payments are approximately 104% of net revenues.

Dawson County has pledged SPLOST V revenues to repay its contract payable related to its 2007 General Obligation Sales Tax Bonds with an original debt of \$38.3 million. In the event that the County's SPLOST V revenues are insufficient to cover the principal and interest payments, the County has agreed to pledge its property tax revenue. The contract payable is payable through 2015. The total principal and interest remaining to be paid is \$45.6 million. For the current year, interest paid and SPLOST V revenues recognized by the County were \$1,861,150 and \$2.8 million, respectively. No principal payments were made during the year. Current year principal and interest payments are approximately 66.5% of net revenues.

COMPONENT UNITS

Long-term liability activity for the Health Department for the year ended June 30, 2009, was as follows:

	Beginning			Ending	Due Within	Due After
Governmental activities	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>	<u>One Year</u>	<u>One Year</u>
Compensated absences	\$ <u>46,461</u>	\$ <u>27,775</u>	\$ <u>(33,583)</u>	\$ <u>40,653</u>	\$ <u>33,500</u>	\$ <u>7,153</u>

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 7 - INTERFUND BALANCES AND ACTIVITY

Balances due to/from other funds at December 31, 2009, consist of the following:

\$ 1,020,906	Due to the Debt Service fund from General fund for debt payments.
209,967	Due to the Solid Waste fund from the General fund for revenues collected but cash not yet transferred.
327	Due to the DCAR GIS Enterprise fund from the General fund for revenues collected but cash not yet transferred.
49,078	Due to Restricted Programs Nonmajor fund from General fund for cash pooled within General fund bank account.
<u>143,378</u>	Due to various nonmajor governmental funds from General fund for cash not yet transferred.
<u>1,423,656</u>	<i>Subtotal - due to other funds from the General fund</i>
<u>1,021,186</u>	Due to General fund from the SPLOST fund to reimburse expenses.
<u>1,021,186</u>	<i>Subtotal - due to other funds from the SPLOST fund</i>
<u>113,719</u>	Due to the General fund from the Capital Projects fund to reimburse expenses.
<u>113,719</u>	<i>Subtotal - due to other funds from the Capital Projects fund</i>
23,056	Due to the Multiple Grants fund from the K-9 Seizure fund for matching funds for which cash has not been transferred.
<u>170,352</u>	Due to the General fund from other nonmajor governmental funds to reimburse expenses.
<u>193,408</u>	<i>Subtotal - due to other funds from the nonmajor governmental funds</i>
<u>10,001</u>	Due to the General fund from Fuel & Fleet Maintenance fund to reimburse expenses.
<u>10,001</u>	<i>Subtotal - due to other funds from the proprietary funds - internal service funds</i>
<u>\$ 2,761,970</u>	Total due to other funds

Summary of balances due from other funds reported in fund financial statements:

\$ 2,551,676	Due from other funds, Balance Sheet-Governmental Funds.
<u>210,294</u>	Due from other funds, Statement of Net Assets-Proprietary funds - Enterprise Funds.
<u>\$ 2,761,970</u>	Total due from other funds

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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Transfers to/from other funds at December 31, 2009, consist of the following:

\$ 391,440	From General fund to the E911 fund to supplement the operating budget.
29,159	From General fund to the Restricted Programs Nonmajor fund to establish the new fund and supplement the budget.
11,576	From General fund to the Law Library Nonmajor fund to supplement the budget.
196,032	From General fund to Capital Projects fund to pay for fiscal year construction projects.
471,334	From the General fund to the Multiple Grants fund for the County's matching portion on federal and state grants.
66,993	From the General fund to the DCAR GIS Enterprise fund for capital outlay and operations.
50,989	From the General fund to the Fuel Depot Internal Service fund for operations.
<u>1,217,523</u>	<i>Subtotal - transfers from the General fund</i>
<u>6,190,653</u>	From the SPLOST fund to pay debt service payments in the Debt Service fund.
<u>6,190,653</u>	<i>Subtotal - transfers from the SPLOST fund</i>
<u>1,861,150</u>	From the Capital Projects fund to the Debt Service fund for debt payments.
<u>1,861,150</u>	<i>Subtotal - transfers from the Capital Projects fund</i>
44,899	From the Impact Fee fund to the General fund for administrative fees.
5,368	From the Impact Fee fund to the SPLOST fund to help fund the purchase of a library site.
<u>50,267</u>	<i>Subtotal - transfers from the Impact Fee fund</i>
562	From the Restricted Programs Nonmajor fund to Mentor nonmajor fund to reimburse expenses.
500	From the Restricted Programs Nonmajor fund to Multiple Grants nonmajor fund to reimburse expenses.
58,141	From the Drug Education and Abuse Treatment Nonmajor fund to the Multiple Grants fund for contribution to operations.
<u>59,203</u>	<i>Subtotal - transfers from nonmajor governmental funds</i>
69,616	From Solid Waste to Capital Projects fund
15,012	From Child Development Enterprise fund to General fund to close fund
238,427	From Child Development Enterprise fund to entity wide capital assets to close fund
<u>323,055</u>	<i>Subtotal - transfers from the Enterprise fund</i>
<u>\$ 9,701,851</u>	Total transfers

Summary of transfers out to other funds reported in fund financial statements:

\$ 9,345,442	Transfers In, Statement of Revenues, Expenditures, and Changes in Fund Balances-Governmental Funds
66,993	Transfers In, Statement of Revenues, Expenses, and Changes in Fund Net Assets-Proprietary Funds - Enterprise Funds
50,989	Transfers In, Statement of Revenues, Expenses, and Changes in Fund Net Assets-Proprietary Funds - Internal Service Funds
238,427	Transfers In at entity level for capital assets from Child Development Enterprise Fund
<u>\$ 9,701,851</u>	Total

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 8 - RETIREMENT PLANS

DEFINED BENEFIT PENSION PLAN

(A) PLAN DESCRIPTION

The County contributes to the Association of County Commissioners of Georgia Restated Pension Plan for Dawson County Employees (The Plan), a defined benefit pension plan, an agent multiple-employer public employee retirement system. The Plan issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained by writing to Dawson County Board of Commissioners, 76 Howard Ave. E., Suite 120 Dawsonville, Georgia 30534.

The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The Plan, through execution of an adoption agreement, 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 by resolution 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.

Any full-time County employee meeting the provisions as set out in the adoption agreement are eligible to participate in the Plan after completing three years of service. Benefits vest at 100% after 5 years of service. Participants become eligible to retire at the earlier of: a) age 65 or b) the third anniversary of the first day of the Plan Year in which the participant commenced participation in the Plan.

Upon eligibility to retire, participants are entitled to an annual benefit in the amount of .50% of average annual compensation up to \$6,000 plus 1% of average compensation in excess of \$6,600 plus \$36 multiplied by years of service. Compensation is averaged over a five year period prior to retirement or termination. The Plan also provides benefits in the event of death before retirement. These benefit provisions were established by an adoption agreement executed by the County Board of Commissioners.

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. The County's covered payroll for employees participating in the Plan as of January 1, 2009, (the most recent actuarial valuation date) was \$5,099,175 (based on covered earnings for the preceding year).

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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(B) FUNDING POLICY

Contributions totaling \$301,927 (\$301,927 employer and \$0 employee) were made in accordance with actuarially determined contribution requirements determined by an actuarial valuation performed as of January 1, 2009. The County is required to contribute an actuarially determined amount annually to the Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan of trustees and must satisfy the minimum contribution requirement contained in the State of Georgia Statutes.

(C) ANNUAL PENSION COST

The administrative expenses set by contract between the ACCG and GEBCorp are in addition to the state-required annual funding requirement.

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, 2009, 2008, and 2007 were \$301,927, \$49,393, and \$273,377, respectively, and were equal to the required contribution for each year.

Schedule I 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:

<u>Actuarial Date of January 1</u>	<u>Actuarial Value of Assets</u> (a)	<u>Actuarial Accrued Liability (AAL) - Projected Unit Credit</u> (b)	<u>Unfunded AAL (UAAL)</u> (b-a)	<u>Funded Ratio</u> (a/b)	<u>Covered Payroll</u> (c)	<u>UAAL as a Percent of Covered Payroll</u> [(b-a)/c]
2009	\$ 2,351,740	\$ 3,134,142	\$ 782,402	75.0%	\$5,099,175	15.3 %

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

<u>Fiscal Year December 31</u>	<u>Annual Pension Cost</u>	<u>Actual County Contribution</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2009	\$ 310,566	\$ 301,927	97.2 %	\$ 76,841
2008	308,012	49,393	16.0 %	68,202
2007	\$ 286,082	\$ 273,377	95.6 %	\$ (190,417)

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

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

Valuation date	January 1, 2009
Actuarial cost method	Projected Unit Credit
Amortization method	Level Percent of Pay (closed)
Asset valuation method	Market Value
Remaining amortization period	10 years
Actuarial assumptions:	
Assumed rate of return on assets	7.75 %
Expected future salary increases	7.5 %
Expected inflation	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:	<u>2009</u>	<u>2008</u>	<u>2007</u>
Annual required contribution	\$ 310,936	\$ 307,106	\$ 285,187
Interest on net pension obligation	5,286	(16,450)	(16,250)
Amortization of net pension obligation	<u>(5,656)</u>	<u>17,356</u>	<u>17,145</u>
Annual pension cost	310,566	308,012	286,082
Contributions made with interest	<u>(301,927)</u>	<u>(49,393)</u>	<u>(273,377)</u>
Increase (decrease) in net pension obligation	8,639	258,619	12,705
Net pension obligation, Beginning of year	<u>68,202</u>	<u>(190,417)</u>	<u>(203,122)</u>
Net pension obligation, End of year	<u><u>\$ 76,841</u></u>	<u><u>\$ 68,202</u></u>	<u><u>\$ (190,417)</u></u>

401(a) RETIREMENT PLAN

Effective January 1, 2007, the County, by resolution, adopted the ACCG 401(a) Defined Contribution Plan for employees of Dawson County. This plan is administered by GEBCorp. Employees are immediately vested in the plan once contributions are made. The County matches 100% of employee voluntary contributions up to 4% of salary. The County may change the contribution requirements by resolution.

The employee contributions for 2009 were \$259,255 and the County matching contribution was \$131,669.

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.

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

- (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 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.
- (E) **TEACHER RETIREMENT SYSTEM OF GEORGIA (TRS)**
Dawson County's Extension agent and staff are covered by the Teachers Retirement System of Georgia (TRS), which is a cost-sharing multiple employer public employee retirement system (PERS) funded by employee and employer contributions.
- (F) **GEORGIA FIREFIGHTERS' PENSION FUND**
Dawson County's firefighters are covered by the Georgia Firefighters' Pension Fund, which is a cost-sharing multiple employer defined benefit pension plan. The plan is funded by a combination of member contributions and a tax imposed on gross insurance premiums written by insurance companies, corporations or associations for fire, inland marine and allied lines, lightning extended coverage, and windstorm policies covering property within the State of Georgia.

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 9 - 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).

OTHER

The 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 \$10,000 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, 2009, there was no need for such an assessment.

WORKERS' COMPENSATION

The County participates in the Association County Commissioners of Georgia (ACCG) Group Self-Insurance Workers' Compensation Fund (GSIWCF), 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 are paid by the Fund.

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, 2009, there was no need for such an assessment. Therefore, no liability for this 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.

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

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.

NOTE 10 - COMMITMENTS AND CONTINGENCIES

The County is involved in several civil lawsuits filed in the normal course of its activities. The majority of these claims are considered minimal with a favorable outcome expected. The County's position is to vigorously defend its position or seek an out of court settlement. These particular cases are covered by the County's liability insurance less the applicable deductible amount of \$10,000 for each case.

In September of 2006, the County accepted a Community Development Block Grant from the Department of Community Affairs in the amount of \$500,000 for construction of a new Adult Learning 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 grant funds will be required to be repaid during the first 5 years after the grant closeout date which occurred February 2009.

NOTE 11 - GEORGIA MOUNTAINS REGIONAL COMMISSION

Dawson County, in conjunction with other cities and counties in the area, are members of the Georgia Mountains Regional Commission (GMRC). 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 commission. 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 \$23,270 to the GMRC for the year ended December 31, 2009. The GMRC 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 commission's 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)

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

Separate financial statements for the GMRC may be obtained from: Georgia Mountains Regional Commission, 1310 Ridge Road, Gainesville, Georgia 30501.

NOTE 12 - HOTEL/MOTEL TAX

During the year ended December 31, 2009, the County collected \$234,597 of which \$149,892 was required to be spent to promote tourism, conventions, and trade shows. The County actually spent \$234,597. This was 157% of the tax receipts to be expended for these purposes under OCGA 48-13-51. The County complied with the requirements of this law.

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. There was no amortization cost of the landfill liability in 2009. The current amount of postclosure care costs remaining as of December 31, 2009, is \$928,400. The landfill was officially closed February 7, 2002.

The County is also required to demonstrate financial assurance that the closure and postclosure care cost can be paid in the future. The County has fulfilled this requirement for the period ended December 31, 2009, using the applicable financial ratio tests.

NOTE 14 - CERTAIN SIGNIFICANT ESTIMATES

As discussed in NOTE 1, estimates are used in the preparation of these financial statements. Four of the estimates qualified as significant, 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 closure/postclosure costs of the County's landfill qualifies as a significant estimate.

The estimate for allowance for doubtful accounts relating to Dawson County Emergency Medical Services accounts receivable qualifies as a significant estimate. The estimate is calculated based on the previous year's collection percentage of accounts greater than 120 days old.

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

DAWSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

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 - CHANGE IN ACCOUNTING PRINCIPLE

On January 1, 2009, the County changed its method of calculating depreciation expense for road infrastructure assets. In all prior periods, the straight-line depreciation was used for calculating depreciation expense for the road surface component and the component for road base was not depreciated. The new method combines all components of a road together and applies a composite rate of depreciation. Management considers this method to be preferable because the method simplifies the financial reporting process of road infrastructure assets for the County. As a result, the cumulative effect of applying the new method decreased beginning net assets by \$29,444,582.

DAWSON COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION FUNDING PROGRESS
For the Year Ended December 31, 2009
"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)
2000	\$ 572,930	\$ 640,446	89.46 %	\$ 67,516	\$ 974,421	6.93 %
2001	623,320	710,926	87.68 %	87,606	1,799,488	4.87 %
2002	661,151	914,628	72.29 %	253,477	2,665,114	9.51 %
2003	732,099	1,122,573	65.22 %	390,474	3,307,905	11.80 %
2004	998,609	1,735,613	57.54 %	737,004	3,956,023	18.63 %
2005	1,367,759	2,026,500	67.49 %	658,741	4,884,806	13.49 %
2006	1,722,072	2,494,416	69.04 %	772,344	5,009,337	15.42 %
2007	2,144,481	2,758,215	77.75 %	613,734	4,984,636	12.31 %
2008	2,510,476	2,808,569	89.39 %	298,093	5,301,419	5.62 %
2009	\$ 2,351,740	\$ 3,134,142	75.04 %	\$ 782,402	\$ 5,099,175	15.34 %

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.

DAWSON COUNTY, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended December 31, 2009
(Required Supplementary Information)

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ 3,338,442	\$ 3,338,442	\$ 3,338,442	\$ -
RESOURCES (INFLOWS)				
Taxes	21,483,443	18,162,783	18,162,730	(53)
Licenses and permits	820,154	430,657	430,657	-
Intergovernmental	737,221	949,854	949,854	-
Fines and forfeitures	969,300	677,024	648,757	(28,267)
Charges for services	2,104,495	1,760,894	1,756,007	(4,887)
Contributions and donations	-	103,014	103,014	-
Investment income	458,000	23,278	14,242	(9,036)
Miscellaneous	125,957	16,713	38,520	21,807
Sale of county property	5,000	956	956	-
Capital lease proceeds	485,000	-	-	-
Transfers in	-	59,911	59,911	-
Total Resources (Inflows)	<u>27,188,570</u>	<u>22,185,084</u>	<u>22,164,648</u>	<u>(20,436)</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>30,527,012</u>	<u>25,523,526</u>	<u>25,503,090</u>	<u>(20,436)</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
General Government				
Legislative	347,106	302,770	302,770	-
Executive	427,247	381,088	381,088	-
Elections	208,258	149,831	149,831	-
Financial administration	596,155	489,238	489,238	-
Purchasing	132,010	127,709	127,709	-
Data processing/MIS	334,422	289,269	289,269	-
Human resources	185,915	135,896	135,896	-
Tax commissioner	516,273	439,270	439,270	-
Tax assessor	444,539	387,856	387,856	-
Risk management	335,000	177,865	177,865	-
Buildings	1,221,842	908,834	908,834	-
Board of Equalization	11,100	13,376	13,376	-
Other general government	1,169,831	436,656	436,656	-
Total General Government	<u>5,929,698</u>	<u>4,239,658</u>	<u>4,239,658</u>	<u>-</u>
Judicial				
Superior court	540,633	491,869	491,869	-
Clerk of superior court	656,662	572,037	572,037	-
District attorney	598,753	558,041	558,041	-
Magistrate court	257,773	227,744	227,744	-
Probate court	250,121	213,468	213,468	-
Juvenile court	80,155	77,334	77,334	-
Public defender	259,197	248,870	248,870	-
Total Judicial	<u>2,643,294</u>	<u>2,389,363</u>	<u>2,389,363</u>	<u>-</u>
Public Safety				
Sheriff	3,556,061	2,954,738	2,954,738	-
Detention center	3,649,167	3,475,712	3,475,712	-
Fire	1,343,307	1,140,613	1,140,613	-
Emergency medical services	1,993,479	1,932,077	1,932,077	-
Emergency services administration	289,268	186,636	186,636	-
Coroner	66,685	50,485	50,485	-
Animal shelter	-	144,170	144,170	-
School resource officers	299,110	161,853	161,853	-
Special response team	423	-	-	-
Marshall	101,265	163,309	163,309	-
Junior police academy	-	1,169	1,169	-
Emergency management	39,400	3,929	3,929	-
Animal control	205,105	141,749	141,749	-
Total Public Safety	<u>11,543,270</u>	<u>10,356,440</u>	<u>10,356,440</u>	<u>-</u>
Public Works				
Public works administration	232,467	184,473	184,473	-
Road department	2,339,928	1,312,360	1,312,360	-
Total Public Works	<u>2,572,395</u>	<u>1,496,833</u>	<u>1,496,833</u>	<u>-</u>

DAWSON COUNTY, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended December 31, 2009
(Required Supplementary Information)

CONTINUED.....	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Public Health and Welfare				
Health department	282,756	226,499	226,499	-
Public welfare	78,212	65,311	65,311	-
Indigent welfare	5,000	5,600	5,600	-
Senior citizens center	81,609	78,945	78,945	-
Senior services donation	-	27,428	27,428	-
C.A.S.A.	7,200	6,120	6,120	-
Noah's Ark	3,000	2,550	2,550	-
Total Public Health and Welfare	<u>457,777</u>	<u>412,453</u>	<u>412,453</u>	-
Recreation and Culture				
Park	904,619	807,083	807,083	-
Park and Recreation	-	47,356	47,356	-
Park - Women's Club Donations	-	2,303	2,303	-
Park - Pool	13,995	22,774	22,774	-
Park - Camping	-	6,392	6,392	-
Library	449,439	413,484	413,484	-
Historical society	177,638	17,127	17,127	-
Total Recreation and Culture	<u>1,545,691</u>	<u>1,316,519</u>	<u>1,316,519</u>	-
Housing and development				
Conservation	700	650	650	-
Forestry	3,256	-	-	-
Planning and zoning	1,003,051	507,969	507,969	-
County agent	93,223	70,967	70,967	-
Development Authority	194,647	155,523	155,523	-
Family connection	750	750	750	-
Total Housing and Development	<u>1,295,627</u>	<u>735,859</u>	<u>735,859</u>	-
Transfers out	<u>1,201,855</u>	<u>1,276,777</u>	<u>1,217,523</u>	<u>59,254</u>
TOTAL CHARGES TO APPROPRIATIONS	<u>27,189,607</u>	<u>22,223,902</u>	<u>22,164,648</u>	<u>59,254</u>
CHANGE IN FUND BALANCE	<u>(1,037)</u>	<u>(38,818)</u>	<u>-</u>	<u>38,818</u>
FUND BALANCE, End of year	<u>\$ 3,337,405</u>	<u>\$ 3,299,624</u>	<u>\$ 3,338,442</u>	<u>\$ 38,818</u>

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 the proceeds of specific revenue sources (other than major capital projects) that are legally restricted for specific purposes. The following special revenue funds are maintained by the County:

Emergency 911 Fund - to account for the monthly "911" charge to help fund the cost of providing the service as provided in title 46, Chapter 5 of the Official Code of Georgia Annotated.

Multiple Grants Fund - to account for all reimbursement grants from state, federal, and local grantors.

Mentor Program - to account for grant funds and private contributions used to provide mentoring services to the County.

Restricted Program Fund - to account for funds received from donations and other funds restricted to specific programs.

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

Hotel/Motel Tax Fund - to account for taxes charged on rental of hotel/motel rooms as provided in title 48m Chapter 13 of the Official Code of Georgia Annotated. These funds are used for the promotion of tourism, conventions and trade shows in the County.

Law Library Fund - 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.

Victims Rights and Assistance Fund - to account for funds collected from fines and forfeitures that are used to assist victims of crime.

Drug Abuse Treatment and Education Fund - to account for funds collected from fines & forfeitures to be used to create and maintain a Drug Education Fund as provided in title 15, chapter 21 of the Official Code of Georgia Annotated.

District Attorney Seizure Fund - to account for funds collected from 10% of all funds subject to forfeiture laws as specified in the Sheriff's Condemnation Fund. These funds may be used to supplement victims'-witness assistance programs.

Sheriff Seizure Fund - to account for funds seized in acts of violation of specific forfeiture laws such as controlled substance violations. Up to 33 1/3% of the amount of local funds appropriated may be spent for law enforcement purposes with the exception of salaries or rewards to law enforcement personnel at the discretion of the chief officer of the local law enforcement agency or may be used to fund victims'-witness assistance programs.

K-9 Seizure Fund - to account for funds seized by the K-9 unit. These funds are held in trust until the court orders these funds to be distributed.

Inmate Stores and Welfare Fund - to account for funds collected from sale of goods and services to inmates.

DAWSON COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2009

SPECIAL REVENUE FUNDS

	EMERGENCY 911 TELEPHONE SERVICES	MULTIPLE GRANTS FUND	MENTOR PROGRAM	RESTRICTED PROGRAMS FUND	JAIL FUND	HOTEL MOTEL TAX	LAW LIBRARY	VICTIMS RIGHTS & ASSISTANCE
ASSETS								
Cash	\$ -	\$ -	\$ 300	\$ -	\$ 130,461	\$ -	\$ 87,499	\$ 41,790
Receivables (net of allowance for uncollectibles)	56,799	147,537	-	-	-	22,661	-	-
Due from other funds	103,760	23,056	20,600	49,078	-	19,018	-	-
TOTAL ASSETS	\$ 160,559	\$ 170,593	\$ 20,900	\$ 49,078	\$ 130,461	\$ 41,679	\$ 87,499	\$ 41,790
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ 2,066	\$ 15,576	\$ 1,020	\$ -	\$ 56,559	\$ 41,679	\$ -	\$ 5,106
Other accrued items	32,062	4,595	-	3,063	-	-	108	-
Due to other funds	-	142,887	-	-	13,700	-	8,317	-
Deferred revenue	-	7,500	-	-	-	-	-	-
Amounts held in trust	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	\$ 34,128	\$ 170,558	\$ 1,020	\$ 3,063	\$ 70,259	\$ 41,679	\$ 8,425	\$ 5,106
FUND BALANCES								
Reserved:								
Public safety projects	-	-	-	12,082	-	-	-	-
Unreserved, designated:								
Capital outlay projects	-	-	-	-	60,000	-	-	-
Wireless service upgrades	112,314	-	-	-	-	-	-	-
Unreserved, undesignated:								
Special Revenue Funds	14,117	35	19,880	33,933	202	-	79,074	36,684
TOTAL FUND BALANCES	\$ 126,431	\$ 35	\$ 19,880	\$ 46,015	\$ 60,202	\$ -	\$ 79,074	\$ 36,684
TOTAL LIABILITIES AND FUND BALANCES	\$ 160,559	\$ 170,593	\$ 20,900	\$ 49,078	\$ 130,461	\$ 41,679	\$ 87,499	\$ 41,790

DAWSON COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
 December 31, 2009

	SPECIAL REVENUE FUNDS							TOTAL NONMAJOR GOVERNMENTAL FUNDS
	DISTRICT ATTORNEY SEIZURE FUND	SHERIFF'S SEIZURE FUND	INMATE WELFARE FUND	K-9 SEIZURE FUND	INMATE STORE AND WELFARE FUND			
ASSETS								
Cash	35,888	10,568	18,781	19,204	2,868	6,638	353,997	226,997
Receivables (net of allowance for uncollectibles)	-	-	-	-	-	-	215,512	-
Due from other funds	-	-	-	-	-	-	-	-
TOTAL ASSETS	<u>\$ 35,888</u>	<u>\$ 10,568</u>	<u>\$ 18,781</u>	<u>\$ 19,204</u>	<u>\$ 2,868</u>	<u>\$ 6,638</u>	<u>\$ 796,506</u>	<u>\$ 796,506</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	-	-	-	-	-	-	122,006	39,828
Other accrued items	-	-	-	-	-	-	193,408	7,500
Due to other funds	-	45	314	-	28,145	-	6,199	-
Deferred revenue	-	-	-	-	-	-	-	-
Amounts held in trust	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>45</u>	<u>314</u>	<u>-</u>	<u>28,145</u>	<u>6,199</u>	<u>368,941</u>	<u>46,427</u>
FUND BALANCES								
Reserved:								
Public safety projects	-	-	-	-	-	-	12,082	-
Unreserved, designated:								
Capital outlay projects	-	-	-	-	-	-	60,000	-
Wireless service upgrades	-	-	-	-	-	-	112,314	-
Unreserved, undesignated:								
Special Revenue Funds	35,888	10,523	18,467	19,204	(25,277)	439	243,169	-
TOTAL FUND BALANCES	<u>35,888</u>	<u>10,523</u>	<u>18,467</u>	<u>19,204</u>	<u>(25,277)</u>	<u>439</u>	<u>427,565</u>	<u>427,565</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 35,888</u>	<u>\$ 10,568</u>	<u>\$ 18,781</u>	<u>\$ 19,204</u>	<u>\$ 2,868</u>	<u>\$ 6,638</u>	<u>\$ 796,506</u>	<u>\$ 796,506</u>

DAWSON COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2009

	SPECIAL REVENUE FUNDS						
	EMERGENCY 911 TELEPHONE SERVICE	MULTIPLE GRANTS FUND	MENTOR PROGRAM	RESTRICTED PROGRAMS FUND	JAIL FUND	HOTEL/ MOTEL TAX	LAW LIBRARY
REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 234,597	\$ -
Taxes	-	-	-	-	-	-	-
Intergovernmental	-	559,426	-	-	-	-	-
Fines and forfeitures	-	-	-	-	70,212	-	28,220
Charges for services	440,315	81,694	-	-	-	-	-
Contributions and donations	-	8,200	32,083	57,756	-	-	-
Interest income	-	-	-	-	46	-	124
Miscellaneous	-	-	-	23,673	60,000	-	-
TOTAL REVENUES	440,316	649,320	32,083	81,429	130,258	234,597	28,344
EXPENDITURES							
Current Expenditures							
Judicial	-	-	-	-	-	-	33,414
Public safety	740,194	229,146	-	-	70,259	-	-
Public works	-	156,209	-	20,074	-	-	-
Public health and welfare	-	3,158	-	-	-	-	-
Housing and development	-	616,620	-	-	-	-	-
Capital outlay	-	85,119	30,115	59,103	-	234,597	-
Debt service	17,590	89,008	-	-	-	-	-
TOTAL EXPENDITURES	757,784	1,179,260	30,115	79,177	70,259	234,597	33,414
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(317,468)	(529,940)	1,968	2,252	59,999	-	(5,070)
OTHER FINANCING SOURCES (USES)							
Sale of county property	-	-	-	-	-	-	-
Transfers in	391,440	529,975	562	29,159	-	-	11,576
Transfers out	-	-	-	(1,062)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	391,440	529,975	562	28,097	-	-	11,576
NET CHANGE IN FUND BALANCES	73,972	35	2,530	30,349	59,999	-	6,506
FUND BALANCES, Beginning of year	52,459	-	17,350	15,666	203	-	72,568
FUND BALANCES, End of year	126,431	35	19,880	46,015	60,202	-	79,074

DAWSON COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2009

	SPECIAL REVENUE FUNDS							
	VICTIMS RIGHTS & ASSISTANCE	DRUG ABUSE TREATMENT & EDUCATION	DISTRICT ATTORNEY SEIZURE FUND	SHERIFF'S SEIZURE FUND	INMATE WELFARE FUND	K-9 SEIZURE FUND	INMATE STORE & WELFARE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 234,597
Intergovernmental	-	-	-	-	-	-	-	559,426
Fines and forfeitures	30,216	28,731	1,625	8,329	-	-	-	167,333
Charges for services	-	-	-	-	23,782	-	-	545,791
Contributions and donations	-	-	-	-	-	-	-	98,039
Interest income	127	66	17	28	34	-	-	443
Miscellaneous	-	-	-	-	2,000	-	-	85,673
TOTAL REVENUES	30,343	28,797	1,642	8,357	25,816	-	-	1,691,302
EXPENDITURES								
Current Expenditures								
Judicial	47,583	-	403	-	-	-	-	310,546
Public safety	-	-	-	11,511	8,159	-	-	1,006,406
Public works	-	-	-	-	-	-	-	3,158
Public health and welfare	-	-	-	-	-	-	-	616,620
Housing and development	-	-	-	-	-	-	-	408,924
Capital outlay	-	-	-	12,850	22,012	-	-	141,460
Debt service	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	47,583	-	403	24,361	30,171	-	-	2,487,124
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(17,240)	28,797	1,239	(16,004)	(4,355)	-	-	(795,822)
OTHER FINANCING SOURCES (USES)								
Sale of county property	-	-	-	1,740	-	-	-	1,740
Transfers in	-	-	-	-	-	-	-	962,712
Transfers out	-	(58,141)	-	-	-	-	-	(59,203)
TOTAL OTHER FINANCING SOURCES (USES)	-	(58,141)	-	1,740	-	-	-	905,249
NET CHANGE IN FUND BALANCES	(17,240)	(29,344)	1,239	(14,264)	(4,355)	-	-	109,427
FUND BALANCES, Beginning of year	53,924	65,232	9,284	32,731	23,559	(25,277)	439	318,138
FUND BALANCES, End of year	\$ 36,684	\$ 35,888	\$ 10,523	\$ 18,467	\$ 19,204	\$ (25,277)	\$ 439	\$ 427,565

DAWSON COUNTY, GEORGIA
2002 BOND SERIES DEBT SERVICE SUB FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2009

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ 228,253	\$ 228,253	\$ 228,253	\$ -
RESOURCES (INFLOWS)				
Investment income	5,000	5,000	206	(4,794)
Transfer in	382,463	382,463	389,757	7,294
Total Resources (Inflows)	<u>387,463</u>	<u>387,463</u>	<u>389,963</u>	<u>2,500</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>615,716</u>	<u>615,716</u>	<u>618,216</u>	<u>2,500</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Debt service				
Principal	155,000	155,000	155,000	-
Interest	232,463	232,463	232,465	(2)
TOTAL CHARGES TO APPROPRIATIONS	<u>387,463</u>	<u>387,463</u>	<u>387,465</u>	<u>(2)</u>
CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>2,498</u>	<u>2,498</u>
FUND BALANCE, End of year	<u>\$ 228,253</u>	<u>\$ 228,253</u>	<u>\$ 230,751</u>	<u>\$ 2,498</u>

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

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

DAWSON COUNTY, GEORGIA
1999 AND 2004 BOND SERIES DEBT SERVICE SUB FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2009

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ 2,823,851	\$ 2,823,851	\$ 2,823,851	\$ -
RESOURCES (INFLOWS)				
Investment income	100,000	136,049	136,049	-
Transfer in	5,668,250	2,985,417	2,985,417	-
Total Resources (Inflows)	5,768,250	3,121,466	3,121,466	-
AMOUNTS AVAILABLE FOR APPROPRIATION	8,592,101	5,945,317	5,945,317	-
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Debt service				
Principal	2,700,000	2,700,000	2,700,000	-
Interest	161,250	161,250	161,250	-
TOTAL CHARGES TO APPROPRIATIONS	2,861,250	2,861,250	2,861,250	-
CHANGE IN FUND BALANCE	2,907,000	260,216	260,216	-
FUND BALANCE, End of year	\$ 5,730,851	\$ 3,084,067	\$ 3,084,067	\$ -

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

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

DAWSON COUNTY, GEORGIA
2007 DEBT SERVICE SUB FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2009

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ -	\$ -	\$ -	\$ -
RESOURCES (INFLOWS)				
Investment income	-	629	629	-
Transfer in	-	4,676,630	4,676,630	-
Total Resources (Inflows)	-	4,677,259	4,677,259	-
AMOUNTS AVAILABLE FOR APPROPRIATION	-	4,677,259	4,677,259	-
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Debt service	-	4,677,258	1,861,150	2,816,108
TOTAL CHARGES TO APPROPRIATIONS	-	4,677,258	1,861,150	2,816,108
CHANGE IN FUND BALANCE	-	1	2,816,109	2,816,108
FUND BALANCE, End of year	\$ -	\$ 1	\$ 2,816,109	\$ 2,816,108

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

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

DAWSON COUNTY, GEORGIA
EMERGENCY E911 TELEPHONE SYSTEM SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2009

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ 52,459	\$ 52,459	\$ 52,459	\$ -
RESOURCES (INFLOWS)				
Charges for services	309,288	440,315	440,315	-
Transfer in	501,647	391,440	391,440	-
Total Resources (Inflows)	<u>810,935</u>	<u>831,755</u>	<u>831,755</u>	<u>-</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>863,394</u>	<u>884,214</u>	<u>884,214</u>	<u>-</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	810,935	831,755	757,783	73,972
TOTAL CHARGES TO APPROPRIATIONS	<u>810,935</u>	<u>831,755</u>	<u>757,783</u>	<u>73,972</u>
CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>73,972</u>	<u>73,972</u>
FUND BALANCE, End of year	<u>\$ 52,459</u>	<u>\$ 52,459</u>	<u>\$ 126,431</u>	<u>\$ 73,972</u>

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

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

DAWSON COUNTY, GEORGIA
MULTIPLE GRANTS SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2009

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ -	\$ -	\$ -	\$ -
RESOURCES (INFLOWS)				
Intergovernmental	637,944	950,984	559,426	(391,558)
Charges for services	20,224	89,979	81,693	(8,286)
Contributions and donations	-	8,200	8,200	-
Transfer in	608,369	872,360	529,976	(342,384)
Total Resources (Inflows)	<u>1,266,537</u>	<u>1,921,523</u>	<u>1,179,295</u>	<u>(742,228)</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>1,266,537</u>	<u>1,921,523</u>	<u>1,179,295</u>	<u>(742,228)</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Judicial	183,495	285,627	229,146	56,481
Public safety	407,422	306,698	208,269	98,429
Public works	-	3,158	3,158	-
Public health and welfare	595,225	1,154,365	616,620	537,745
Housing and development	80,395	171,675	122,067	49,608
TOTAL CHARGES TO APPROPRIATIONS	<u>1,266,537</u>	<u>1,921,523</u>	<u>1,179,260</u>	<u>742,263</u>
CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>35</u>	<u>35</u>
FUND BALANCE, End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35</u>	<u>\$ 35</u>

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

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

DAWSON COUNTY, GEORGIA
MENTOR PROGRAM SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2009

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ 17,350	\$ 17,350	\$ 17,350	\$ -
RESOURCES (INFLOWS)				
Contributions and donations	28,035	32,083	32,083	-
Miscellaneous	170	-	-	-
Transfer in	-	562	562	-
Total Resources (Inflows)	<u>28,205</u>	<u>32,645</u>	<u>32,645</u>	-
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>45,555</u>	<u>49,995</u>	<u>49,995</u>	-
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Housing and development	<u>39,250</u>	<u>49,996</u>	<u>30,115</u>	<u>19,881</u>
TOTAL CHARGES TO APPROPRIATIONS	<u>39,250</u>	<u>49,996</u>	<u>30,115</u>	<u>19,881</u>
CHANGE IN FUND BALANCE	<u>(11,045)</u>	<u>(17,351)</u>	<u>2,530</u>	<u>19,881</u>
FUND BALANCE, End of year	<u>\$ 6,305</u>	<u>\$ (1)</u>	<u>\$ 19,880</u>	<u>\$ 19,881</u>

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

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

DAWSON COUNTY, GEORGIA
RESTRICTED PROGRAMS SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2009

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ 15,666	\$ 15,666	\$ 15,666	\$ -
RESOURCES (INFLOWS)				
Contributions and donations	2,431	49,593	57,756	8,163
Miscellaneous	-	19,335	23,674	4,339
Transfer in	4,990	30,313	29,159	(1,154)
Total Resources (Inflows)	<u>7,421</u>	<u>99,241</u>	<u>110,589</u>	<u>11,348</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>23,087</u>	<u>114,907</u>	<u>126,255</u>	<u>11,348</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	-	20,075	20,074	1
Housing and development	15,358	81,834	59,103	22,731
Transfers out	-	1,062	1,063	(1)
TOTAL CHARGES TO APPROPRIATIONS	<u>15,358</u>	<u>102,971</u>	<u>80,240</u>	<u>22,731</u>
CHANGE IN FUND BALANCE	<u>(7,937)</u>	<u>(3,730)</u>	<u>30,349</u>	<u>34,079</u>
FUND BALANCE, End of year	<u>\$ 7,729</u>	<u>\$ 11,936</u>	<u>\$ 46,015</u>	<u>\$ 34,079</u>

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

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

DAWSON COUNTY, GEORGIA
JAIL SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2009

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ 203	\$ 203	\$ 203	\$ -
RESOURCES (INFLOWS)				
Fines and forfeitures	75,750	70,213	70,212	(1)
Investment income	2,000	46	46	-
Miscellaneous	-	60,000	60,000	-
Total Resources (Inflows)	<u>77,750</u>	<u>130,259</u>	<u>130,258</u>	<u>(1)</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>77,953</u>	<u>130,462</u>	<u>130,461</u>	<u>(1)</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	<u>77,750</u>	<u>130,259</u>	<u>70,259</u>	<u>60,000</u>
TOTAL CHARGES TO APPROPRIATIONS	<u>77,750</u>	<u>130,259</u>	<u>70,259</u>	<u>60,000</u>
CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>59,999</u>	<u>59,999</u>
FUND BALANCE, End of year	<u>\$ 203</u>	<u>\$ 203</u>	<u>\$ 60,202</u>	<u>\$ 59,999</u>

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

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

DAWSON COUNTY, GEORGIA
HOTEL / MOTEL TAX SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2009

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ -	\$ -	\$ -	\$ -
RESOURCES (INFLOWS)				
Taxes	222,260	234,597	234,597	-
Total Resources (Inflows)	<u>222,260</u>	<u>234,597</u>	<u>234,597</u>	<u>-</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>222,260</u>	<u>234,597</u>	<u>234,597</u>	<u>-</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Housing and development	222,260	234,597	234,597	-
TOTAL CHARGES TO APPROPRIATIONS	<u>222,260</u>	<u>234,597</u>	<u>234,597</u>	<u>-</u>
CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

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

DAWSON COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2009

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ 72,568	\$ 72,568	\$ 72,568	\$ -
RESOURCES (INFLOWS)				
Fines and forfeitures	29,000	26,526	28,219	1,693
Investment income	1,000	125	125	-
Transfer in	-	11,576	11,576	-
Total Resources (Inflows)	<u>30,000</u>	<u>38,227</u>	<u>39,920</u>	<u>1,693</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>102,568</u>	<u>110,795</u>	<u>112,488</u>	<u>1,693</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Judicial	<u>30,000</u>	<u>38,227</u>	<u>33,414</u>	<u>4,813</u>
TOTAL CHARGES TO APPROPRIATIONS	<u>30,000</u>	<u>38,227</u>	<u>33,414</u>	<u>4,813</u>
CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>6,506</u>	<u>6,506</u>
FUND BALANCE, End of year	<u>\$ 72,568</u>	<u>\$ 72,568</u>	<u>\$ 79,074</u>	<u>\$ 6,506</u>

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

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

DAWSON COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
MENTOR PROGRAM SPECIAL REVENUE FUND
For the Year Ended December 31, 2009

REVENUES	
Contributions - United Way of Dawson County	\$ 7,300
Contributions - Big Canoe	5,500
Contributions - Dawson County Board of Education	6,000
Contributions - Resource Interaction	1,000
Contributions - Riverview Middle School	534
Private contributions and donations	11,749
TOTAL REVENUES	<u>32,083</u>
 EXPENDITURES	
Salaries and wages	11,056
Education and training	4,313
General supplies	2,673
Food	2,274
Books and periodicals	2,818
Technical and professional	544
Liability insurance	744
Advertising	1,054
Other	4,639
TOTAL EXPENDITURES	<u>30,115</u>
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER) EXPENDITURES	<u>1,968</u>
OTHER FINANCING SOURCES (USES)	
Transfers in	562
TOTAL OTHER FINANCING SOURCES (USES)	<u>562</u>
 NET CHANGE IN FUND BALANCES	 <u>2,530</u>
 FUND BALANCES, Beginning of year	 <u>17,350</u>
 FUND BALANCES, End of year	 <u>\$ 19,880</u>

DAWSON COUNTY, GEORGIA
BALANCE SHEET - FAMILY CONNECTION SPECIAL REVENUE SUBFUND
Part of Restricted Program and Multiple Grants Special Revenue Funds
December 31, 2009

ASSETS	
Due from the General Fund	\$ 36,995
TOTAL ASSETS	<u>\$ 36,995</u>
LIABILITIES AND FUND BALANCES	
Liabilities	
Other accrued items	\$ 3,063
TOTAL LIABILITIES	<u>3,063</u>
FUND BALANCES	
Unreserved, undesignated:	
Special Revenue Funds	33,932
TOTAL FUND BALANCES	<u>33,932</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 36,995</u>

DAWSON COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
FAMILY CONNECTION SPECIAL REVENUE SUBFUND
Part of Restricted Program and Multiple Grants Special Revenue Funds
For the Year Ended December 31, 2009

REVENUES	
Contributions - United Way of Dawson County	\$ 7,098
Contributions - Big Canoe	16,575
Contributions -Northside	15,000
Private contributions and donations	14,618
State operating grant	47,079
TOTAL REVENUES	<u>100,370</u>
EXPENDITURES	
Payroll	50,218
Benefits	11,701
Advertising	560
Dues	515
Education and training	9,952
Evaluation	2,000
Food	1,765
General supplies	4,044
Insurance	891
Payments to other agency's	16,865
Postage	197
Printing and binding	1,230
Repairs and maintenance	726
Technical and professional	3,009
Telephone	717
Travel	733
Other	1,159
TOTAL EXPENDITURES	<u>106,282</u>
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER)	
EXPENDITURES	<u>(5,912)</u>
OTHER FINANCING SOURCES (USES)	
Transfers in	29,159
Transfers out	<u>(1,062)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>28,097</u>
NET CHANGE IN FUND BALANCES	<u>22,185</u>
FUND BALANCES, Beginning of year	<u>11,747</u>
FUND BALANCES, End of year	<u>\$ 33,932</u>

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. Agency funds maintained by the County are as follows:

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 Superior Court - 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 other parties.

Probate Court - to account for the collection of fees for probate of wills, administration of estates, issuance of marriage licenses, maintenance of other vital records, and traffic fines which are disbursed to other parties.

Magistrate Court - to account for the collection of fees in jurisdiction of small claims courts, which are disbursed to other parties.

Inmate Escrow - to account for the collection and disbursements of cash for inmates incarcerated at the Dawson County Detention Center.

DAWSON COUNTY, GEORGIA
COMBINING STATEMENT OF ASSETS AND LIABILITIES
ALL AGENCY FUNDS
 December 31, 2009

	TAX COMMISSIONER	CLERK OF SUPERIOR COURT	PROBATE COURT	MAGISTRATE COURT	INMATE ESCROW FUND	TOTAL
ASSETS						
Cash	\$ 12,139	\$ 1,045,859	\$ 35,920	\$ 7,386	\$ 14,398	\$ 1,115,702
TOTAL ASSETS	<u>12,139</u>	<u>1,045,859</u>	<u>35,920</u>	<u>7,386</u>	<u>14,398</u>	<u>1,115,702</u>
LIABILITIES						
Amounts held in trust	12,139	1,045,859	35,920	7,386	14,398	1,115,702
TOTAL LIABILITIES	<u>\$ 12,139</u>	<u>\$ 1,045,859</u>	<u>\$ 35,920</u>	<u>\$ 7,386</u>	<u>\$ 14,398</u>	<u>\$ 1,115,702</u>

DAWSON COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS

For the Year Ended December 31, 2009

	TAX COMMISSIONER	CLERK OF SUPERIOR COURT	PROBATE COURT	MAGISTRATE COURT	INMATE ESCROW FUND	TOTAL
ASSETS						
Cash						
Balance, January 1, 2009	\$ 154,756	\$ 1,451,808	\$ 45,044	\$ 11,707	\$ 15,893	\$ 1,679,208
Additions	35,416,967	2,302,392	437,222	102,903	97,618	38,557,102
Deductions	(35,559,584)	(2,708,341)	(446,346)	(107,224)	(99,113)	(38,920,608)
Balance, December 31, 2009	12,139	1,045,859	35,920	7,386	14,398	1,115,702
TOTAL ASSETS	\$ 12,139	\$ 1,045,859	\$ 35,920	\$ 7,386	\$ 14,398	\$ 1,115,702
LIABILITIES						
Due to County						
Balance, January 1, 2009	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additions	12,872,705	988,780	244,875	60,300	97,618	14,264,278
Deductions	(12,872,705)	(988,780)	(244,875)	(60,300)	(97,618)	(14,264,278)
Balance, December 31, 2009	-	-	-	-	-	-
Amounts held in trust						
Balance, January 1, 2009	154,756	1,451,808	45,044	11,707	15,893	1,679,208
Additions	22,544,262	1,313,612	192,347	42,603	-	24,092,824
Deductions	(22,686,879)	(1,719,561)	(201,471)	(46,924)	(1,495)	(24,656,330)
Balance, December 31, 2009	12,139	1,045,859	35,920	7,386	14,398	1,115,702
Total Liabilities	\$ 154,756	\$ 1,451,808	\$ 45,044	\$ 11,707	\$ 15,893	\$ 1,679,208
Balance, January 1, 2009	35,416,967	2,302,392	437,222	102,903	97,618	38,557,102
Deductions	(35,559,584)	(2,708,341)	(446,346)	(107,224)	(99,113)	(38,920,608)
TOTAL LIABILITIES	\$ 12,139	\$ 1,045,859	\$ 35,920	\$ 7,386	\$ 14,398	\$ 1,115,702

DAWSON COUNTY, GEORGIA
SUPPLEMENTARY INFORMATION
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
Year Ended December 31, 2009

PROJECT	ORIGINAL ESTIMATED COSTS	CURRENT ESTIMATED COSTS	EXPENDITURES	
			PRIOR YEARS	CURRENT YEAR
SPLOST #3 - Commenced January 1, 2000				
Library	\$ 3,000,000	\$ 3,673,404	\$ 3,673,404	\$ -
Infrastructure (Sewer improvements)	4,500,000	4,500,000	3,790,213	387,633
County Buildings	1,500,000	750,229	750,229	-
Park	4,000,000	5,148,776	5,148,776	-
Roads and Bridges	5,000,000	5,000,000	5,001,761	-
	<u>\$ 18,000,000</u>	<u>\$ 19,072,409</u>	<u>\$ 18,364,383</u>	<u>\$ 387,633</u>

SPLOST #4 - Commenced January 1, 2005

Jail Construction	\$ 11,500,000	\$ 19,433,679	\$ 19,282,910	\$ 150,769
Rock Creek Recreation Center	2,500,000	2,500,000	2,362,078	10,481
Emergency Services Projects	3,000,000	3,195,443	1,559,711	1,635,732
Administrative Facility Building & Land	2,000,000	2,000,000	1,897,622	17,574
Roads and Bridges	5,500,000	5,737,765	3,820,355	576,947
	<u>\$ 24,500,000</u>	<u>\$ 32,866,887</u>	<u>\$ 28,922,676</u>	<u>\$ 2,391,503</u>

DAWSON COUNTY, GEORGIA
SUPPLEMENTARY INFORMATION
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
Year Ended December 31, 2009

PROJECT	ORIGINAL ESTIMATED COST	CURRENT ESTIMATED COST	AMOUNT EXPENDED		Total
			Year 1 2008	Year 2 2009	
LEVEL 1 COUNTY PROJECTS					
Courthouse and Administration Building	\$ 50,000,000	\$ 50,000,000	\$ 3,504,611	\$ 2,553,420	\$ 6,058,031
Sheriff's Office	12,500,000	12,500,000	-	-	-
LEVEL 2 COUNTY PROJECTS					
Roads, Streets, and Bridges	10,000,000	10,000,000	-	-	-
Recreational Facilities	5,000,000	5,000,000	-	-	-
Sewer Facilities	2,500,000	2,500,000	-	-	-
Library Facilities	3,000,000	3,000,000	-	-	-
Public Safety Facilities	3,900,000	3,900,000	-	-	-
Public Safety Equipment	500,000	500,000	-	-	-
Subtotal All County Projects	87,400,000	87,400,000	3,504,611	2,553,420	6,058,031
City Projects (1)					
Roads, Streets, Bridges, and Sidewalks	2,110,000	2,110,000	-	-	-
Water and Sewer	2,000,000	2,000,000	-	-	-
Recreation	50,000	50,000	-	-	-
Subtotal	4,160,000	4,160,000	-	-	-
Total All Projects	\$ 91,560,000	\$ 91,560,000	\$ 3,504,611	\$ 2,553,420	\$ 6,058,031

1. The County remits the tax collected to the City who is responsible for reporting on the expenditures in accordance with OCGA 48-8-121.
2. Bonds were issued in anticipation of the actual collections of the SPLOST tax.
The revision to 2008 reflects interest paid on those bonds as well as construction costs paid from the bond proceeds.

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.

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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.

Full-Time Equivalent County Government Employees by Function	17	98
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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

	Fiscal Year							Notes
	2003	2004	2005	2006	2007	2008	2009	
GOVERNMENTAL ACTIVITIES								
Invested in capital assets, net of related debt	\$ 5,166	\$ 17,409	\$ 16,049	\$ 20,272	\$ 71,619	\$ 78,191	\$ 51,217	1
Restricted:								
Capital outlay	5,189	963	4,122	6,015	8,735	8,733	5,088	2
Debt service	-	-	2,400	3,166	2,780	2,956	4,093	2
Public Health and Welfare	-	-	-	-	45	50	13	
Housing and Development	-	-	-	-	-	-	54	
Law Enforcement and Jail	-	-	503	542	-	-	-	
Law Library	-	-	34	54	63	73	-	
Prepaid Items	271	251	-	-	-	-	-	
Special Revenue & Grant Funds	315	379	-	-	-	-	-	
Recreation and Culture	-	-	-	-	12	12	28	
Public Safety	-	-	-	-	348	348	320	
Unrestricted:	900	3,211	4,457	6,507	5,453	4,529	6,374	
Total governmental activities net assets	<u>\$ 11,841</u>	<u>\$ 22,213</u>	<u>\$ 27,565</u>	<u>\$ 36,556</u>	<u>\$ 89,055</u>	<u>\$ 94,892</u>	<u>\$ 67,187</u>	
BUSINESS-TYPE ACTIVITIES								
Invested in capital assets, net of related debt	\$ 997	\$ 1,074	\$ 1,974	\$ 1,934	\$ 1,989	\$ 2,255	\$ 2,271	
Restricted	-	-	-	-	-	-	-	
Unrestricted	200	207	(652)	(665)	(661)	(401)	(589)	
Total business-type activities net assets	<u>\$ 1,197</u>	<u>\$ 1,281</u>	<u>\$ 1,322</u>	<u>\$ 1,269</u>	<u>\$ 1,328</u>	<u>\$ 1,854</u>	<u>\$ 1,681</u>	
PRIMARY GOVERNMENT								
Invested in capital assets, net of related debt	\$ 6,163	\$ 18,483	\$ 18,023	\$ 22,206	\$ 73,608	\$ 80,446	\$ 53,488	
Restricted	5,775	1,593	7,059	9,777	11,623	11,812	9,596	
Unrestricted	1,100	3,418	3,805	5,842	4,792	4,128	5,785	
Total primary government net assets	<u>\$ 13,038</u>	<u>\$ 23,494</u>	<u>\$ 28,887</u>	<u>\$ 37,824</u>	<u>\$ 90,024</u>	<u>\$ 96,387</u>	<u>\$ 68,869</u>	

Note: The County adopted GASB 34 in 2003. Data for years prior to this are not available.

Some items in the table may not add due to rounding.

1. Decrease in 2009 is due to change in accounting principle. See note 15 to financial statements.

2. Some reclassifications were done between these two categories in 2009.

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

	2004	2005	2006	2007	2008	2009
EXPENSES						
Governmental activities:						
General government	\$ 3,398	\$ 3,517	\$ 3,810	\$ 4,871	\$ 5,007	\$ 4,683
Judicial	1,546	2,005	2,251	2,403	2,664	2,698
Public safety	7,409	8,822	8,609	10,205	10,778	11,798
Public works	968	1,564	1,415	1,858	1,472	3,689
Health and welfare	910	832	853	878	956	1,090
Recreation and culture	1,509	1,653	1,621	1,755	1,436	1,578
Housing and development	155	981	1,323	1,379	1,492	1,133
Interest on long-term debt	670	796	930	886	2,392	2,235
Total governmental activities expenses	16,565	20,170	20,812	24,235	26,197	28,904
Business-type activities:						
Solid waste	242	259	345	201	194	441
Child Development Center	343	316	349	238	1	-
DCAR GIS	-	-	-	-	-	29
Total business-type activities expenses	585	575	694	439	195	470
Total primary government expenses	\$ 17,150	\$ 20,745	\$ 21,505	\$ 24,674	\$ 26,392	\$ 29,374
PROGRAM REVENUES						
Governmental activities:						
Charges for services:						
General government	\$ 1,232	\$ 959	\$ 950	\$ 1,434	\$ 925	\$ 1,144
Judicial	1,004	863	1,133	904	1,136	963
Public safety	749	1,065	860	1,397	1,641	1,173
Public works	-	-	33	5	-	-
Health and welfare	18	6	13	18	15	12
Recreation and culture	155	214	296	224	206	179
Housing and development	155	714	739	1,305	758	185
Total charges for services	3,313	3,821	4,025	5,287	4,681	3,656
Operating grants and contributions	879	1,710	1,431	986	1,613	1,424
Capital grants and contributions	139	141	1,436	3	618	61
Total governmental activities program revenues	4,331	5,672	6,892	6,276	6,912	5,141
Business-type activities:						
Charges for services:						
Solid waste	96	79	304	322	355	461
Child Development Center	308	296	283	156	16	13
DCAR GIS	-	-	-	-	2	10
Total charges for services	404	375	587	478	373	484
Operating grants and contributions	227	75	52	21	1	24
Capital grants and contributions	29	-	-	-	181	-
Total business-type activities program revenues	660	450	639	499	555	508
Total primary government program revenues	\$ 4,991	\$ 6,122	\$ 7,531	\$ 6,775	\$ 7,467	\$ 5,649

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

	2004	2005	2006	2007	2008	2009
Net (expense)/revenue						
Governmental activities	\$ (12,234)	\$ (14,498)	\$ (13,920)	\$ (17,959)	\$ (19,285)	\$ (23,763)
Business-type activities	75	(125)	(55)	60	360	38
Total primary government net expense	<u>\$ (12,159)</u>	<u>\$ (14,623)</u>	<u>\$ (13,975)</u>	<u>\$ (17,899)</u>	<u>\$ (18,925)</u>	<u>\$ (23,725)</u>
GENERAL REVENUES AND OTHER						
CHANGES IN NET ASSETS						
Governmental activities:						
Taxes						
Property Taxes	\$ 7,319	\$ 8,044	\$ 8,710	\$ 9,771	\$ 10,599	\$ 11,968
Sales Taxes	7,658	9,028	11,173	12,207	10,832	10,357
Insurance premium tax	634	677	710	747	765	754
Real estate and recording taxes	-	-	568	470	323	291
Other taxes	515	996	533	538	622	667
Total taxes	<u>16,126</u>	<u>18,745</u>	<u>21,693</u>	<u>23,733</u>	<u>23,141</u>	<u>24,037</u>
Sale of Wetland Credits	161	-	-	-	-	-
Homeowner Tax Relief Grant	-	-	-	288	315	337
Investment earnings	253	676	1,218	1,405	1,640	1,057
Gain on sale of capital assets	-	-	-	-	3	-
Miscellaneous	384	-	-	-	-	-
Transfers	-	(164)	-	-	(159)	256
Total governmental activities	<u>16,924</u>	<u>19,257</u>	<u>22,911</u>	<u>25,426</u>	<u>24,940</u>	<u>25,687</u>
Business-type activities:						
Investment earnings	1	3	2	-	-	-
Gain on sale of capital assets	-	-	-	-	6	45
Miscellaneous	8	-	-	-	-	-
Transfers	-	164	-	-	159	(256)
Total business-type activities	<u>9</u>	<u>167</u>	<u>2</u>	<u>-</u>	<u>165</u>	<u>(211)</u>
Total primary government	<u>\$ 16,933</u>	<u>\$ 19,424</u>	<u>\$ 22,913</u>	<u>\$ 25,426</u>	<u>\$ 25,105</u>	<u>\$ 25,476</u>
CHANGE IN NET ASSETS						
Governmental activities	\$ 4,690	\$ 4,759	\$ 8,991	7,467	5,655	1,924
Business-type activities	84	42	(53)	60	525	(173)
Total primary government	<u>\$ 4,774</u>	<u>\$ 4,801</u>	<u>\$ 8,938</u>	<u>\$ 7,527</u>	<u>\$ 6,180</u>	<u>\$ 1,751</u>

Note: The County adopted GASB 34 in 2003. Data for years prior to this are not available.
Some items in the table may not add due to rounding.

DAWSON COUNTY, GEORGIA
FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General fund										
Reserved										
Capital projects		\$ 121	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 219	\$ -	\$ -
Prepaid items	79	79	223	271	251	311	166	197	193	193
Operating Reserve	-	-	-	1,082	-	-	-	-	-	-
Encumbrances	-	-	-	-	-	-	-	30	-	-
Other programs	3,775	4,574	64	-	-	-	-	20	21	41
Total reserved	3,854	4,774	287	1,353	251	311	166	466	214	234
Unreserved	1,410	109	72	-	2,374	3,990	5,821	4,761	3,124	3,104
Total general fund	\$ 5,264	\$ 4,883	\$ 359	\$ 1,353	\$ 2,625	\$ 4,301	\$ 5,987	\$ 5,227	\$ 3,338	\$ 3,338
All other governmental funds										
Reserved:										
Capital projects	\$11,894	\$ 5,225	\$ 3,900	\$ -	\$ -	\$ -	\$ 9,299	\$ 51,617	\$ 50,219	\$ 33,354
Debt service	-	-	-	4,354	3,347	-	-	2,884	3,052	16,502
Prepaid items	-	-	1,059	206	1	2	-	-	-	-
Other programs	253	260	-	605	14,360	-	-	-	4	12
Total reserved	12,147	5,485	4,959	5,165	17,708	2	9,299	54,501	53,275	49,868
Unreserved, designated for:										
Capital asset purchases	-	-	-	339	-	-	-	-	-	60
Debt retirement	-	-	-	-	-	-	-	-	-	-
Wireless service upgrades	-	-	-	-	-	-	-	-	38	112
Unreserved, undesignated, reported in:										
Special revenue funds	-	-	-	-	-	445	541	422	276	243
Capital projects funds	-	-	-	-	200	15,546	8,912	-	-	-
Debt service funds	-	-	-	-	-	2,517	3,277	-	-	-
Total unreserved	-	-	-	339	200	18,508	12,729	422	314	415
Total all other governmental funds	\$12,147	\$ 5,485	\$ 4,959	\$ 5,504	\$ 17,907	\$ 18,510	\$22,028	\$ 54,923	\$ 53,589	\$ 50,283
Total reserved	\$16,001	\$10,259	\$ 5,246	\$ 6,518	\$ 17,959	\$ 313	\$ 9,465	\$ 54,967	\$ 53,489	\$ 50,102
Total unreserved	\$ 1,410	\$ 109	\$ 72	\$ 339	\$ 2,574	\$ 22,497	\$ 18,550	\$ 5,183	\$ 3,438	\$ 3,519
Total all funds	\$17,411	\$10,368	\$ 5,318	\$ 6,856	\$ 20,532	\$ 22,810	\$ 28,015	\$ 60,150	\$ 56,927	\$ 53,621

Note: Some items in the table may not add due to rounding.

DAWSON COUNTY, GA
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
REVENUES										
Taxes (see table 5)	\$ 12,001	\$ 12,564	\$ 12,474	\$ 15,522	\$ 16,609	\$ 18,718	\$ 21,693	\$23,683	\$23,074	\$23,965
Intergovernmental	1,391	1,385	1,082	1,239	1,102	1,739	2,028	1,153	1,788	1,607
Licenses and permits	351	437	669	706	751	825	833	1,569	953	456
Fines and forfeitures	601	439	701	820	959	937	1,135	1,094	968	816
Charges for services	720	1,402	1,097	1,049	1,246	1,739	1,864	2,585	2,539	2,302
Investment earnings	-	434	89	76	253	676	1,218	1,405	1,640	1,057
Miscellaneous	1,339	135	830	166	103	140	228	216	264	325
Total revenues	16,403	16,795	16,943	19,578	21,022	24,773	28,999	31,705	31,226	30,528
EXPENDITURES										
General government	1,427	1,562	1,856	3,083	3,772	2,417	3,176	3,604	4,220	3,915
Judicial	930	1,132	1,244	1,352	1,532	1,969	2,227	2,434	2,664	2,691
Public safety	5,000	5,088	5,665	6,596	6,886	7,538	8,189	9,691	10,630	10,629
Public works	484	921	948	780	910	960	1,263	1,321	1,390	1,739
Health and welfare	319	308	329	948	891	761	814	837	953	1,029
Recreation and culture	-	784	972	1,278	1,303	1,345	1,381	1,511	1,415	1,314
Housing and development	-	-	-	267	155	938	1,220	1,361	1,496	1,122
Intergovernmental	-	-	-	-	-	687	422	1,052	516	333
Capital Outlay	5,195	12,161	6,256	1,710	3,106	4,686	9,066	14,055	5,419	4,265
Miscellaneous	4,989	2,073	2,592	-	-	-	-	-	-	-
Principal on long-term debt	-	-	-	-	-	3,123	2,966	3,646	3,786	4,212
Interest on long-term debt	-	-	-	-	-	807	863	925	1,775	2,554
Other debt service payments	-	-	-	2,320	3,359	-	76	550	44	-
Total expenditures	18,344	24,029	19,863	18,334	21,914	25,231	31,663	40,989	34,308	33,803
Excess of revenues over (under) expenditures	(1,941)	(7,234)	(2,920)	1,244	(893)	(458)	(2,664)	(9,283)	(3,081)	(3,274)
OTHER FINANCING SOURCES (USES)										
Proceeds from COPS	7,790	191	140	-	-	-	-	-	-	-
Proceeds from financing	-	-	1,200	-	14,081	-	7,834	41,416	41,416	-
Capital Lease issuance	-	-	-	239	334	418	-	-	-	-
Board of Ed funding for road improvements	-	-	-	67	-	-	-	-	-	-
Proceeds from sales of wetland credits	-	-	-	168	161	-	-	-	-	-
Debt issuance costs	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	11	-	9	48	3	3	3
Transfers in	-	188	-	-	-	15,482	4,598	4,938	4,938	9,345
Transfers out	-	(188)	-	(190)	(8)	(15,645)	(4,598)	(4,938)	(4,938)	(9,379)
Total other financing sources (uses)	7,790	191	1,340	295	14,568	264	7,882	41,419	41,419	(31)
Net change in fund balances	\$ 5,849	\$ (7,043)	\$ (1,580)	\$ 1,538	\$ 13,676	\$ (194)	\$ 5,218	\$ 32,136	\$ 38,338	\$ (3,305)
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	13.96%	17.86%	3.93%	17.28%	19.01%	19.40%	22.91%

In adopting the DCA Uniform Chart of Accounts in 2003, some activities were reclassified to different functions than had been reported in the financial statements. Those functions have been reclassified above so that comparisons can be made between years.

Note: Some items in the table may not add due to rounding.

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

	2005	2006	2007	2008	2009
REVENUES					
Taxes	\$ 13,694,266	\$ 15,477,966	\$ 16,913,787	\$ 17,053,398	\$ 18,162,730
Licenses and permits	824,525	833,283	739,903	462,523	430,657
Intergovernmental	878,645	1,284,592	708,554	731,035	949,854
Fines and forfeitures	760,239	944,166	824,068	784,989	648,757
Charges for services	1,530,512	1,409,509	2,350,553	2,266,376	1,756,007
Contributions and donations	84,808	155,533	75,848	60,108	103,014
Interest income	217,083	400,778	571,547	295,835	14,242
Miscellaneous	50,128	71,953	69,939	41,842	38,517
TOTAL REVENUES	18,040,206	20,577,780	22,254,199	21,696,106	22,103,780
EXPENDITURES					
Current					
General government	2,360,839	3,175,725	3,479,935	4,100,744	3,870,425
Judicial	1,918,125	2,093,794	2,229,691	2,374,532	2,380,010
Public safety	6,691,527	7,142,510	8,703,674	9,581,104	9,622,136
Public works	946,887	1,012,841	1,248,712	1,381,532	1,460,222
Health and welfare	479,543	514,930	439,088	387,189	412,453
Recreation and culture	1,297,509	1,374,295	1,500,197	1,414,344	1,308,621
Housing and development	669,522	939,744	989,837	1,100,742	713,229
Intergovernmental	414,526	421,615	750,149	293,624	333,177
Capital Outlay	496,829	1,516,170	933,018	929,285	10,285
Debt Service	579,421	754,997	1,122,151	980,972	836,564
TOTAL EXPENDITURES	15,854,728	18,946,621	21,396,450	22,544,068	20,947,124
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,185,478	1,631,159	857,749	(847,962)	1,156,657
OTHER FINANCING SOURCES (USES)					
Transfers in/(out)	(822,478)	(699,697)	(1,940,875)	(1,051,999)	(1,157,612)
Proceeds from borrowings	303,667	754,088	320,331	-	-
Sale of capital assets or wetlands credits	9,313	804	2,811	11,239	956
TOTAL OTHER FINANCING SOURCES (USES)	(509,498)	55,195	(1,617,733)	(1,040,760)	(1,156,656)
NET CHANGE IN FUND BALANCES	1,675,980	1,686,354	(759,984)	(1,888,722)	(0)
FUND BALANCES, JANUARY 1	2,624,814	4,300,794	5,987,148	5,227,164	3,338,442
FUND BALANCES, DECEMBER 31	\$ 4,300,794	\$ 5,987,148	\$ 5,227,164	\$ 3,338,442	\$ 3,338,442

Note: Some items in the table may not add due to rounding.

DAWSON COUNTY, GEORGIA
General Fund Budget
(unaudited)
Fiscal Year Ending December 31, 2010

REVENUES	
Taxes	\$ 19,277,500
Licenses and permits	554,680
Intergovernmental	405,725
Fines and forfeitures	793,000
Charges for services	1,632,400
Interest & other income	1,059,069
TOTAL REVENUES	<u>23,722,374</u>
EXPENDITURES	
Current	
General government	3,729,203
Judicial	2,420,585
Public Safety	10,894,222
Public Works	2,828,350
Health and Welfare	308,214
Recreation and Culture	1,535,542
Housing and Development	765,110
TOTAL EXPENDITURES	<u>22,481,226</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,241,148</u>
OTHER FINANCING SOURCES (USES)	
Transfers in	95,000
Transfers out	(1,336,148)
Proceeds from borrowing	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,241,148)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	-
FUND BALANCE, December 31, 2009	<u>3,338,442</u>
FUND BALANCES, December 31, 2010	<u>\$ 3,338,442</u>

DAWSON 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 Transfer Tax	Other Taxes	Total
2000	\$ 3,995	\$ 6,814	\$ 349	\$ 67	\$ 775	\$ 12,001
2001	4,817	6,470	495	62	719	12,564
2002	4,224	6,946	547	355	403	12,474
2003	7,209	6,654	586	-	1,072	15,522
2004	7,284	7,658	634	-	1,032	16,609
2005	8,044	9,028	677	-	968	18,718
2006	8,710	11,173	710	568	533	21,693
2007	9,721	12,207	747	470	538	23,683
2008	10,532	10,832	765	323	622	23,074
2009	\$11,896	\$10,357	\$754	\$291	\$667	\$23,965

DAWSON COUNTY, GEORGIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years

(modified accrual basis of accounting)
(amounts expressed in thousands)

Tax Year	Real Property			Personal Property				Less Exemptions:		Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value (\$)	Assessed Value as a Percentage of Actual Value
	Residential Property	Agricultural Property (1) & Industrial Utilities	Commercial Public Utilities	Inventories & Equipment (4)	Motor Vehicles	Mobile Homes	Real Property	Personal Property					
2000	\$ 365,039	\$ 146,645	\$ 78,565	\$ 14,058	\$ 71,754	\$ 3,574	\$ 6,866	\$ 50,257	\$ 1,961	\$ 671,411	6.212	\$ 1,678,528	40.00%
2001	400,768	145,654	81,306	15,209	90,372	2,220	6,494	48,759	4,812	736,540	6.164	1,841,351	40.00%
2002	476,391	148,019	97,181	16,482	93,019	2,576	6,685	51,507	3,268	830,849	9.139	2,077,122	40.00%
2003	519,915	146,841	100,154	16,589	60,963	1,917	3,551	52,079	2,383	839,756	9.138	2,099,391	40.00%
2004	635,604	226,733	112,615	17,825	61,277	1,607	4,111	94,573	343	1,011,419	8.138	2,528,546	40.00%
2005	687,209	222,669	129,447	18,262	50,801	61,185	5,193	105,236	2,934	1,068,128	8.138	2,670,320	40.00%
2006	813,833	220,688	134,058	19,417	57,304	61,338	1,401	107,360	5,843	1,201,538	8.138	3,003,845	40.00%
2007	868,203	224,652	161,583	21,784	60,684	66,589	1,403	110,749	5,316	1,296,397	8.138	3,240,993	40.00%
2008	979,011	371,464	176,866	21,373	65,043	72,839	1,397	193,659	5,316	1,493,498	8.138	3,733,745	40.00%
2009	\$ 982,672	\$ 375,834	\$ 181,454	\$ 22,847	\$ 64,110	\$ 76,347	\$ 1,165	\$ 225,979	\$ 6,660	\$ 1,478,429	8.138	\$ 3,696,072	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. In Table 6A, this is included with Commercial & Industrial property.
- (5) In table 6A, "Other" includes motor vehicle, mobile homes, and other above.

**DAWSON COUNTY
SUMMARY OF ASSESSED VALUES BY PROPERTY TYPE
(based on Table 6)**

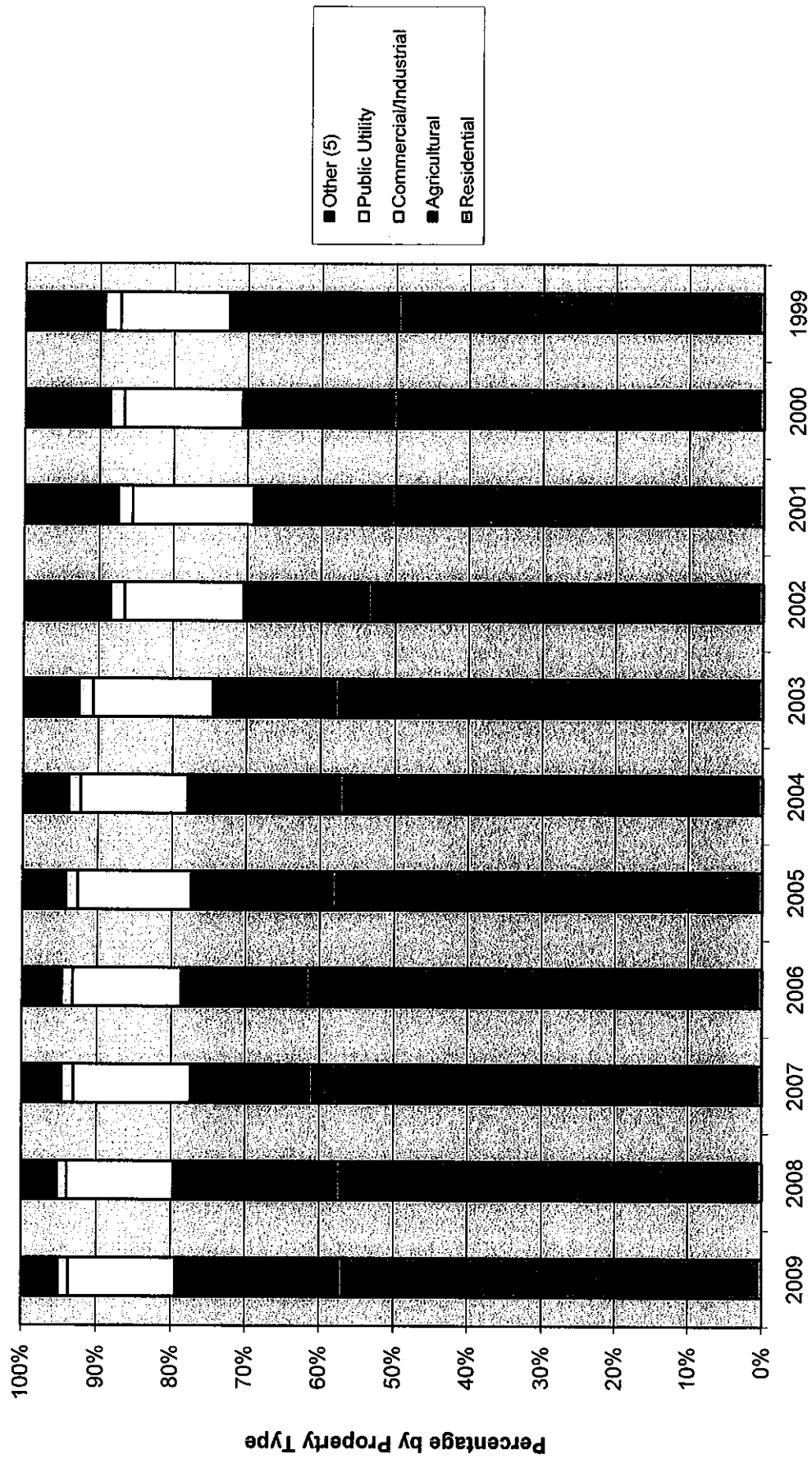


Table 6A
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DAWSON COUNTY, GEORGIA
Direct and Overlapping Property Tax Rate - Mills
Last Ten Fiscal Years
(Mills - rate per \$1,000 of taxable assessed value)

<i>Tax Year</i>	<i>2000</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>	<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>
<i>Fiscal Year</i>	<i>2001</i>	<i>2002</i>	<i>2003</i>	<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>
County - Incorporated	6.212	6.164	9.139	9.138	8.138	8.138	8.138	8.138	8.138	8.138
County - Unincorporated (1)	6.212	6.164	9.139	9.138	8.138	8.138	8.138	8.138	8.138	8.138
School Operations	11.95	12.75	13.646	13.646	13.646	13.646	13.646	13.646	13.646	13.646
School Debt Service	0.700	0.400	0.400	0.400	0.400	0.400	0.400	0.400	0.400	0.400
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	6.462	6.414	9.389	9.388	8.388	8.388	8.388	8.388	8.388	8.388
Total Unincorporated	19.108	19.561	23.435	23.434	22.434	22.434	22.434	22.434	22.434	22.434
<i>Municipalities</i>										
Dawsonville	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

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 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 and table 6, the County unincorporated rate is considered the total direct rate.

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

Taxpayer	Type of Business	2009			2000		
		Taxable Assessed	Rank	Percentage of Total Taxable Assessed	Taxable Assessed	Rank	Percentage of Total Taxable Assessed
		Value		Value	Value		Value
Chelsea GCA Realty	Outlet Mall	\$ 17,051	1	1.42%	\$ 14,905	1	4.11%
City of Atlanta	Municipality	12,765	2	1.06%	6,792	2	1.87%
Forestar (GA) Real Estate	Residential Development	10,405	3	0.87%			
Dawson Fee LLC	Real Estate Development	7,217	4	0.60%			
Georgia Power Company	Utility	6,101	5	0.51%			
Chestatee Development	Residential Development	5,740	6	0.48%	4,929	5	1.36%
Nordson Corporation	Manufacturer	5,642	7	0.47%			
Georgia Transmission	Utility	5,542	8	0.46%	3,290	8	
Wal-Mart Real Estate	Shopping Center	5,537	9	0.46%			
Dawson Cherokee Capital LLC	Residential Development	5,269	10	0.44%			
Inland Container Corp	Paper Company				5,136	3	1.42%
Dawson 400 Associates LP	Real Estate Development				5,044	4	1.39%
Phillips & Brooks/Gladwin	Manufacturer				3,444	6	0.95%
Edens & Avant Financing	Retail				3,336	7	0.92%
Sawnee EMC	Utility				3,180	9	0.88%
Standard Telephone	Utility				3,112	10	0.86%
Totals		<u>\$ 81,268</u>		<u>5.50%</u>	<u>\$ 53,168</u>		<u>7.92%</u>

Source: Dawson County Tax Commissioner

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

DAWSON 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 year of the Levy		Collections in Subsequent Years	Total Collections to Date		Uncollected Balance
						Amount	Percentage of Original Levy		Amount	Percentage of Adjusted Levy	
2002	01/20/03	\$ 6,903	\$ 177	\$ 133	\$ 7,213	\$ 2,348	34.01% ⁽¹⁾	\$ 4,865	\$ 7,213	100.00%	\$ -
2003	12/20/03	7,395	381	158	7,934	6,124	82.81%	1,810	7,934	100.00%	-
2004	12/20/04	7,963	(44)	171	8,090	6,814	85.57%	1,273	8,087	99.96%	3
2005	12/20/05	8,415	(1)	245	8,659	7,187	85.41%	1,469	8,656	99.97%	3
2006	12/20/06	9,583	(27)	235	9,791	8,219	85.77%	1,566	9,785	99.94%	6
2007	12/01/07	10,281	2	312	10,595	9,398	91.41%	1,179	10,577	99.83%	18
2008	12/01/08	11,753	51	251	12,055	10,405	88.53%	1,420	11,825	98.09%	230
2009	12/01/09	\$ 11,877	\$ (3)	\$ 39	\$ 11,913	\$ 10,466	88.12%	\$ -	\$ 10,466	87.85%	\$ 1,447

Note: Information for 2000-2001 is not available.

⁽¹⁾ Taxes due January 20, 2003; therefore, lower collection percentage for original collection.

Taxes levied during the calendar year 2009 are recorded as revenues in the financial statements in 2010 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.

Adjustments reflect changes, i.e., Not on Digest entries (NODS), Appeal settlement adjustments, error corrections, if any.

DAWSON COUNTY, GEORGIA
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	Governmental Activities				Business-Type Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	Capital Leases	Agreement for sale Payable	Contracts Payable	General Obligation Bonds (2)	GEFA Notes Payable	Capital Leases			
2000	\$ 14,174	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,174	3.33%	\$ 886
2001	13,025	-	-	-	-	-	13,025	2.78%	770
2002	12,334	-	5,680	-	-	-	18,014	3.68%	1,022
2003	5,381	-	5,560	-	-	-	10,941	2.16%	590
2004	5,100	-	5,430	12,200	-	-	22,730	4.16%	1,194
2005	2,526	-	5,300	12,200	-	-	20,026	3.44%	1,015
2006	3,350	6,080	5,165	10,300	-	-	24,895	4.03%	1,206
2007	2,734	5,755	5,030	46,375	-	-	59,894	8.59%	2,788
2008	1,928	5,415	4,890	43,875	-	-	56,108	7.67%	2,550
2009	\$ 926	\$ 5,060	\$ 4,735	\$ 41,175	\$ -	\$ -	\$ 51,896	6.72%	\$ 2,301

Note: Details regarding the County's outstanding debt can be found in the Note 6 of 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) Premiums and discounts are not included in the General Obligation Bonds outstanding.

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

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	Landfill Closure/Post-closure (2)	Compensated Absences	Total	Landfill Closure/Post-closure	Compensated Absences	Total			
2000	\$ 406	\$ -	\$ 406	\$ -	\$ -	\$ -	\$ 406	0.10%	\$ 25
2001	869	-	869	-	-	-	869	0.19%	51
2002	837	-	837	-	-	-	837	0.17%	48
2003	-	287	287	934	11	945	1,232	0.24%	66
2004	-	302	302	902	11	913	1,215	0.22%	64
2005	-	401	401	886	12	898	1,298	0.22%	66
2006	-	395	395	927	1	928	1,323	0.21%	64
2007	-	244	244	898	1	899	1,143	0.16%	53
2008	-	239	239	784	1	785	1,024	0.14%	47
2009	\$ -	\$ 266	\$ 266	\$ 928	\$ 1	\$ 929	\$ 1,195	0.15%	\$ 53

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.

DAWSON COUNTY, GEORGIA
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	General Obligation Bonds	Less: Amounts Restricted to Repaying Principal	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2000	\$ -	\$ -	\$ -	0.00%	\$ -
2001	-	-	-	0.00%	-
2002	-	-	-	0.00%	-
2003	-	-	-	0.00%	-
2004	12,200	-	12,200	0.48%	641
2005	12,200	2,282	9,918	0.37%	503
2006	10,300	3,042	7,258	0.24%	352
2007	46,375	2,637	43,738	1.35%	2,036
2008	43,875	2,887	40,988	1.10%	1,863
2009	\$ 41,175	\$ 3,830	\$ 37,345	1.01%	\$ 1,656

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

(1) See Table 6 for property value data.

(2) See Table 15 for population data.

DAWSON COUNTY, GEORGIA
Direct and Overlapping Governmental Activities Debt
December 31, 2009
(amounts expressed in thousands)

<i>Jurisdiction</i>	<i>Debt Outstanding</i>	<i>Percentage Applicable to Government</i>	<i>Amount Applicable to Government</i>
Direct Debt			
General Obligation Debt	\$ 41,175	100.00%	\$ 41,175
Capital Leases	926	100.00%	926
Agreement for Sale - Jail	5,060	100.00%	5,060
Contract Payable - EWSA	4,735	100.00%	4,735
Total Direct	<u>51,896</u>		<u>51,896</u>
Overlapping General Obligation Debt:			
Dawson County School System	12,161	100.00%	12,161
City of Dawsonville	3,652	100.00%	3,652
Total Overlapping General Obligation Debt	<u>15,813</u>		<u>15,813</u>
Total	<u><u>\$ 67,709</u></u>		<u><u>\$ 67,709</u></u>

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.

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 government's boundaries and dividing it by the county's total taxable assessed value.

DAWSON COUNTY, GEORGIA
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago (See Note)

Employer	2009			2003		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
North Georgia Premium Outlets	1,100	1	11.16%	1,100	1	9.88%
Dawson County Board of Education	415	2	4.21%	415	2	3.73%
Wal-Mart #3874	350	3	3.55%			n/a
Dawson County Commissioner's Office	282	4	2.86%	200	4	1.80%
Gold Creek Foods LLC	150	5	1.52%			n/a
Kroger	150	6	1.52%	116	5	1.04%
World Wide Manufacturing Co.	107	7	1.09%	107	6	0.96%
Amicalola Falls State Park Lodge	99	8	1.00%			n/a
Ingles Market	90	9	0.91%	90	7	0.81%
Home Depot	90	10	0.91%			n/a
Gold Creek Golf Club / Resort Conference Center			0.00%	90	8	0.81%
SleeveCo, Inc			0.00%	80	9	0.72%
Chestatee State Bank			0.00%	80	10	0.72%
Nordson Corporation				233	3	2.09%
All other employers	7,022		71.25%	8,622		77.45%
Total	<u>9,855</u>		<u>100.00%</u>	<u>11,133</u>		<u>100.00%</u>

Source: Dawson County Chamber of Commerce

Note: Data for nine years ago (2000) is not available, used oldest available (2003).

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

Function	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General government	-	-	-	-	48	49	51	67	74	51
Public safety										
Sheriff										
Officers	-	-	-	-	63	71	82	92	83	82
Civilians	-	-	-	-	11	13	18	18	26	27
Fire										
Firefighters and officers	-	-	-	-	35	35	41	44	43	43
Civilians	-	-	-	-	1	1	1	1	3	3
Court system	-	-	-	-	20	24	26	30	30	32
Public works	-	-	-	-	16	14	14	17	17	23
Health and welfare	-	-	-	-	-	-	-	-	-	9
Recreation and culture	-	-	-	-	8	8	9	10	10	12
Housing and development	-	-	-	-	-	-	-	-	-	-
Solid Waste	-	-	-	-	-	-	-	-	-	-
Water & Sewer	-	-	-	-	-	-	-	1	-	-
Total	-	-	-	-	202	215	242	280	286	282

Source: Dawson County Human Resources

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.

Note: Information for 2000-2003 is not available.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

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

A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies 09-01 through 09-07 described in the accompanying schedule of findings and questioned costs to be significant deficiencies.

Clerk of Superior Court

09-01 Statement of Condition:

This is a prior year recommendation. During testing of case files, we found several instances in which receipts were not entered into the receipting software for more than 6 days after the funds were deposited.

Criteria:

The Court should enter transactions into the accounting system as soon as possible.

Effect of Condition:

The longer funds are not entered into the receipting system, the more susceptible they are to error and misappropriation.

Cause of Condition:

The Clerk has one individual entering transactions in the system.

Recommendation:

We recommend that the Clerk consider how it can use its staff to enter their receipts in a more timely manner.

Response:

The Clerk of Court office is currently going through a change of administration pending the outcome of a special election for the Clerk of Court position. In the meantime, an interim Clerk was appointed. The interim Clerk has put a receipting procedure in place where all receipts are keyed into the system as customers come in and a receipt is

immediately printed and given to the customer. A recap is printed off the system the next morning and the deposit is taken to the bank.

09-02 Statement of Condition:

This is a prior year recommendation. The assistant bookkeeper who prepares the deposits, takes the deposits to the bank, and balances the cash to the receipt book for real estate revenues also has the ability to void transactions in the computer software. In addition, voided transaction reports are only reviewed every three months.

Criteria:

To ensure proper internal controls, there should be segregation of duties in place for the receipting process. The bookkeeper should not have the ability of voiding/modifying receipts as well as preparing the deposits and balancing the cash to receipts.

Effect of Condition:

Certain staff can misappropriate assets by voiding transactions or withholding cash before preparing the deposit slip.

Cause of Condition:

The Court has not utilized staff independent of the receipting, balancing and deposit process to periodically review voided transaction reports.

Recommendation:

We recommend that someone other than the bookkeeper prepare the deposits and that the assistant bookkeeper not have the ability to void transactions. In addition, we recommend that the Clerk of Court review voided transaction reports at least monthly. These reports should be signed as written evidence of that review then retained on file.

Response:

The Clerk of Court office is currently going through a change of administration pending the outcome of a special election for the Clerk of Court position. In the meantime, an interim Clerk was appointed. The interim Clerk is reviewing all procedures and will work with the new Clerk, once elected, to point out areas of concern and help implement policies and procedures to ensure proper internal controls. The interim Clerk has already put a procedure in place where voids are reviewed on a monthly basis.

09-03 Statement of Condition:

This is a prior year recommendation. The court is holding funds in its registry for an excessively long period of time.

Criteria:

Funds held should be disbursed to the appropriate party in a timely manner, as is legally feasible. The court should not hold funds that legally are owed to others and could potentially create the opportunity for fraud.

Effect of Condition:

See finding 09-09 under Indications of Fraud and Abuse below.

Cause of Condition:

There is no follow up of the funds held in registry. Nor is there a reconciliation done of those funds held at the beginning of the month to the balance at the end of the month after taking into account current transactions..

Recommendation:

We recommend that the Court disburse the funds held in a timely manner, as legally feasible. Either court orders should be obtained to disburse the funds or the funds should be turned over to the state if unable to disburse. We also recommend that a reconciliation be done of the funds held. We have provided a work sheet to facilitate this procedure.

Response:

The Clerk of Court office is currently going through a change of administration pending the outcome of a special election for the Clerk of Court position. In the meantime, an interim Clerk was appointed. The interim Clerk is reviewing all procedures and will work with the new Clerk, once elected, to point out areas of concern and help implement policies and procedures to ensure proper internal controls. The interim Clerk has already put a procedure in place where funds are paid out as court orders are issued.

09-04 Statement of Condition:

This is a prior year recommendation. When receipts for deeds or liens are entered into the system, the book and page numbers are not referenced to the receipt and the filing does not reference a receipt number.

Criteria:

When receipts are entered and filings recorded, there should be a way to trace the receipt to its related filing.

Effect of Condition:

Although the issue has not had a material effect on the financial statements, the court should reference its civil filing receipts to the related book and page of the filing.

Cause of Condition:

Unknown.

Recommendation:

We recommend that the Court reference the book and page numbers on the receipts when entered into the system.

Response:

The Clerk of Court office is currently going through a change of administration pending the outcome of a special election for the Clerk of Court position. In the meantime, an interim Clerk was appointed. The interim Clerk is reviewing all procedures and will work with the new Clerk, once elected, to point out areas of concern and help implement policies and procedures to ensure proper internal controls. The interim Clerk has already put a procedure in place where the book and page numbers are referenced in the comments section when receipts are keyed into the software.

09-05 Statement of Condition:

This is a prior year recommendation. Receipts are not reconciled to deposits in a timely manner. It was noted during the audit that the receipts are reconciled to the deposits only on a monthly basis.

Criteria:

Receipts should be entered daily and balanced to ensure that the total receipts agree with the total deposit.

Effect of Condition:

This increases the risk of misappropriation of assets and errors are high.

Cause of Condition:

Unknown.

Recommendation:

We recommend that the Court enter receipts in the system on a daily basis and agree the Receipt Report for the day to the total deposit that day. Receipts should be dated for the day they were received not the day they are entered into the system.

Response:

The Clerk of Court office is currently going through a change of administration pending the outcome of a special election for the Clerk of Court position. In the meantime, an interim Clerk was appointed. The interim Clerk is reviewing all procedures and will work with the new Clerk, once elected, to point out areas of concern and help implement policies and procedures to ensure proper internal controls. The interim Clerk has already put a procedure in place where receipts are reconciled to the deposit on a daily basis.

09-06 Statement of Condition:

During receipt testing of cases, it was noted one instance that receipt number 135095 was entered for case 09-CR-0638 from funds received from a probation agency, but the report from the agency did not note that case.

Criteria:

Receipts should be applied to the correct case to ensure that defendant is credited with payment.

Effect of Condition:

Payments were not applied to correct cases.

Cause of Condition:

Unknown.

Recommendation:

We recommend that the Court enter receipts in the system correctly and be applied to the correct cases.

Response:

The Clerk of Court office is currently going through a change of administration pending the outcome of a special election for the Clerk of Court position. In the meantime, an interim Clerk was appointed. The interim Clerk is reviewing all procedures and will work with the new Clerk, once elected, to point out areas of concern and help implement policies and procedures to ensure proper internal controls.

09-07 Statement of Condition:

During receipt testing of cases, two instances were found where receipts were posted to cases for traffic fines that did not correspond to the case documents.

Criteria:

Receipts should be applied to the correct case and for the correct type to ensure that the correct defendant is credited with payment and the receipts are correctly distributed to the appropriate agencies.

Effect of Condition:

Payments were not applied to correctly.

Cause of Condition:

Receipt number 135164 was entered for traffic fines although the case was for battery and there was no documentation to signify that a traffic fine should be received. Receipt number 128686 was entered for traffic fines although the case was for a family violence charge which was sent to dead docket and therefore should not have collected any fines.

Recommendation:

We recommend that the Court enter receipts in the system correctly and be applied to the correct cases.

Response:

The Clerk of Court office is currently going through a change of administration pending the outcome of a special election for the Clerk of Court position. In the meantime, an interim Clerk was appointed. The interim Clerk is reviewing all procedures and will work with the new Clerk, once elected, to point out areas of concern and help implement policies and procedures to ensure proper internal controls.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether DAWSON 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described below as items 09-08 to 09-10.

Indications of Fraud and Abuse Clerk of Superior Court

09-08 Statement of Condition:

Funds from the Clerks' CO-OP Authority for internet images totaling \$9,197.25 were incorrectly receipted to Passports instead of Internet Images. These funds were then disbursed to the Clerk of Court, but should have been disbursed to the Dawson County Board of Commissioners.

Response:

The Clerk of Court office is currently going through a change of administration pending the outcome of a special election for the Clerk of Court position. In the meantime, an interim Clerk was appointed. The interim Clerk is reviewing all procedures and will work with the new Clerk, once elected, to point out areas of concern and help implement policies and procedures to ensure proper internal controls.

09-09 Statement of Condition:

Receipts for Passports from 2004 through 2009 were \$59,890. This does not include the internet image deposits that were wrongly coded to passports as described in finding 09-08. Checks disbursed to the Clerk of Court from Passport receipts were \$207,840 for an overpayment to the Clerk of Court in the amount of \$147,950.

Response:

The Clerk of Court office is currently going through a change of administration pending the outcome of a special election for the Clerk of Court position. In the meantime, an interim Clerk was appointed. The interim Clerk is reviewing all procedures and will work with the new Clerk, once elected, to point out areas of concern and help implement policies and procedures to ensure proper internal controls.

09-10 Statement of Condition:

Checks totaling \$81,775.68 were paid to an individual for refunds of cash bonds from fictitious criminal cases. These payments should not have been disbursed to this individual.

Response:

The Clerk of Court office is currently going through a change of administration pending the outcome of a special election for the Clerk of Court position. In the meantime, an interim Clerk was appointed. The interim Clerk is reviewing all procedures and will work with the new Clerk, once elected, to point out areas of concern and help implement policies and procedures to ensure proper internal controls.

We noted certain matters that we reported to management of DAWSON COUNTY, GEORGIA, in a separate letter dated June 24, 2010.

DAWSON COUNTY, GEORGIA's response to the findings identified in our audit is described above. We did not audit DAWSON COUNTY, GEORGIA's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, 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.

Bates, Carter & Co, LLP