WALTON COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED
JUNE 30, 2012

Prepared By:
The Walton County Finance Department

INTRODUCTORY SECTION

WALTON COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2012

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November 26, 2012

Honorable Chairman Kevin W. Little
Members of the Board of Commissioners
And the Citizens of Walton County, Georgia

State law, Official Code of Georgia 36-81-7, requires that all general purpose local governments publish within six months of the close of the fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Walton County, Georgia, for the fiscal year ended June 30, 2012.

This report consists of management's representations concerning the finances of Walton County, Georgia. Responsibility for both the accuracy of the presented date and completeness and the fairness of the presentation, including all disclosures, rests with the Government. To provide a reasonable basis for making these representations, management of Walton County has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Walton County's financial statements in accordance with GAAP. Because the cost of internal controls should not outweigh their benefits, Walton County's comprehensive framework of internal controls has been designed to provide reasonable assurance that the financial statements will be free from misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

Walton County's financial statements have been audited by Maudlin and Jenkins, CPA, LLC, a firm of licensed-certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Walton County for the fiscal year ended June 30, 2012, were free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements; assessing the accounting principles used by management; and evaluating the overall financial statement presentation.

Maudlin and Jenkins, CPA, LLC has issued an unqualified ("clean") opinion on Walton County's financial statements for the year ended June 30, 2012. The independent auditor's report is presented as the first component of the financial section of this report.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should read in conjunction with the audit. Walton County's MD&A can be found immediately following the report of the independent auditors.

Profile of Walton County, Georgia

Walton County was created on July 15, 1818 from land held by the Cherokee and Creek Indians and was named for George Walton, a signer of the Declaration of Independence. The County is located 45 miles east of the City of Atlanta, and the City of Monroe is the County seat. The County comprises an area of approximately 330 square miles (89th is size out of 159 counties in Georgia) and has a population of 83,768. The 29th most populous Georgia County The principal office of the County is located at 303 S. Hammond Drive, Monroe, Georgia, 30655.

Form of Government

The County is governed by a seven-member Board of Commissioners, which is comprised of a Chairman and six Board members. The six Commissioners are elected by district by the voters residing in each district to serve four-year terms. The commissioners are responsible for passing ordinances, adopting the budget, establishing tax rates, appointing the County Clerk, County Attorney, Department Heads and various committees. The Chairman of the Board is elected at large to serve a four-year term, presides at all meetings of the Board of Commissioners and manages the day-to-day affairs of the County. The Board of Commissioners has one regularly scheduled meeting each month to conduct normal business. Additional meetings are occasionally called for specific purposes.

County Services

Walton County provides a full range of services, including law enforcement and a detention facility that houses 433 inmates; fire protection in incorporated and unincorporated areas of the County, maintenance of streets, highways, bridges and other associated infrastructure; voter registration and elections; court system; tax assessment and tax collection; planning, zoning, and development; building inspections; water and sewerage services, solid waste collection and recycling; animal control; emergency management; ambulance service; E-911 service; and recreation and parks. The County provides services through legally separate component units that have been determined to meet the criteria for inclusion in the County's reporting entity. Walton County Health Department, Development Authority of Walton County, and The Partnership for Families, Children, and Youth are all component units of Walton County. Additional information on the legally separate entities can be found in the Notes to the Financial Statements.

The Budget Process

The annual budget serves as the foundation for Walton County's financial planning and control. The Chairman along with two Commissioners serve each year as the Budget Committee. Each constitutional officer, department head and agency representative meet with the Budget Committee to present their request and discuss their accomplishments, trends and needs. The Budget Committee reviews the requests and prepares a recommended budget. The recommended budget is presented by the Chairman of the Board of Commissioners to the full Board at the May meeting. The Board of Commissioner's hold public hearings on the proposed budget and adopts the final budget no later than June 30th the close of Walton County's fiscal year. The legal level of budgetary control is the department/fund level. Budgetary control is maintained using an encumbrance system.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from a broader perspective of the specific environment within which Walton County operates.

Local Economy: Walton County is one of 159 counties in Georgia, and is part of the Atlanta-Sandy Springs-Marietta, GA Metropolitan Statistical Area (MSA) with 32,435 households. Medium household income increased over the last decade in Walton County has increased from $46,479 in 2002 to $53,341 in 2012.

From an employment standpoint, Walton County is attractive to business and industry as evidenced by the Baxter Pharmaceutical breaking ground at Stanton Springs Industrial Park to local its latest plant which will provide approximately 1600 jobs when it opens in 2014. The largest General Mills Distribution Center in the southeast located in Social Circle. In additional to General Mills, Wal-Mart has a distribution center in Walton County which account for close to 1000 jobs combined. Other industries located in Walton County include Standridge Color Corporation, Solo Cup, Hitachi Automotive Systems Americas, Inc., Leggett and Platt, Minerva, and Tucker Door and Frame. The diversity of the private sector employers protects the local economy from particular industry fluctuations. The annual unemployment rate for the last decade has mirrored that of the national average. The most recent data show 2012 unemployment of 9.9% a slight decrease from 2011 unemployment rates. Close proximity to transportation hubs, such as the Atlanta airport and converging interstates 20, 75, 285, and 85, continue to make Walton County attractive to business and industry, looking to relocate from other areas of the state and outside the state.

In addition to production, manufacturing, warehousing and distribution, retail commerce and a variety of professionals are integral to Walton County's economy. Home Depot and Wal-Mart have large retail stores in the County. Walton County is the home of the Blue Willow Inn home of the world famous fried green tomatoes attracting tourists to Walton County. Walton County has several health care specialists and facilities. Walton County Regional Medical Center opened its new facility in 2012 and Emory University expanded satellite facilities in the County. Walton County's proximity to University of Georgia, Perimeter College and Georgia Piedmont Technical College enhance the County's attractiveness to business and industry. Athens Technical College campus located in Monroe provides additional access to higher education for County residents.

Long Term Financial Planning: An unassigned fund balance in the general fund (32% of total general fund revenues) falls within the policy guidelines set by the Board of Commissioners for budgetary and planning purposes.

The Board of Commissioners approved issuing a Water Authority Series 2012 bond in the amount of $17 million to refund the Series 2002 Water Authority Bonds and two notes to Newton County, with an estimated savings of $4.2 million.

The County's entered into a partnership with the Walton County Board of Education to build a gas terminal to reduce the cost of gas and diesel for both the County and the Board of Education.

Capital Improvement Program

The County's Capital Improvement Program is used a guide for acquisition, construction and replacement of capital assets. Various departments develop plans specific to their functional areas provide additional guidance to the Board of Commissioners in allocating assets for capital projects.

Impact Fees: To better maintain adequate service levels within the County, Impact Fees are charged in accordance with Walton County Impact Fee Ordinance. These fees are designated to be used for capital improvement projects related to Fire, EMS, Sheriff, jail, library acquisitions, and the acquisition of park land and construction of recreation facilities needed to maintain the current level of service in the face of future growth. In 2012 the Walton County Board of Commissioners reduced the residential fees to encourage development.

SPLOST: In 2001 the County implemented the use of the 1% tax, the Special Purpose Local Option Sales Tax (SPLOST) as voted on by the citizens of Walton County. To date the 1% sales tax has provided approximately $77.8 million to finance the County's capital assets. The SPLOST implemented in 2007 is shared with the cities of Social Circle, Loganville, Monroe, Jersey, Walnut Grove, Between, and Good Hope. In November of 2011, the citizens of Walton County voted to extend the current SPLOST for another six years beginning in January 2013.

The Governmental Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Walton County for is Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2011. This program recognizes those governments that go beyond the minimum requirements of generally accepted accounting principles to prepare CAFR's that represent the spirit of transparency and full disclosure and produce an easily readable and effectively organized CAFR. This was the first year that the County has received this prestigious award. This award is valid for a period of one year only. We believe that our current CAFR continues to conform to program requirements and we are submitting it to GFOA to determine its eligibility for another award.

The preparation of the Comprehensive Annual Financial Report could not have been accomplished without the dedication of the staff in the Finance and Accounting Department of Walton County and the contributions of the Constitutional Officers, Department Heads and assistance of Maudlin and Jenkins, LLC. We wish to express our appreciation and cooperation to the Chairman of the Board of Commissioners, the Board of Commissioners, for their leadership and unfailing support in maintaining the highest standards of professionalism in management and sound financials of Walton County.

Respectfully submitted,

Linda J Hanna
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Walton County Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

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

President

Executive Director

WALTON COUNTY, GEORGIA

Principal Officials

Board of Commissioners
June 30, 2011

Kevin W. Little	Chairman
Clinton Ayers	Commissioner District 1
Chuck Bagley	Commissioner District 2
Vickie Gasaway	Commissioner District 3
Lamar Palmer	Commissioner District 4
Jeremy Adams	Commissioner District 5
Kirklyn Dixon	Commissioner District 6

Kirby Atkinson, County Attorney

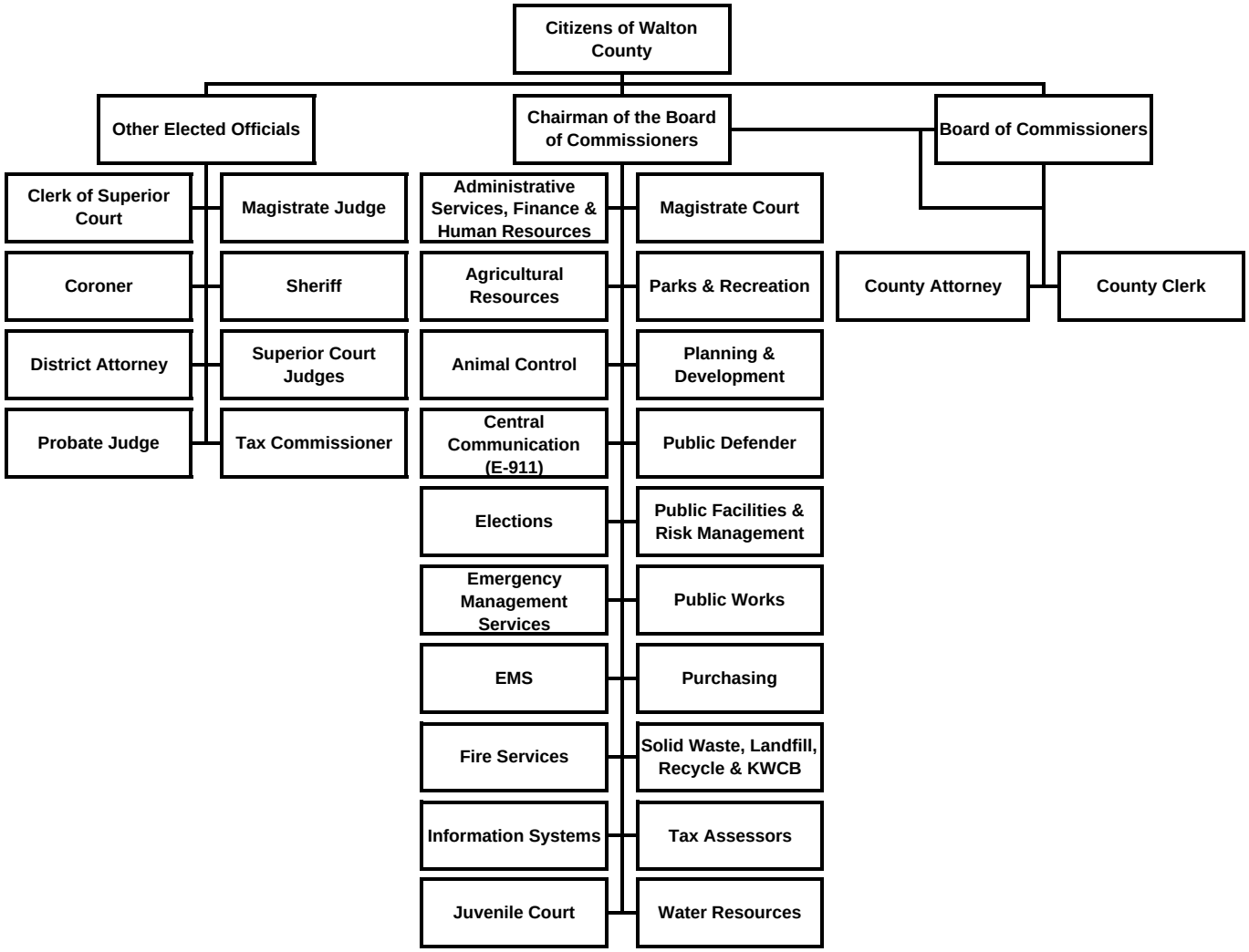
Leta Talbird, County Clerk

Other Elected Officials

Kathy Trost	Clerk of Superior Court
Joe Page	Coroner
Layla Zon	District Attorney
Mike Burke	Magistrate Judge
Greg Adams	Probate Judge
Joe Chapman	Sheriff
John Ott	Superior Court Chief Judge
Eugene Benton	Superior Court Judge
Horace Johnson	Superior Court Judge
Samuel Ozburn	Superior Court Judge
Kendall Wynne, Jr.	Superior Court Judge
Patricia Malcom	Tax Commissioner

WALTON COUNTY, GEORGIA

Organization Chart



FINANCIAL SECTION

MAULDIN & JENKINS
CERTIFIED PUBLIC ACCOUNTANTS, LLC

INDEPENDENT AUDITORS' REPORT

Board of Commissioners
of Walton County, Georgia
Monroe, 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 **Walton County, Georgia** (the "County"), as of and for the year ended June 30, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Walton County Health Department, which represents 18 percent, 16 percent, and 86 percent, respectively, of the assets, net assets, and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Walton 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 the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to previously 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 Walton County, Georgia as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2012, on our consideration of Walton County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis (on pages 4 through 18) and the budgetary comparison information and schedules of funding progress (on pages 65 through 67) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Walton County, Georgia's basic financial statements. The combining and individual fund financial statements and schedules and the schedule of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia 48-8-21, as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules and the schedule of expenditures of special purpose local option sales tax proceeds are fairly stated in all material respects in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Walton County, Georgia's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Mauldin & Jenkins, LLC

Atlanta, Georgia
November 19, 2012

This section of Walton County's Comprehensive Annual Financial Report provides a narrative of Walton County's financial performance. The overview and analysis presented here are of the County's financial activities for the fiscal year ended June 30, 2012. Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts. Please read it in conjunction with the letter of transmittal at the front of this report and the County's financial statements, which begin on page 19 and the Notes to the Financial Statements, which begin on page 30.

FINANCIAL HIGHLIGHTS

- The County's net assets totaled $203.1 million for its governmental and business-type activities, an *increase* of $9.8 million from the previous fiscal year primarily due to an increase in DFACS building loan proceeds, and reductions in year-end insurance claims payable.
- Walton County closed FY 2012 with a governmental fund balance of approximately $39.2 million. This reflects a fund balance of $5.8 million for Special Local Option Sales Tax (SPLOST) Funds, $5.6 million for Debt Service Funds and $6.2 million for other non-major governmental funds. The fund balance of $21.6 million for the general fund is a decrease of approximately $800,000 from FY 2011.
- Total combined revenues for governmental and business-type activities were $70.9 million, an increase of approximately $1.6 million from the prior fiscal year due primarily to an increase in revenues from sales tax and insurance premium tax.
- Overall expenses were $61.1 million, of which governmental activities were $50 million and business-type activities were $11.1 million. Total expenses decreased $1 million from the previous fiscal year resulting primarily from continued cost cutting efforts throughout county departments.
- As of June 30, 2012, governmental activities' expenses exceeded program revenue, resulting in the use of $41 million in general revenue (primarily taxes).
- In the County's business-type activities, operating revenues were $11.4 million and operating expenses were $10.5 million, for an operating gain of approximately $935,000 in FY 2012. This compares with operating gains of approximately $700,000 for the prior fiscal year primarily as a result of continued cost cutting measures implemented by the County.
- The General Fund resources available for appropriation were $ 2.6 million more than originally budgeted, and expenditures were $1.7 million less than originally budgeted.
- The unassigned fund balance of $15.06 million in the General Fund was an increase of approximately $240,000 over the prior fiscal year.
- On July 1, 2006, the County began collecting impact fees. The County collected $33,803 in Impact Fees in FY 2012 an increase of $2,120 from the prior fiscal year. Collections and capital outlay, combined with interest earned, resulted in a fund balance of $648,357.

MANAGEMENT'S DISCUSSION AND ANALYSIS

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Government-Wide financial statements, the Statement of Net Assets and the Statement of Activities (on pages 19 and 20), provide information about the activities of the County as a whole and present a longer-term view of the County's finances. The Statement of Net Assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. The Statement of Activities presents information showing how the County's net assets changed during the most recent fiscal year. The governmental fund financial statements start on page 19. For governmental funds, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds. The remaining statements provide financial information about activities for which the County acts solely as a trustee or agent for the benefit of those outside of the government.

Government-wide Reporting:

The *Statement of Net Assets* and the *Statement of Activities*

Our analysis of the County as a whole begins on page 6. One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of the year's activities?" The *Statement of Net Assets* and the *Statement of Activities* report information about the County as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting,* which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the County's net assets and changes in them. You can think of the County's net assets—the difference between assets and liabilities—as one way to measure the County's financial health, or financial position. Over time, increases or decreases in the County's net assets are indicators of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the County's property tax base and the condition of the County's roads, to assess the overall well being of the County.

In the *Statement of Net Assets* and the *Statement of Activities*, we divide the County into three kinds of activities:

- *Governmental activities*—Most of the County's basic services are reported here, including the public safety, public works, judicial, planning, development, and parks departments, as well as general administration. Property taxes, fees, fines, and state and federal grants finance most of these activities.
- *Business-type activities*—The County charges a fee to customers to help it cover the cost of certain services it provides. The County's Emergency Medical Services, Water & Sewerage, Solid Waste and Recycling Operations are reported here.

- *Component units*—The County includes five separate legal entities in its report—the Walton County Development Authority, the Walton County Commission on Children & Youth, the Walton County Health Department, the Walton County Water and Sewerage Authority, and the Walton County Public Purpose Corporation. Although legally separate, these "component units" are important because the County is either financially accountable, or may maintain control by means of appointments to the governing boards of these organizations. The Walton County Water and Sewerage Authority is a blended component unit reported as part of the County's Water & Sewer Fund, and the Walton County Public Purpose Corporation is reported as a special revenue fund. Financial information for the County's other three component units are found beginning on page 28.

Reporting the County's Most Significant Funds

Fund Financial Statements

Our analysis of the County's major funds begins on page 12. The fund financial statements begin on page 21 and provide detailed information about the most significant funds—not the County as a whole. Some funds are required by State law and by bond covenants. However, the County establishes other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants received from the U.S. Department of Justice). The County's funds—*governmental, proprietary and fiduciary*—use different accounting approaches.

- *Governmental funds*—Most of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the County's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. We describe the relationship (or differences) between government-wide information (reported in the *Statement of Net Assets* and the *Statement of Activities*) and governmental fund information in reconciliations on pages 19 and 20, and page 23, respectively.

- *Proprietary funds*—When the County charges customers for the services it provides—whether to outside customers or to other units of the County—these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the *Statement of Net Assets* and the *Statement of Activities*. In fact, the County's enterprise funds (a type of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds. The County's Employee Benefits and Worker's Compensation Funds, used to pay for health care and worker's compensation claims, are included in the proprietary fund group as internal service funds. The proprietary fund statements begin on page 24.

The County as Trustee

Reporting the County's Fiduciary Responsibilities

- *Fiduciary funds*—these funds are used to account for assets held for others. All of the County's fiduciary activities are reported in a separate Statement of Fiduciary Assets and Liabilities on page 27. These agency funds' balances are due to and others as of the fiscal year end. We exclude these activities from the County's other financial statements because the County cannot use these assets to finance its operations.

THE COUNTY AS A WHOLE

NET ASSETS:

Net assets may, over time, serve as an indicator of a government's financial condition. Walton County's assets exceeded liabilities by $203.1 million at June 30, 2012.

Net Assets
($ in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government Activities	
	2012	2011	2012	2011	2012	2011
Assets						
Current and other assets	$ 34,955	$ 33,064	$ 31,850	$ 32,066	$ 66,805	$ 65,130
Restricted assets	11,174	14,942	25,936	35,188	37,110	50,130
Capital assets	110,940	109,914	104,278	95,668	215,218	205,582
Total assets	157,069	157,920	162,064	162,922	319,133	320,842
Liabilities						
Long-term liabilites	25,515	33,695	84,437	88,035	109,952	121,730
Other liabilities	3,213	2,836	2,870	3,000	6,083	5,836
Total assets	28,728	36,531	87,307	91,035	116,035	127,566
Net assets						
Invested in capital assets, net of related debt	94,687	90,801	40,400	35,965	135,087	126,766
Restricted	10,702	18,695	5,590	6,962	16,292	25,657
Unrestricted	22,952	11,894	28,767	28,960	51,719	40,854
Total net assets	$ 128,341	$ 121,390	$ 74,757	$ 71,887	$ 203,098	$ 193,277

Unrestricted net assets—the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements—increased, by $10.9 million this year, as compared to the end of the prior year.

The largest portion of the County's net assets of $135 million, reflects investments in capital assets such as land, buildings, equipment and infrastructure (roads, bridges, sidewalks) less any outstanding debt used to acquire those assets. The County uses these capital assets to provide services to its citizens and given their nature they cannot be liquidated to repay associated debt; therefore, these assets were not available for future spending.

Included in the County's restricted assets of $11.2 million for governmental activities is $4.8 million of Special Purpose Local Option Sales Tax revenue to be used for debt service payments on the Counties SPLOST Bond, $6.4 million in proceeds from the Counties SPLOST Bond, issued February 6, 2007 for park and recreation projects, the County administration and judicial facility, various road projects, public safety projects including state patrol office, drivers license office, fire station, upgrade of E-991 towers and radios, senior center, animal shelter, and various water and sewer projects. Over the life of the SPLOST, the County has carefully monitored and conservatively projected revenues when budgeting expenditures to ensure that monthly SPLOST revenues satisfy the SPLOST debt service.

The County reported positive balances in all categories of net assets for FY 2012, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

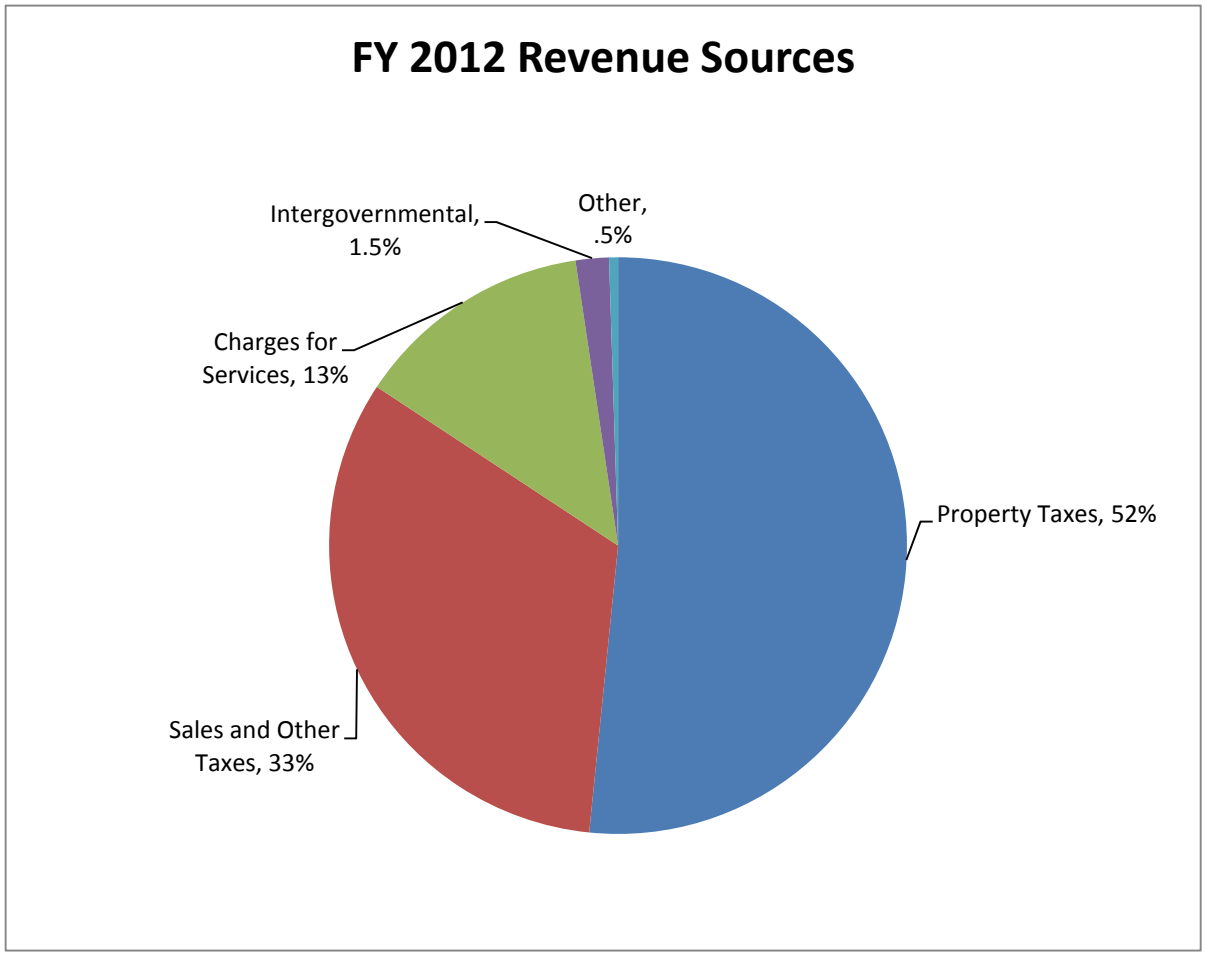
CHANGES IN NET ASSETS:

The County's total change in net assets from the prior fiscal year was an increase of $9.8 million. This increase is a result of continued cost cutting measures implemented by County Departments during FY 2012, and an increase in sales tax, fire insurance tax, and grant revenues.

Changes in Net Assets
($ in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2012	2011	2012	2011	2012	2011
Revenues						
Program revenues:						
Charges for services	$ 7,801	$ 8,109	$ 11,400	$ 10,842	$ 19,201	$ 18,951
Operating grants and contributions	961	649	-	-	961	649
Capital grants and contributions	122	288	901	894	1,023	1,182
General revenues:						
Property taxes	30,347	30,432	-	-	30,347	30,432
Other taxes	19,072	17,501	-	-	19,072	17,501
Investment earnings	47	68	25	53	72	121
Other revenues	245	245	-	230	245	475
Total revenues	58,595	57,292	12,326	12,019	70,921	69,311
Expenses						
General government	7,442	7,442	-	-	7,442	7,442
Judicial	4,790	5,148	-	-	4,790	5,148
Public safety	21,080	21,703	-	-	21,080	21,703
Public works	9,446	8,832	-	-	9,446	8,832
Health and welfare	963	1,030	-	-	963	1,030
Culture and recreation	3,703	3,868	-	-	3,703	3,868
Housing and development	1,331	1,438	-	-	1,331	1,438
Interest on long-term debt	1,201	1,320	-	-	1,201	1,320
EMS	-	-	2,686	2,787	2,686	2,787
Water and sewer	-	-	7,301	7,492	7,301	7,492
Solid waste	-	-	1,157	1,157	1,157	1,157
Total expenses	49,956	50,781	11,144	11,436	61,100	62,217
Income before transfers	8,639	6,511	1,182	583	9,821	7,094
Transfers	(1,688)	(1,976)	1,688	1,976	-	-
Change in net assets	6,951	4,535	2,870	2,559	9,821	7,094
Net assets beginning of year	121,390	116,855	71,887	69,328	193,277	186,183
Net assets end of year	$ 128,341	$ 121,390	$ 74,757	$ 71,887	$ 203,098	$ 193,277

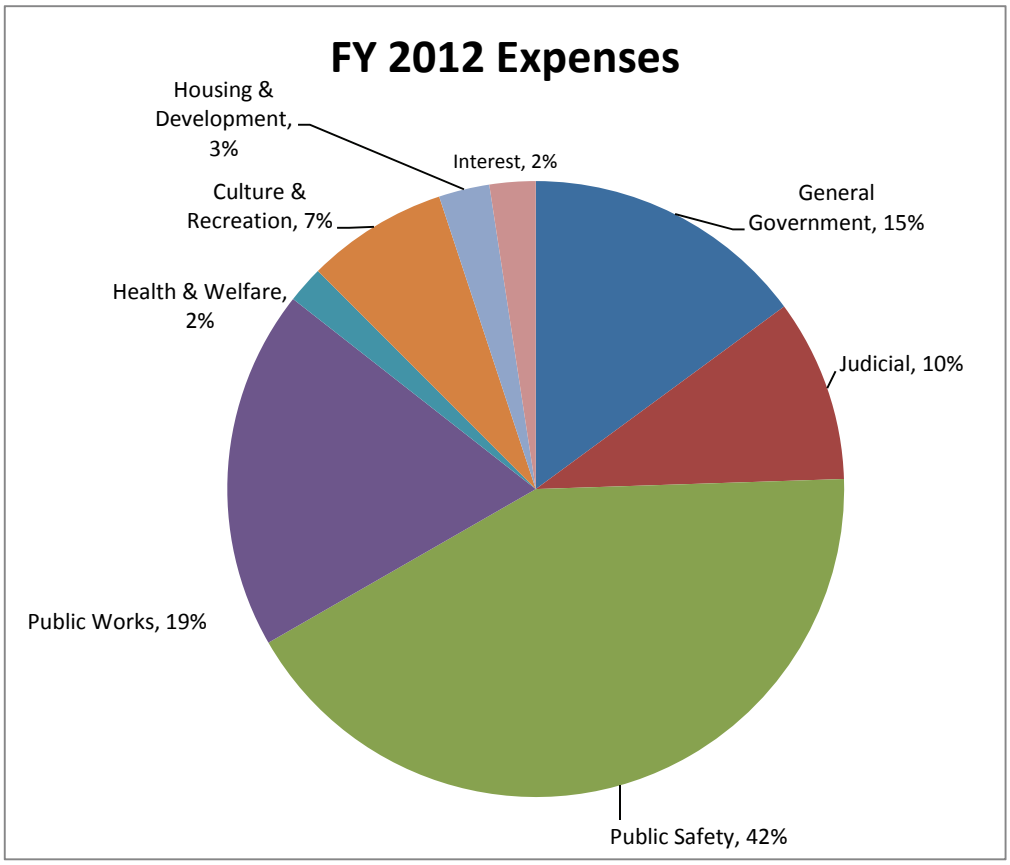
As can be seen from the chart below, approximately 85% of the County's combined total revenue from Governmental Activities was provided by taxes. Property taxes accounted for 52 % and 33% by sales and other taxes. Property Taxes as a percent of the County's total revenue decreased by 1% from the prior year collections while sales and other taxes increased by 1% over last year due to a small decline in the digest and a small upswing in the economy. The County charges fees for services for a variety of services including housing stray animals, disposal of non-recyclables, providing certified copies of documents, issuing building permits, and impact fees. Additionally, the Courts (Superior, Probate, Magistrate, & Juvenile) impose fines for violations of laws and ordinances which remained the same as last year. Charges for services remained approximately the same as last year accounting for 13% of the County's revenue.



The County's major expense, ensuring public safety, decreased 1% as compared to the prior year to 42% of the total governmental expenses. Public Safety includes law enforcement, jail operations, fire protection, E-911, coroner, animal control, and emergency management.

Expenses for the Culture and Recreation program, which began August 2002, required only 7% of total governmental expenditures; this represents no increase over last year. The very successful countywide park and recreation program involves several thousand youth in softball, basketball, cheerleading, football, and soccer activities. Capital expenditures for these programs are funded primarily by SPLOST and Impact Fee revenues.

The County continually assesses the condition of its infrastructure and engages in systematic preventive maintenance as well as improvements on the 709 miles of county-maintained roads. The County was able to rebuild New Hope Church bridge road and resurface 29.7 miles of roads in FY 2012, 11.1 fewer than the miles of roads resurfaced in the prior fiscal year. Resurfacing costs were expensed in the Public Works Program, which increased 2% from the prior year at 19% of total governmental expenses in FY 2012.



The General Fund subsidized EMS $1,019,182 down approximately 14% from FY 2011 and Solid Waste $507,853 which is down 18% from FY 2011. In the EMS Fund, operating revenues increased by approximately 13%, resulting from an increase in ambulance fee collections, while expenses decreased approximately 4% from the prior year. In the Solid Waste Fund, revenues increased by approximately 9%, due primarily to an increase in charges for hauling and sales of recyclables, while expenses remained the same as the prior year . Capital Assets, net of depreciation, decreased slightly for Solid Waste due to an aging vehicles and equipment while EMS Fund increased due to the purchase of an ambulance. The Water and Sewer Fund realized an operating income of $2.4 million in FY 2012, approximately the same as FY 2011. Water and Sewer Fund capital assets saw an increase of $8.5 million due to the purchase of vehicles and the completion of water projects.

THE COUNTY'S FUNDS

Walton County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The objective of the County's governmental funds is to provide information on short-term activity and balances of spendable resources. Such information is useful in assessing the County's financial requirements. In particular, the unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. It should be noted, however, that the County's major revenue source—property taxes on real property—are only received once a year, approximately six months after the close of the fiscal year. The fund balance in conjunction with projected other revenues at the close of any fiscal year should be large enough to provide adequate financial resources until the next fiscal year's property taxes are received.

The County ended the 2012 fiscal year with a combined fund balance of $39.2 million for governmental funds including $10.0 million restricted for capital projects and $7.4 million in restricted and committed in the Special Revenue, Capital Projects, and Debt Service Funds.

Major Funds:

General Fund

The General Fund is the operating fund of the County. At the end of fiscal year 2012, the unassigned fund balance was $15.06 million. As a measure of liquidity, it may be useful to compare the unassigned fund balance to the sum of total expenditures for the General Fund and total other financing uses. The unassigned General Fund balance represents 31% of that total, down from the previous year due in part to the use of fund balance to make up budgetary shortfalls from Special Local Option Sales Tax.

The fund balance in the general fund decreased approximately $790,000 during FY 2012. Tax revenues from sales tax and 2011 tax digest assessments provided the bulk of General Fund revenue, increasing 1.8%, while total revenues increased by approximately 1.78% over FY 2011. Expenditures increased by $737,529 due primarily to the County's increased costs in area of public safety. Walton County was able to meet public safety needs, expansion of parks and recreation facilities and services, along with repair and maintenance of the Counties roads and bridges. The County was able to take the rollback millage rate for 2011 property taxes received in FY 2012. In an effort to be good stewards of taxpayers' funds, County offices continued to make concerted efforts to improve efficiencies in providing necessary services. Additional information about the General Fund can be found in the Budgetary Comparison Schedule.

Special Local Option Sales Tax (SPLOST) Capital Projects Fund

The imposition of a 1% Special Local Option Sales Tax beginning on January 1, 2002, which raised $9.6 million in FY2012, $9.16 million in FY 2011, $9.01 million in FY 2010, $8.6 million in FY 2009, $9.9 million in FY 2008, $5.2 million in FY 2007. As of June 30, 2012, the 2007 SPLOST has raised a cumulative total of approximately $51.5 million which is being used to meet the debt service payments on the 2007 General Obligation Bonds issued for SPLOST related projects, thus theses revenues are reported in the Debt Service Fund.

The SPLOST 2007 Fund was established for the proceeds of the special five-year one-cent sales tax and projects approved by the voters on September 19, 2006 for up to $100 million to commence July 1, 2007. The voters approved a $58.915 million general obligation sales tax bond in conjunction with the SPLOST projects. The SPLOST proceeds are allocated in the following manner:

County – 911 Towers & radios, water & sewer improvements, road, bridge, & culvert improvements, parks & recreation improvement including gymnasiums, public safety upgrades and senior citizen centers upgrades.

City of Monroe – transportation, drainage & sidewalks, public safety improvements, solid waste improvements, water & sewer improvements, airport improvements, electric, CATV, and fiber improvements.

City of Loganville – transportation, drainage & sidewalk improvements, water & sewer upgrades.

City of Social Circle – transportation, drainage & sidewalk improvements, public safety improvements, cemetery & park improvements

City of Walnut Grove – transportation, drainage & sidewalk improvements, public safety improvements, library project.

City of Good Hope – transportation, drainage & sidewalk improvements, administrative facility improvements.

City of Jersey – transportation, drainage & sidewalk improvements, water & sewer improvements.

City of Between – administrative facilities.

Bonded monies are restricted to all County projects and transportation, drainage and sidewalk improvements for cities. Excess SPLOST funds may then be used for additional projects listed in the Cities.

Additional information on the SPLOST Capital Projects Fund can be found in the Schedule of Projects Constructed with SPLOST Funds.

In FY 2012 several capital projects were funded with SPLOST funds. The County completed construction of the Animal Control Facility, New Hope Church Road Bridge, jail expansion, and extended water service lines in FY 2012 along with substantial progress with other SPLOST projects both for the County and participating cities. Fund balance in the SPLOST funds decreased approximately 41% from FY 2011 due to the use of SPLOST funds.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources and payment of principal and interest from government resources when the County is obligated for the payment. During FY 2012, the Fund Balance increased $381,876 to $5.63 million due to debt service payments being less than the SPLOST revenues and transfers received.

Non-Major Governmental Funds:

Liabilities in the non-major governmental funds were approximately $960,000, and the fund balance was approximately $6.2 million as of the year ended June 30, 2012. The non-major governmental fund totals are a combination of the following special revenue funds and capital projects funds:

Special Revenue Funds

The County uses special revenue funds to account for the collection and disbursement of revenues that are legally restricted to expenditures for specific purposes. Included in this classification are:

- Law Library Fund
- Forfeited Drug Seizure Fund
- Inmate Phone Fund
- E911 Fund
- Clerk's Authority Fund
- Juvenile Supplemental Services Fund
- Multiple Grant Fund
- Sheriff's Programs Fund
- Drug Abuse Treatment & Education Fund
- DARE Program Fund
- Crime Victim's Assistance Fund
- Seized Drug Fund
- Inmate Commissary Fund
- DA Forfeiture Fund
- Forfeited Federal Drug Fund
- Walton County Public Purpose Corporation

Capital Projects Funds

The governmental capital projects funds are used to account for the acquisition and construction of major capital facilities, other than those financed by proprietary funds: 2001 SPLOST and Impact Fees

The Board of Commissioners adopted the Development Impact Fee Ordinance of Walton County, Georgia to "ensure that adequate public facilities are available to serve new growth and development in Walton County and to provide that new growth and development bears a proportionate share of the cost of the new public facilities needed to serve them." The Ordinance is intended to implement and be consistent with the Walton County Comprehensive Plan, as it may be adopted or amended in accord with the Georgia Comprehensive Planning Act (O.C.G.A. 50-8-1 *et seq.*); and the *Minimum Standards and Procedures for Local Comprehensive Planning* and the *Development Impact Fee Compliance Requirements,* both as adopted by the Georgia Board of Community Affairs and amended from time to time." In FY2012, County impact fees generated $33,803 in revenue, up approximately 7% from FY 2011 due to a slight increase development and new construction. Of the funds accumulated earnings, $42,050 was made available for parks and recreation to create a passive park.

Proprietary Funds

The County reports three enterprise funds activities as proprietary funds: Solid Waste and Recycling Operations, Emergency Medical Services, and Water and Sewer Operations. The County began providing Emergency Medical Services on July 1, 2001 and began water operations in 2007 with the acquisition of the Water Authority.

The County's two internal service funds for employee health care and worker's compensation claims had combined assets of $2.9 million, liabilities of $1.7 million, and unrestricted net assets of $1.2 million.

The EMS Fund revenues were up $197,752, approximately 13% due to rise in ambulance calls while expenses in the EMS fund decreased by $100,992 from FY 2011. The Water and Sewer Fund had $844,147 decrease in total revenues approximately 4% due to a decrease in intergovernmental revenues and a loss on the sale of capital assets in FY2012 compared to a gain in FY2011. Expenses in the Water & Sewer Fund increased by $431,542 from FY 2011, approximately 7%, due primarily to an increase in operating costs associated with water maintenance and construction associated with service lines. Solid Waste Fund experienced a $52,084 increase in revenue from FY 2011, approximately 9%, due primarily to increase in scrap metal sales. Solid Waste Fund experienced only a $39 increase in expenses.

More detailed information about the County's proprietary funds can be found beginning on page 24.

Fiduciary Funds

These agency funds are used to account for resources held for the benefit of parties outside the government; therefore assets are equal to liabilities. Additional information is available on pages 94 and 95 of the Combining and Individual Fund Statements and Schedules Section. We exclude these activities from the County's other financial statements because the County cannot use these assets to finance its operations. The County is responsible for ensuring that the assets reported in these funds are used for the intended purposes.

GENERAL FUND BUDGETARY HIGHLIGHTS

The legal level of control (the level at which expenditures may not legally exceed appropriations) is at the department level. The most significant budget is that of the General Fund. The County's final General Fund revenue and expenditure budgets for FY 2012 reflect a net decrease of approximately $219,000 over FY 2011.

Few significant budget amendments were made to expenditures in FY 2012. Most budget amendments were related to public safety and public works and funds were transferred from other parts of their operating budgets to cover the increase in expenditures. Tax revenue budgets were amended to reflect higher than anticipated revenues.

As previously stated, by the end of fiscal year 2012, revenues, including reimbursements, where less than expenditures resulting in a $790,239 decrease in fund balance for the General Fund. The Board of Commissioners exerts considerable control over expenditures during the course of the fiscal year and continually seeks more efficient and cost effective means for providing services to the citizens of Walton County.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2012 amounted to $215 million, net of accumulated depreciation. This investment in capital assets includes land, site improvements, construction-in-progress, buildings and building improvements, equipment, and infrastructure. Total capital assets, net of additions, retirements and depreciation, increased by $1 million for governmental activities and increased approximately $8.6 million for business-type activities due additional construction in progress for reservoir land purchases. Depreciation expense for the governmental activities for the period was $4.4 million and $6.0 million was expended for capital outlay. Additional information on Capital Assets can be found in Note 6 of the Notes to the Financial Statements.

Major capital asset activities in 2012 were:

- $973,671 for bridge construction
- $250,000 for one fire truck
- $235,823 for 11 Sheriff's vehicles
- $ 287,778 for road patcher and dump truck in Public Works
- $39,900 for tractor in Public Works
- $35,120 for Parks and Recreation equipment

Long-term Debt

As of June 30, 2012, Walton County had $13.9 million in outstanding governmental debt principal, all of which was due within one year. The remaining governmental long-term debt is comprised of waterline and reservoir agreements with Newton County, capital leases on equipment, and Four County Industrial Development bond issue.

Water and Sewer Fund outstanding debt decreased slightly from $88 million to $84 million in FY 2012. The County issued a Series 2012 Bond to lower interest costs and consolidate some debt reducing notes payable to Newton County and Refinance the Series 2002 Water Revenue Bond. The Water and Sewer Debt is comprised of four bond issues including $60.52 million for the Hard Labor Creek Reservoir project, Series 2011, and Series 2012 Water Revenue Bonds.

Additional information about the County's long-term debt can be found in Note 8 of the *Notes to the Financial Statements*.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Board of Commissioners sets rigorous standards for sound financial management of the County, regularly considering the needs of the community in light of the costs to provide for those needs and the various sources of funding available. The Board of Commissioners did not approve a cost of living increase in the FY 2013 budget due to the continued slow economy.

The Board of Commissioners annually adopts a balanced budget, sets the millage rate to provide general revenues to cover the costs of all county programs that are not covered by specific program revenues, maintains an adequate unassigned general fund balance, and adopts financial policies to enhance the ability to maintain a safe and sound financial structure for the County.

The County's elected and appointed officials considered many factors when setting the fiscal-year 2013 fund budgets and tax rates. One of those factors was the economy. Economic activity in Walton County followed regional and national trends, slowing toward the end of the fiscal year compared to previous years. Retail sales and related taxes increased slightly during the year. As development occurred, the tax digest increased, and the County was able to maintain satisfactory levels of service to its citizens and hold the property tax revenue stable.

The Commissioners actively participate in regional planning with State and Federal agencies, neighboring counties and the counties in the Atlanta metropolitan area, as well as with the municipalities within the County to maximize services to our citizens and minimize the costs of providing those services. Local governments, the Walton County Development Authority, and the Chamber of Commerce work together to develop and expand business and industry in Walton County. Also, the Joint Development Authority, a four-county regional technology park – Stanton Springs, provides a venue for future growth of business and industry in the area.

Future growth will undoubtedly bring increased demands on existing infrastructure, water supply, wastewater treatment, and solid waste disposal. The County pursued the reorganization of the Walton County Water and Sewage Authority, approved by the State of Georgia Legislature on April 15, 2005, in order to plan and secure the future water service and supply requirements for the Citizens of Walton County. The County staff is working with engineers to determine the best capital improvement plan and financial projections for land acquisition, water distribution and transmission, and wastewater collection and treatment. The Hard Labor Creek reservoir project, a joint venture between Walton County, Oconee County and the Walton County Water Authority moved forward with additional land purchases and anticipates moving forward with the next phase of the project which includes the construction of a dam and reservoir.

The Board of Commissioners is dedicated to planning and preparing for growth. The Comprehensive Land Use plan revision of 2004 is one of the tools utilized by the Board to ensure that the needs and concerns of the citizens of Walton County are met. The Board updates the Comprehensive Land Use Plan annually.

The Board of Commissioners was able to partner with Walnut Grove to begin development on a sewerage treatment plant to facilitate economic development. Stanton Springs Industrial Park secured Baxter International, Inc. to build a state of the art $1 billion facility in the park. Baxter estimates it will employ over 1,500 full time employees when it begins production in 2018. A few small businesses opened in Walton County despite the slowdown in the economy. Walton County completed construction of the new Animal Control building. Construction for the replacement of the New Hope Church Road bridge was completed and dedicated to Walton County resident Mrs. Besse Cooper the oldest living person in the world.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Walton County Finance Department, at 303 South Hammond Drive, Suite 333, Monroe, Georgia 30655.

WALTON COUNTY, GEORGIA

STATEMENT OF NET ASSETS
JUNE 30, 2012

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
ASSETS				
Cash and cash equivalents	$ 29,406,739	$ 7,550,897	$ 36,957,636	$ 1,463,421
Investments	1,179,304	1,440,178	2,619,482	-
Accounts receivable, net of allowances	1,774,525	1,334,161	3,108,686	77,694
Interest receivable	-	3,293	3,293	-
Due from other governments	1,474,990	376,712	1,851,702	-
Due from primary government	-	-	-	11,605
Internal balances	(109,032)	109,032	-	-
Inventories	296,429	229,546	525,975	-
Prepaids	402,912	13,449	416,361	56
Restricted cash and cash equivalents	11,174,200	25,936,407	37,110,607	-
Deferred charges, unamortized balance	35,203	1,257,372	1,292,575	-
Other assets	493,285	-	493,285	-
Long-term intergovernmental receivable	-	19,535,000	19,535,000	-
Capital assets				
Nondepreciable	27,129,236	52,523,891	79,653,127	3,945,813
Depreciable, net of accumulated depreciation	83,810,992	51,753,678	135,564,670	50,931
Total assets	157,068,783	162,063,616	319,132,399	5,549,520
LIABILITIES				
Accounts payable	2,611,258	365,038	2,976,296	37,802
Accrued liabilities	408,686	1,658,120	2,066,806	2,204
Due to other governments	180,696	-	180,696	-
Due to component unit	11,605	-	11,605	-
Customer deposits payable	-	846,995	846,995	-
Capital leases due within one year	168,184	-	168,184	-
Capital leases due in more than one year	5,728,133	-	5,728,133	-
Contracts payable due within one year	235,865	-	235,865	-
Contracts payable due in more than one year	2,219,865	-	2,219,865	-
Bonds payable due within one year	14,057,963	1,635,000	15,692,963	-
Bonds payable due in more than one year	-	82,529,610	82,529,610	-
Compensated absences due within one year	922,052	128,658	1,050,710	20,961
Compensated absences due in more than one year	312,233	108,993	421,226	52,171
Claims payable due within one year	1,383,681	-	1,383,681	-
Claims payable due in more than one year	329,526	-	329,526	-
Landfill postclosure care costs due within one year	-	5,747	5,747	-
Landfill postclosure care costs due in more than one year	-	28,735	28,735	-
OPEB liability due in more than one year	157,649	-	157,649	-
Total liabilities	28,727,396	87,306,896	116,034,292	113,138
NET ASSETS				
Invested in capital assets, net of related debt	94,687,494	40,400,413	135,087,907	3,996,744
Restricted for:				
Judicial	790,324	-	790,324	-
Public safety	355,350	-	355,350	-
Health and welfare	129,065	-	129,065	-
Capital projects	3,817,045	-	3,817,045	-
Debt service	5,609,888	5,589,892	11,199,780	-
Unrestricted	22,952,221	28,766,415	51,718,636	1,439,638
Total net assets	$ 128,341,387	$ 74,756,720	$ 203,098,107	$ 5,436,382

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

WALTON COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
					Primary Government			
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-Type Activities**	**Total**	**Component Units**
Primary government:								
Governmental activities:								
General government	$ 7,442,324	$ 2,539,080	$ 227,813	$ -	$ (4,675,431)	$ -	$ (4,675,431)	$ -
Judicial	4,789,808	1,099,501	127,505	-	(3,562,802)	-	(3,562,802)	-
Public safety	21,080,292	2,009,046	521,470	65,775	(18,484,001)	-	(18,484,001)	-
Public works	9,445,995	1,159,943	6,597	56,009	(8,223,446)	-	(8,223,446)	-
Health and welfare	962,621	56,988	44,000	-	(861,633)	-	(861,633)	-
Culture and recreation	3,702,889	891,327	19,518	-	(2,792,044)	-	(2,792,044)	-
Housing and development	1,330,948	45,554	13,862	-	(1,271,532)	-	(1,271,532)	-
Interest on long-term debt	1,200,772	-	-	-	(1,200,772)	-	(1,200,772)	-
Total governmental activities	49,955,649	7,801,439	960,765	121,784	(41,071,661)	-	(41,071,661)	-
Business-type activities:								
EMS	2,686,139	1,753,185	-	-	-	(932,954)	(932,954)	-
Water and sewer	7,300,944	9,027,269	-	901,454	-	2,627,779	2,627,779	-
Solid waste	1,157,317	619,104	-	-	-	(538,213)	(538,213)	-
Total business-type activities	11,144,400	11,399,558	-	901,454	-	1,156,612	1,156,612	-
Total primary government	$ 61,100,049	$ 19,200,997	$ 960,765	$ 1,023,238	(41,071,661)	1,156,612	(39,915,049)	-
Component units	$ 1,960,000	$ 483,289	$ 1,389,478	$ -	-	-	-	(87,233)
		General revenues:						
		Property taxes			30,346,533	-	30,346,533	-
		Sales taxes			15,863,394	-	15,863,394	-
		Insurance premium taxes			2,354,505	-	2,354,505	-
		Other taxes			854,508	-	854,508	-
		Unrestricted investment earnings			47,150	25,318	72,468	6,174
		Miscellaneous			245,393	-	245,393	-
		Transfers			(1,688,041)	1,688,041	-	-
		Total general revenues			48,023,442	1,713,359	49,736,801	6,174
		Change in net assets			6,951,781	2,869,971	9,821,752	(81,059)
		Net assets, beginning of year			121,389,606	71,886,749	193,276,355	5,517,441
		Net assets, end of year			$ 128,341,387	$ 74,756,720	$ 203,098,107	$ 5,436,382

The accompanying notes are an integral part of these financial statements

WALTON COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012

	General	Capital Projects 2007 SPLOST	Debt Service	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 21,568,012	$ -	$ -	$ 6,578,599	$ 28,146,611
Restricted cash and cash equivalents	-	6,375,014	4,799,186	-	11,174,200
Investments	-	-	-	54,121	54,121
Accounts receivable, net	1,060,886	-	-	268,495	1,329,381
Due from other governments	601,698	-	818,681	54,611	1,474,990
Due from other funds	723,103	-	-	12,821	735,924
Prepaids	60,547	-	15,875	222,631	299,053
Inventory	296,429	-	-	-	296,429
Total assets	$ 24,310,675	$ 6,375,014	$ 5,633,742	$ 7,191,278	$ 43,510,709
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ 1,898,954	$ 37,042	$ 7,979	$ 650,504	$ 2,594,479
Accrued liabilities	-	-	-	38,453	38,453
Due to other funds	15,378	378,887	-	259,184	653,449
Due to other governments	-	180,696	-	-	180,696
Due to component units	-	-	-	11,605	11,605
Deferred revenues	835,341	-	-	2,800	838,141
Total liabilities	2,749,673	596,625	7,979	962,546	4,316,823
FUND BALANCES					
Fund balances:					
Nonspendable:					
Prepaids	60,547	-	15,875	222,631	299,053
Inventory	296,429	-	-	-	296,429
Restricted for:					
Judicial	-	-	-	790,324	790,324
Public safety	-	-	-	355,350	355,350
Health and welfare	-	-	-	129,065	129,065
Capital projects	-	5,778,389	-	4,195,932	9,974,321
Debt service	-	-	5,609,888	-	5,609,888
Committed to:					
Inmate needs	-	-	-	287,500	287,500
Sheriff's expenditures	-	-	-	247,930	247,930
Assigned:					
FY 2013 appropriation	5,887,280	-	-	-	5,887,280
Sheriff	32,280	-	-	-	32,280
Jail	220,424	-	-	-	220,424
Unassigned	15,064,042	-	-	-	15,064,042
Total fund balances	21,561,002	5,778,389	5,625,763	6,228,732	39,193,886
Total liabilities and fund balances	$ 24,310,675	$ 6,375,014	$ 5,633,742	$ 7,191,278	

Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	110,940,228
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	838,141
Net pension asset is not a financial resource used in governmental fund activities and is therefore not reported in governmental funds.	493,285
Net other post employment benefit obligation is not a financial liability in governmental fund activities and is therefore not reported in governmental funds.	(157,649)
Internal service funds are used by management to charge the costs of health benefits and workers compensation to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	1,012,821
Certain long-term liabilities are not due and payable in the current period and are therefore not reported in the funds.	(23,979,325)
Net assets of governmental activities	$ 128,341,387

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

WALTON COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	General	Capital Projects 2007 SPLOST	Debt Service	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes	$ 40,169,707	$ -	$ 9,616,413	$ -	$ 49,786,120
Licenses and permits	249,962	-	-	-	249,962
Intergovernmental	614,637	-	-	418,703	1,033,340
Charges for services	4,329,072	-	-	1,585,964	5,915,036
Fines and forfeitures	1,394,418	-	-	223,641	1,618,059
Interest income	37,214	10,072	4,487	7,543	59,316
Contributions	32,091	-	-	14,795	46,886
Other revenues	203,626	-	-	41,767	245,393
Total revenues	47,030,727	10,072	9,620,900	2,292,413	58,954,112
Expenditures					
Current:					
General government	6,716,036	-	-	11,536	6,727,572
Judicial	4,626,592	-	-	327,965	4,954,557
Public safety	18,812,408	20,715	-	1,973,686	20,806,809
Public works	5,702,258	1,331,283	-	11,024	7,044,565
Health and welfare	834,166	-	-	190,153	1,024,319
Culture and recreation	3,061,956	-	-	-	3,061,956
Housing and development	1,353,850	-	-	-	1,353,850
Intergovernmental	-	2,480,625	-	-	2,480,625
Capital outlay	-	57,204	-	3,647,346	3,704,550
Debt service:					
Principal	-	-	12,517,879	-	12,517,879
Interest and fiscal charges	-	-	1,359,101	305,241	1,664,342
Total expenditures	41,107,266	3,889,827	13,876,980	6,466,951	65,341,024
Excess (deficiency) of revenues over (under) expenditures	5,923,461	(3,879,755)	(4,256,080)	(4,174,538)	(6,386,912)
Other financing sources (uses):					
Proceeds from sale of assets	56,933	-	-	-	56,933
Proceeds from capital lease	-	-	-	5,680,069	5,680,069
Transfers in	77,668	-	4,637,956	751,494	5,467,118
Transfers out	(6,848,301)	(161,006)	-	(145,852)	(7,155,159)
Total other financing sources (uses)	(6,713,700)	(161,006)	4,637,956	6,285,711	4,048,961
Net change in fund balances	(790,239)	(4,040,761)	381,876	2,111,173	(2,337,951)
Fund balance, beginning of year	22,351,241	9,819,150	5,243,887	4,117,559	41,531,837
Fund balance, end of year	$ 21,561,002	$ 5,778,389	$ 5,625,763	$ 6,228,732	$ 39,193,886

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

WALTON COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds.	$	(2,337,951)
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.		1,555,318
The net effect of various miscellaneous transactions involving capital assets (i.e., disposals, donations) is to decrease net assets.		(529,362)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(366,895)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		7,040,152
Internal service funds are used by management to charge the costs of health benefits and workers compensation to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.		1,327,818
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.		262,701
Change in net assets of governmental activities	$	6,951,781

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

WALTON COUNTY, GEORGIA

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2012

	Business-type Activities - Enterprise Funds				Governmental Activities Internal Service Funds
	EMS	Water and Sewer	Solid Waste	Total	
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	$ 123	$ 7,532,542	$ 18,232	$ 7,550,897	$ 1,260,128
Restricted cash and cash equivalents	-	25,936,407	-	25,936,407	-
Investments	-	1,440,178	-	1,440,178	1,125,183
Accounts receivable, net of allowance	396,484	912,024	25,653	1,334,161	445,131
Interest receivable	-	3,293	-	3,293	13
Due from other funds	-	-	-	-	16,379
Intergovernmental receivable	-	376,712	-	376,712	-
Inventory	-	222,956	6,590	229,546	-
Prepaids	11,275	1,782	392	13,449	103,859
Total current assets	407,882	36,425,894	50,867	36,884,643	2,950,693
NONCURRENT ASSETS					
Deferred charges	-	1,257,372	-	1,257,372	-
Intergovernmental receivable	-	19,535,000	-	19,535,000	-
Capital assets:					
Nondepreciable	-	52,171,771	352,120	52,523,891	-
Depreciable, net of accumulated depreciation	149,319	51,424,597	179,762	51,753,678	-
Total noncurrent assets	149,319	124,388,740	531,882	125,069,941	-
Total assets	557,201	160,814,634	582,749	161,954,584	2,950,693
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable	26,045	301,124	37,869	365,038	16,779
Accrued expenses	71,567	48,420	21,644	141,631	-
Accrued interest	-	1,516,489	-	1,516,489	-
Customer deposits payable	-	846,995	-	846,995	-
Due to other funds	346	79,318	19,190	98,854	-
Claims payable - current portion	-	-	-	-	1,383,681
Bonds payable - current portion	-	1,635,000	-	1,635,000	-
Landfill postclosure care costs - current portion	-	-	5,747	5,747	-
Compensated absences - current portion	48,585	54,167	25,906	128,658	-
Total current liabilities	146,543	4,481,513	110,356	4,738,412	1,400,460
NONCURRENT LIABILITIES					
Claims payable - long term portion	-	-	-	-	329,526
Bonds payable - long term portion	-	82,529,610	-	82,529,610	-
Landfill postclosure care costs - long term portion	-	-	28,735	28,735	-
Compensated absences - long term portion	76,389	28,824	3,780	108,993	-
Total long term liabilities	76,389	82,558,434	32,515	82,667,338	329,526
Total liabilities	222,932	87,039,947	142,871	87,405,750	1,729,986
NET ASSETS					
Invested in capital assets, net of related debt	149,319	39,719,212	531,882	40,400,413	-
Restricted for debt service	-	5,589,892	-	5,589,892	-
Unrestricted	184,950	28,465,583	(92,004)	28,558,529	1,220,707
Total net assets	$ 334,269	$ 73,774,687	$ 439,878	74,548,834	$ 1,220,707
	Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			207,886	
	Net assets of business-type activities			$ 74,756,720	

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

WALTON COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Business-type Activities - Enterprise Funds				Governmental Activities Internal Service Funds
	EMS	Water and Sewer	Solid Waste	Total	
OPERATING REVENUES					
Charges for services	$ 1,611,091	$ 380,606	$ 619,104	$ 2,610,801	$ 7,032,723
Water sales	-	8,625,889	-	8,625,889	-
Contributions	5,997	-	-	5,997	-
Other revenue	136,097	20,774	-	156,871	-
Total operating revenues	1,753,185	9,027,269	619,104	11,399,558	7,032,723
OPERATING EXPENSES					
Personnel costs	2,402,754	1,486,514	716,887	4,606,155	-
Purchased services	27,343	434,786	118,248	580,377	-
Supplies	192,322	592,256	-	784,578	-
Water and sewer purchases	-	2,091,069	-	2,091,069	-
Disposal fees	-	-	300,749	300,749	-
Administrative	-	-	-	-	837,650
Claims	-	-	-	-	4,391,222
Fiduciary fees	-	-	-	-	8,856
Insurance	-	-	-	-	289,220
Depreciation and amortization	63,720	2,016,859	21,433	2,102,012	-
Total operating expenses	2,686,139	6,621,484	1,157,317	10,464,940	5,526,948
Operating income (loss)	(932,954)	2,405,785	(538,213)	934,618	1,505,775
NONOPERATING REVENUES (EXPENSES)					
Interest expense	-	(814,904)	-	(814,904)	-
Interest income	222	25,072	24	25,318	738
Loss on disposal of capital assets	-	(43,251)	-	(43,251)	-
Total nonoperating revenues (expenses)	222	(833,083)	24	(832,837)	738
Income (loss) before capital contributions and transfers	(932,732)	1,572,702	(538,189)	101,781	1,506,513
Capital contributions	-	901,454	-	901,454	-
Transfers in	1,019,182	161,006	507,853	1,688,041	-
Change in net assets	86,450	2,635,162	(30,336)	2,691,276	1,506,513
NET ASSETS, beginning of year	247,819	71,139,525	470,214		(285,806)
NET ASSETS, end of year	$ 334,269	$ 73,774,687	$ 439,878		$ 1,220,707
	Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			178,695	
	Change in net assets of business-type activities			$ 2,869,971	

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

WALTON COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Business-type Activities - Enterprise Funds				Governmental Activities
	EMS	Water and Sewer	Solid Waste	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	$ 1,735,077	$ 9,142,516	$ 611,910	$ 11,489,503	$ 6,922,393
Payments to suppliers	(236,173)	(3,360,992)	(407,541)	(4,004,706)	(6,616,291)
Payments to employees	(2,401,528)	(1,484,991)	(715,299)	(4,601,818)	-
Net cash provided by (used in) operating activities	(902,624)	4,296,533	(510,930)	2,882,979	306,102
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	1,019,182	-	507,853	1,527,035	-
Net cash provided by noncapital financing activities	1,019,182	-	507,853	1,527,035	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisitions of capital assets	(123,494)	(7,786,480)	-	(7,909,974)	-
Receipts from SPLOST for capital related activity	-	161,006	-	161,006	-
Receipts from other governments for capital related activity	-	901,454	-	901,454	-
Principal received on bonds	-	17,055,000	-	17,055,000	-
Principal payments on bonds	-	(13,530,000)	-	(13,530,000)	-
Payments for bond issuance costs	-	(1,086,244)	-	(1,086,244)	-
Principal payments on notes	-	(5,906,828)	-	(5,906,828)	-
Interest paid	-	(3,717,336)	-	(3,717,336)	-
Net cash used in capital and related financing activities	(123,494)	(13,909,428)	-	(14,032,922)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchases of investments	-	785,330	-	785,330	(32,003)
Interest received	222	25,371	24	25,617	734
Net cash provided by investing activities	222	810,701	24	810,947	(31,269)
Change in cash and cash equivalents	(6,714)	(8,802,194)	(3,053)	(8,811,961)	274,833
Cash and cash equivalents:					
Beginning of year	6,837	42,271,143	21,285	42,299,265	985,295
End of year	$ 123	$ 33,468,949	$ 18,232	$ 33,487,304	$ 1,260,128
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	$ (932,954)	$ 2,405,785	$ (538,213)	$ 934,618	$ 1,505,775
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities					
Depreciation and amortization	63,720	2,016,859	21,433	2,102,012	-
Loss on disposal of capital assets	-	43,251	-	43,251	-
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	(18,108)	115,247	(7,194)	89,945	(111,982)
Decrease in due from other funds	-	-	-	-	1,652
Increase in inventory	-	(13,662)	(1,191)	(14,853)	-
Increase in prepaids	(11,275)	(202)	(19)	(11,496)	(2,125)
Increase (decrease) in accounts payable	(5,236)	(166,155)	328	(171,063)	(1,926)
Increase (decrease) in accrued expenses	1,949	3,887	1,441	7,277	(1,085,292)
Decrease in landfill postclosure liabilitiy	-	-	(5,747)	(5,747)	-
Increase in customer deposits payable	-	53,175	-	53,175	-
Increase (decrease) in compensated absences	(723)	(2,364)	147	(2,940)	-
Increase (decrease) in due to other funds	3	(159,288)	18,085	(141,200)	-
Net cash provided by (used in) operating activities	$ (902,624)	$ 4,296,533	$ (510,930)	$ 2,882,979	$ 306,102

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

WALTON COUNTY, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2012

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 1,940,313
Taxes receivable	1,731,009
Total assets	$ 3,671,322
LIABILITIES	
Due to others	$ 1,940,313
Uncollected taxes	1,731,009
Total liabilities	$ 3,671,322

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

WALTON COUNTY, GEORGIA

COMBINING STATEMENT OF NET ASSETS
COMPONENT UNITS
JUNE 30, 2012

	Development Authority	Health Department	Commission on Children & Youth	Total
ASSETS				
Cash and cash equivalents	$ 440,037	$ 896,594	$ 126,790	$ 1,463,421
Accounts receivable	-	77,694	-	77,694
Due from primary government	-	-	11,605	11,605
Prepaids	56	-	-	56
Total current assets	440,093	974,288	138,395	1,552,776
NONCURRENT ASSETS				
Capital assets:				
Nondepreciable	3,945,813	-	-	3,945,813
Depreciable, net of accumulated depreciation	24,083	26,848	-	50,931
Total noncurrent assets	3,969,896	26,848	-	3,996,744
Total assets	4,409,989	1,001,136	138,395	5,549,520
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	-	37,320	482	37,802
Accrued expenses	2,204	-	-	2,204
Compensated absences - current portion	-	20,961	-	20,961
Total current liabilities	2,204	58,281	482	60,967
NONCURRENT LIABILITIES				
Compensated absences - long term portion	-	52,171	-	52,171
Total long term liabilities	-	52,171	-	52,171
Total liabilities	2,204	110,452	482	113,138
NET ASSETS				
Invested in capital assets	3,969,896	26,848	-	3,996,744
Unrestricted	437,889	863,836	137,913	1,439,638
Total net assets	$ 4,407,785	$ 890,684	$ 137,913	$ 5,436,382

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

WALTON COUNTY, GEORGIA

COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

		Program Revenues			Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Development Authority	Health Department	Commission on Children & Youth	Total
Development Authority	$ 166,558	$ -	$ 183,835	$ -	$ 17,277	$ -	$ -	$ 17,277
Health Department	1,677,953	466,404	1,135,881	-	-	(75,668)	-	(75,668)
Commission on Children & Youth	115,489	16,885	69,762	-	-	-	(28,842)	(28,842)
Total component units	$ 1,960,000	$ 483,289	$ 1,389,478	$ -	17,277	(75,668)	(28,842)	(87,233)
		General revenues:						
		Unrestricted investment earnings			1,902	4,272	-	6,174
		Total general revenues			1,902	4,272	-	6,174
		Change in net assets			19,179	(71,396)	(28,842)	(81,059)
		Net assets, beginning of year			4,388,606	962,080	166,755	5,517,441
		Net assets, end of year			$ 4,407,785	$ 890,684	$ 137,913	$ 5,436,382

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Walton County, Georgia (the "County") have been prepared in conformity with accounting principles generally accepted in the United States of America (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 County's accounting policies are described below.

A. Reporting Entity

Walton County operates under a county commissioner form of government under which a seven member Board of Commissioners is elected to serve as the legislative body for the County. The commission chairman is elected at large, while the remaining six commissioners are elected by geographical districts in which they reside by voters county wide. The County provides the following services: public safety, judicial, public works, health and welfare, culture and recreation, housing and development, and general administrative services.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the County and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationship with the County. Blended component units, although legally separate entities are, in substance, part of the government's operations. The discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the government. A separate combining schedule is provided, detailing each discretely presented component unit.

Blended Component Units

The Walton County Water and Sewer Authority (the "Water Authority") exists to acquire, construct and finance a water and sewerage system for the County so that the County can provide services to individuals, public and private corporations, and municipal corporations. The Water Authority is governed by a seven member board appointed by the Walton County Board of Commissioners. The Water Authority is presented as an enterprise fund as part of the Water and Sewer fund. Separate financial statements are not prepared for the Water Authority.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Blended Component Units (Continued)

The Walton County Public Purpose Corporation (WCPPC) was established to account for the construction and ongoing maintenance of the State of Georgia Division of Family and Children Services building, which is owned by the County and leased to the State. The WCPPC is organized pursuant to the Georgia Nonprofit Corporation Code. The objects and purposes of the WCPPC are exclusively charitable, through the lessening of the burdens of government, within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future tax law. The WCPPC is presented as blended as its primary purpose is to provide services almost entirely to the County. Separate financial statements for the WCPPC are not prepared.

Discretely Presented Component Units

The Walton County Health Department (the "Health Department") is governed by a seven member board consisting of one member of the Board of Commissioners and two members as appointed by the Board of Commissioners. The County has the authority to modify and approve the Health Department's budget and the ability to approve environmental health service fees. The Health Department is presented as a governmental type component unit. The Health Department's financial statements can be obtained by writing to the Walton County Health Department, P.O. Box 150, Monroe, GA 30655.

The Walton County Development Authority (the "Development Authority") is governed by a seven member board. Four members are appointed by virtue of their position: Mayors of Social Circle, Monroe and Loganville, and the Head of the Chamber of Commerce. The remaining three members are appointed by the Board of Commissioners. The Authority is responsible for promoting economic development within Walton County. The Development Authority provides a financial benefit to the County. The County has determined that excluding the Development Authority would make the financial statements incomplete. The Authority is reported as a proprietary type component unit and does not issue separate financial statements.

The Walton County Commission on Children & Youth (the "Commission") is governed by twenty members who are appointed by other existing members of the Commission's board. The Commission provides counseling and care services for children and youth in the County and is considered to provide a financial benefit to the County. The Commission is reported as a governmental type component unit and does not issue separate financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements

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

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

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

C. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements. Agency funds, however, have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 County considers revenues to be available and susceptible to accrual if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The County reports the following major governmental funds:

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

The ***Capital Projects 2007 SPLOST*** is used to account for the revenues and expenditures relating to the County's 2007 1% Special Purpose Local Option Sales Tax issue.

The ***Debt Service Fund*** accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

The County reports the following major proprietary funds:

The ***Emergency Medical Services (EMS) Fund*** is used to account for the activities of the County's ambulance service.

The ***Water and Sewer Fund*** is used to account for the activities of the County's water and sewer system.

The ***Solid Waste Fund*** is used to account for the activities of the County's landfill, disposal sites and recycling center.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Additionally, the County reports the following fund types:

The ***special revenue funds*** account for revenue sources that are legally restricted or committed to expenditure for specific purposes, such as grant programs, certain fines and forfeitures, E911 charges, and law enforcement services.

The ***capital projects funds*** account for the capital expenditures made by the County.

The ***internal service funds*** account for operations that provide services to other departments of the County on a cost reimbursement basis, such as employee healthcare and worker's compensation.

The ***agency funds*** are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals, such as cash bonds, traffic fines, support payments and ad valorem and property taxes.

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, interfund services provided and used have not been eliminated in this process.

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the enterprise fund are charges to customers for sales and services provided. Operating expenses for the enterprise fund include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Deposits and Investments

The County'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 at fair value based on quoted market prices as of the balance sheet date. Increases or decreases in the fair value during the year are recognized as a component of interest income.

E. Receivables and Payables

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

F. Inventories and Prepaid Items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and intangible assets 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 $10,000 and an estimated useful life in excess of two years. Intangible assets are defined as having an initial cost of $100,000 and an estimated useful life in excess of two years, and all remaining intangible assets are defined as having an initial cost in excess of $10,000 and an estimated 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 County has elected to capitalize all general infrastructure assets regardless of the acquisition date and has used the estimated historical cost to value these assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred.

Capital assets of the primary government are depreciated using the straight line method over the following useful lives:

Asset Category	Years
Buildings and improvements	20 - 50
Machinery and equipment	5 - 12
Software	5
Vehicles	5
Infrastructure	30
Water rights	50

H. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the County does not have a policy to pay any amount when employees separate from service with the County. All vacation and annual leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Long-Term Obligations

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

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

J. Fund Equity

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

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

Nonspendable – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

Restricted – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Committed – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners through the adoption of a resolution. Only the County Commission may modify or rescind the commitment.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Fund Equity (Continued)

Assigned – Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board of Commissioners has authorized the County's finance director to assign fund balances.

Unassigned – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds. The County's policy is to maintain an adequate General Fund unassigned fund balance to provide liquidity in the event of an economic downturn or natural disaster. Through resolution, the County Commission has adopted a financial standard to maintain a General Fund minimum unassigned fund balance of approximately 17 percent of budgeted expenditures.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order; Committed, Assigned, and Unassigned.

Net Assets – Net assets represent the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the County has spent) for the acquisition, construction or improvement of those assets. Net assets are reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net assets are reported as unrestricted.

K. Use of Estimates

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

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

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets

The governmental fund balance sheet includes reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and therefore are not reported in the funds." The details of this $23,979,325 difference are as follows:

Bonds payable	$ (14,057,963)
Less: deferred charges	35,203
Contracts payable	(2,455,730)
Capital lease payable	(5,896,317)
Accrued interest	(370,233)
Compensated absences	(1,234,285)
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net assets - governmental activities*	$ (23,979,325)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "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." The details of this $1,555,318 difference are as follows:

Capital outlay	$ 6,009,302
Depreciation expense	(4,453,984)
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net assets - governmental activities*	$ 1,555,318

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

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)

Another element of the reconciliation states that "The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets." The details of this $529,362 difference are as follows:

In the statement of activities, only the gain or loss on the sale of capital assets is reported. However, 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 assets sold.	$ (537,616)
Donations of capital assets increase net assets in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	8,254
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net assets - governmental activities*	$ (529,362)

Another element of the reconciliation states that "the issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets." The details of this $7,040,152 difference are as follows:

Proceeds from capital lease issuance	$ (5,680,069)
Principal repayments on bonds payable	12,250,000
Principal repayments on contracts payable	195,797
Principal repayments on capital lease	72,082
Amortization of issue costs	(66,100)
Amortization of premium on bonds payable	268,442
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net assets - governmental activities*	$ 7,040,152

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

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)

Another element of that reconciliation states that "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." The details of this $262,701 difference are as follows:

Compensated absences	$	30,519
Net pension asset		13,776
OPEB liability		(42,822)
Accrued interest		261,228
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net assets - governmental activities*	$	262,701

NOTE 3. LEGAL COMPLIANCE – BUDGETS

A. Budgets and Budgetary Accounting

The County follows the following procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to June 1, the County Manager submits to the Board of Commissioners a proposed operating budget for each department for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

2. A public hearing is conducted to obtain taxpayer comments, giving notice thereof at least seven days in advance by publication in the official organ of the County.

3. The budget is then adopted by the Board of Commissioners at a public meeting.

4. Budget amounts can be transferred between line items within any department; however, any revisions of the budget must be amended by formal action of the Board of Commissioners in a regular meeting.

5. The budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Annual budgets are adopted for the General Fund, Debt Service Fund, and special revenue funds. Project length budgets are adopted for the capital projects funds.

6. Formal budgetary integration is employed as a measurement control device during the year for the General Fund, Debt Service Fund, and the special revenue funds. An annual operating budget is prepared for the proprietary funds for planning, control, cost allocation and evaluation purposes. All appropriations lapse at year end.

Budgeted amounts are as originally adopted, or as amended by the Board of Commissioners. The supplementary budgetary appropriations made are reflected in the final budget amounts.

NOTE 4. DEPOSITS AND INVESTMENTS

Credit risk. State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime banker's acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

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 and is regulated by the State Treasurer of the State of Georgia. 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 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 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 per share. The regulatory oversight agency for Georgia Fund 1 is State Treasurer of the State of Georgia. As of June 30, 2012, the County considers amounts held in Georgia Fund 1 as cash equivalents for financial statement presentation.

Custodial credit risk. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes and County policy require all deposits (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2012, the deposits of the County and its component units are insured or collateralized as defined by GASB pronouncements.

At June 30, 2012, the County had the following investments that are included in the custodial credit risk discussion above related to deposits:

Investment	Maturities	Rating	Fair Value
Certificate of deposit	February 28, 2013	N/A	$ 54,121
Certificate of deposit	March 28, 2013	N/A	1,440,178
Local Government Investment Pool	48 days weighted average	AAAm	61,910,020
Money markets	N/A	N/A	1,125,183
			$ 64,529,502

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

NOTE 5. RECEIVABLES

Receivables at June 30, 2012, for the County's individual major funds and nonmajor funds in the aggregate are as follows:

	General Fund	Debt Service Fund	EMS Fund	Water and Sewer Fund	Solid Waste Fund	All Other Governmental Funds	Internal Service Funds
Receivables:							
Taxes	$ 1,024,723	$ -	$ -	$ -	$ -	$ -	$ -
Accounts	36,163	-	861,319	935,943	25,653	268,495	445,131
Due from other governments	601,698	818,681	-	376,712	-	54,611	-
Gross receivables	1,662,584	818,681	861,319	1,312,655	25,653	323,106	445,131
Less allowance for uncollectibles	-	-	(464,835)	(23,919)	-	-	-
Net receivables	$ 1,662,584	$ 818,681	$ 396,484	$ 1,288,736	$ 25,653	$ 323,106	$ 445,131

Property taxes for the 2012 fiscal year were levied on August 17, 2011, with property values assessed as of January 1, 2011. The taxes were billed on September 15, 2011 and are payable on or before November 15, 2011, after which the applicable property is subject to lien and penalties and interest as assessed. Property taxes attached as an enforceable lien on property as of January 1.

NOTE 6. CAPITAL ASSETS

A. Primary Government

Capital asset activity for the year ended June 30, 2012 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital assets, not being depreciated:					
Land and improvements	$ 18,884,688	$ -	$ (101,584)	$ 176,000	$ 18,959,104
Construction in progress	1,131,469	4,968,427	(54,000)	(1,430,041)	4,615,855
Historical artifacts	11,000	-	-	-	11,000
Other assets	3,543,277	-	-	-	3,543,277
Total capital assets, not being depreciated	23,570,434	4,968,427	(155,584)	(1,254,041)	27,129,236
Capital assets, being depreciated:					
Buildings and improvements	62,220,650	43,251	(28,080)	755,759	62,991,580
Machinery, equipment and vehicles	29,404,459	1,005,878	(442,348)	22,685	29,990,674
Infrastructure	68,753,899	-	(442,500)	475,597	68,786,996
Total capital assets, being depreciated	160,379,008	1,049,129	(912,928)	1,254,041	161,769,250
Less accumulated depreciation for:					
Buildings and improvements	15,903,389	1,692,425	(22,173)	-	17,573,641
Machinery, equipment and vehicles	17,434,031	1,535,275	(442,348)	-	18,526,958
Infrastructure	40,697,750	1,226,284	(66,375)	-	41,857,659
Total accumulated depreciation	74,035,170	4,453,984	(530,896)	-	77,958,258
Total capital assets, being depreciated, net	86,343,838	(3,404,855)	(382,032)	1,254,041	83,810,992
Governmental activities capital assets, net	$ 109,914,272	$ 1,563,572	$ (537,616)	$ -	$ 110,940,228

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Business-type Activities:					
Capital assets, not being depreciated:					
Land	$ 470,170	$ -	$ -	$ -	$ 470,170
ROW and easements	106,047	-	-	-	106,047
Construction in progress	41,494,818	10,669,263	(43,251)	(173,156)	51,947,674
Total capital assets, not being depreciated	42,071,035	10,669,263	(43,251)	(173,156)	52,523,891
Capital assets, being depreciated:					
Buildings and improvements	896,465	-	-	-	896,465
Machinery, equipment and vehicles	1,523,449	123,495	(85,998)	-	1,560,946
Water system	41,123,237	-	-	173,156	41,296,393
Water system - contributed	21,103,968	-	-	-	21,103,968
Wells	47,225	-	-	-	47,225
Cornish Creek - water rights	5,788,729	-	-	-	5,788,729
System equipment	2,006,006	-	(15,663)	-	1,990,343
Total capital assets, being depreciated	72,489,079	123,495	(101,661)	173,156	72,684,069
Less accumulated depreciation for:					
Buildings and improvements	542,329	32,069	-	-	574,398
Machinery, equipment and vehicles	1,351,367	80,890	(85,998)	-	1,346,259
Water system	10,935,553	1,377,559	-	-	12,313,112
Water system - contributed	4,268,165	457,624	-	-	4,725,789
Wells	21,351	1,049	-	-	22,400
Cornish Creek - water rights	125,423	115,775	-	-	241,198
System equipment	1,648,370	74,528	(15,663)	-	1,707,235
Total accumulated depreciation	18,892,558	2,139,494	(101,661)	-	20,930,391
Total capital assets, being depreciated, net	53,596,521	(2,015,999)	-	173,156	51,753,678
Business-type activities capital assets, net	$ 95,667,556	$ 8,653,264	$ (43,251)	$ -	$ 104,277,569

The amount of interest capitalized and included in construction in progress during the year ended June 30, 2012 was $2,882,783.

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

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

Governmental activities:	
General government	$ 702,768
Judicial	21,343
Public safety	1,657,374
Public works	1,351,728
Health and welfare	7,705
Culture and recreation	710,534
Housing and development	2,532
Total depreciation expense - governmental activities	$ 4,453,984
Business-type activities:	
EMS	$ 63,720
Water and sewer	2,054,341
Solid waste	21,433
Total depreciation expense - business-type activities	$ 2,139,494

B. Discretely Presented Component Unit – Development Authority

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Property held for resale	$ 2,817,844	$ -	$ -	$ 2,817,844
Construction in progress	1,127,969	-	-	1,127,969
Total	3,945,813	-	-	3,945,813
Capital assets, being depreciated:				
Building and improvements	5,502	-	-	5,502
Equipment, furniture and vehicles	42,499	-	(638)	41,861
Total	48,001	-	(638)	47,363
Less accumulated depreciation for:				
Building and improvements	5,502	-	-	5,502
Equipment, furniture and vehicles	12,007	6,409	(638)	17,778
Total	17,509	6,409	(638)	23,280
Total capital assets, being depreciated, net	30,492	(6,409)	-	24,083
Total capital assets, net	$ 3,976,305	$ (6,409)	$ -	$ 3,969,896

NOTE 6. CAPITAL ASSETS (CONTINUED)

C. Discretely Presented Component Unit – Department of Public Health

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Machinery and equipment	$ 153,231	$ 14,293	$ (18,941)	$ 148,583
Total capital assets, being depreciated	153,231	14,293	(18,941)	148,583
Less accumulated depreciation for:				
Machinery and equipment	129,576	11,100	(18,941)	121,735
Total accumulated depreciation	129,576	11,100	(18,941)	121,735
Total capital assets, net	$ 23,655	$ 3,193	$ -	$ 26,848

NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2012, is as follows:

Due to/from other funds:

Receivable fund	Payable fund	Amount
General fund	Capital projects 2007 SPLOST	$ 378,887
General fund	Nonmajor governmental funds	246,804
General fund	Water and sewer	79,180
General fund	Solid waste	18,232
Nonmajor governmental funds	General fund	605
Nonmajor governmental funds	Nonmajor governmental funds	12,216
Internal service funds	General fund	14,773
Internal service funds	Nonmajor governmental funds	164
Internal service funds	Water and sewer	138
Internal service funds	EMS	346
Internal service funds	Solid waste	958

The above balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Interfund transfers for the year ended June 30, 2012 were as follows:

Transfers In	Transfers Out	Amount
General fund	Nonmajor governmental funds	$ 77,668
Debt service	General fund	4,637,956
Water and sewer	Capital projects 2007 SPLOST	161,006
EMS	General fund	1,019,182
Solid waste	General fund	507,853
Nonmajor governmental funds	General fund	683,310
Nonmajor governmental funds	Nonmajor governmental funds	68,184

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, and (2) provide unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Due from/to primary government and component units:

Receivable entity	Payable entity	Amount
Commission on Children & Youth	Walton County - Multiple Grant Fund	$ 11,605

NOTE 8. LONG-TERM DEBT

A. Primary Government

The following is a summary of long-term debt activity for the year ended June 30, 2012:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds payable	$ 26,165,000	$ -	$ (12,250,000)	$ 13,915,000	$ 13,915,000
Plus: premium	411,405	-	(268,442)	142,963	142,963
Total bonds payable	26,576,405	-	(12,518,442)	14,057,963	14,057,963
Contracts payable	2,651,527	-	(195,797)	2,455,730	235,865
Capital leases payable	288,330	5,680,069	(72,082)	5,896,317	168,184
Claims payable	2,798,499	4,391,222	(5,476,514)	1,713,207	1,383,681
OPEB liability	114,827	42,822	-	157,649	-
Compensated absences	1,264,804	914,332	(944,851)	1,234,285	922,052
Governmental activities long-term liabilities	$ 33,694,392	$ 11,028,445	$ (19,207,686)	$ 25,515,151	$ 16,767,745
Business-type Activities:					
Bonds payable	$ 80,420,000	$ 17,055,000	$ (13,530,000)	$ 83,945,000	$ 1,635,000
Deferred charges, net	1,427,281	(1,335,294)	127,623	219,610	-
Total bonds payable	81,847,281	15,719,706	(13,402,377)	84,164,610	1,635,000
Notes payable	5,906,828	-	(5,906,828)	-	-
Landfill postclosure costs	40,229	-	(5,747)	34,482	5,747
Compensated absences	240,591	127,415	(130,355)	237,651	128,658
Business-type activities long-term liabilities	$ 88,034,929	$ 15,847,121	$ (19,445,307)	$ 84,436,743	$ 1,769,405

For governmental funds, compensated absences are liquidated by the General Fund. The OPEB and claims payable liabilities are paid by the internal service funds, which charge the governmental funds based on employee participation. For business-type activities, the compensated absences are liquidated by the fund from which the employees' salaries are paid, and the landfill postclosure costs are paid by the Solid Waste Fund.

General Obligation Bonds. During 2007, the County issued $58,915,000 Series 2007 General Obligation Sales Tax Bonds to provide funds for certain road, bridge and culvert improvements, parks and recreation improvements, public safety upgrades and improvements, senior citizen center upgrades, water and sewer improvements, and solid waste improvements. The bonds carry a rate of interest ranging from 4.0% - 5.0% and mature January 1, 2013. The bonds are being repaid from the proceeds of the 1% special purpose local option sales tax which began in January 2007.

NOTE 8. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

The County's debt service requirements to maturity on the general obligation bonds are as follows:

Year ending June 30,	Principal	Interest	Total
2013	$ 13,915,000	$ 680,750	$ 14,595,750
Total	$ 13,915,000	$ 680,750	$ 14,595,750

Contracts Payable. During 1998, the County agreed to share the costs of upgrading the capacity of the reservoir with neighboring governments. The agreement provides for monthly principal and interest payments through 2020 at an interest rate of 6.0%.

During 2005, the County agreed to share costs of necessary water line installations with neighboring governments. The agreement provides for annual principal and interest payments through 2020 at an interest rate of 6.0%.

The County is contractually obligated to the purchase of the Four County Industrial Site. The County's share in the property and underlying debt is 37.5% amounting to $3,375,000. Annual principal and interest payments will be made through 2021 at an interest rate of 2.5%.

In June 2001, the Joint Development Authority of Jasper County, Morgan County, Newton County and Walton County issued a note in the amount of $487,760 with the Georgia Environmental Finance Authority (GEFA) to finance the extension of water and wastewater service. Walton County is obligated to pay 34.5% of the debt service on the note, which provides for quarterly payments through July 1, 2022 at an interest rate of 4.65%

NOTE 8. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

The County's debt service requirements to maturity on the contracts payable using an interest rate of 5.20% for the variable rate contract are as follows:

Year ending June 30,	Principal	Interest	Total
2013	$ 235,865	$ 70,479	$ 306,344
2014	238,578	63,078	301,656
2015	241,445	55,524	296,969
2016	244,475	47,807	292,282
2017	285,176	38,981	324,157
2018 - 2022	1,204,107	62,843	1,266,950
2023	6,084	45	6,129
Total	$ 2,455,730	$ 338,757	$ 2,794,487

Capital Leases Payable. In August 2009, the County entered into a lease-purchase agreement in the amount of $360,412 to finance the acquisition of a fire truck. Annual principal and interest payments are required until maturity on November 15, 2014 at an interest rate of 3.19%.

The original cost of the County's assets under capital lease arrangements at June 30, 2012 is $360,412 and there has been $242,706 of accumulated depreciation as of year end.

Future minimum lease payments as of June 30, 2012 are as follows:

Year ending June 30,	Total Payment
2013	$ 79,096
2014	76,745
2015	74,414
Total minimum lease payments	230,255
Less: interest payments	(14,007)
Present value minimum lease payments	$ 216,248

NOTE 8. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

In February 2012, the County entered into a lease-purchase agreement in the amount of $5,680,069 to finance the construction of a building. At June 30, 2012, the construction of the building is in progress. Construction costs to date were $2,630,961 at June 30, 2012Monthly principal and interest payments are required until maturity on October 1, 2032 at an interest rate of 6.35%.

Future minimum lease payments as of June 30, 2012 are as follows:

Year ending June 30,	Total Payment
2013	$ 455,020
2014	502,188
2015	502,188
2016	502,188
2017	502,188
2018-2022	2,510,938
2023-2027	2,510,938
2028-2032	2,510,938
2033	167,396
Total minimum lease payments	10,163,982
Less: interest payments	(4,483,913)
Present value minimum lease payments	$ 5,680,069

Revenue Bonds. The Walton County Water and Sewerage Authority has issued various revenue bonds to finance the acquisition of and improvements to the water and sewer system and facilities. The outstanding issues are as follows:

Issuance	Interest Rate	Term	Due Date	Original Amount	Amount Outstanding
Series 2008	4.0 - 4.5%	30 years	2038	$ 40,990,000	$ 40,990,000
Series 2008	3.5 - 5.0%	30 years	2038	19,535,000	19,535,000
Series 2011	2.85%	10 years	2021	7,415,000	6,465,000
Series 2012	3.13%	16 years	2028	17,055,000	16,955,000
				$ 84,995,000	$ 83,945,000

NOTE 8. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

The Series 2008 bonds listed above were issued for the Hard Labor Creek Reservoir project, for which the County has executed an intergovernmental agreement with Oconee County. Under the terms of the agreement, Walton County will have a 71.2% share of the project leaving 28.8% to Oconee County. The project is to be completed in three phases with a total estimated cost of $353 million to be split between the counties based on ownership percentages. The agreement with Oconee County runs through May 2057. An intergovernmental receivable has been recorded in the Water and Sewer Fund for the amount Oconee County is obligated to pay. As of June 30, 2012, the balance of the intergovernmental receivable totaled $19,911,712, including accrued interest.

The Series 2011 bonds listed above were issued in a current refunding of the Series 1996 bonds as well as two notes payable. The bonds mature in February 2021 and pay interest at a rate of 2.85% annually.

The Series 2012 bonds listed above were issued in an advanced refunding of the Series 2002 bonds as well as a current refunding of two notes payable. The bonds mature in February 2028 and pay interest at a rate of 3.13%. The savings in cash flow from the refunding was $4,206,837 and the economic gain was $3,522,234.

The County's debt service requirements to maturity on the revenue bonds payable are as follows:

Year ending June 30,	Principal	Interest	Total
2013	$ 1,635,000	$ 3,639,575	$ 5,274,575
2014	1,680,000	3,590,869	5,270,869
2015	3,155,000	3,540,818	6,695,818
2016	3,195,000	3,436,907	6,631,907
2017	2,970,000	3,331,359	6,301,359
2018 - 2022	15,325,000	15,056,876	30,381,876
2023 - 2027	18,355,000	11,666,313	30,021,313
2028 - 2032	15,485,000	7,762,116	23,247,116
2033 - 2037	17,995,000	3,824,750	21,819,750
2038	4,150,000	207,500	4,357,500
Total	$ 83,945,000	$ 56,057,083	$ 140,002,083

NOTE 8. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Landfill post-closure costs. Effective 1987, the Walton County Landfill was closed and no additional waste has been accepted. According to state and federal laws and regulations, the County must perform certain maintenance and monitoring functions at the site for a minimum of 30 years. As of June 30, 2012, the County has 6 years of monitoring remaining. Engineering studies estimate post-closure costs of approximately $34,482 over the 6 year period. These costs are based on what it would cost to perform all post-closure care in 2012, adjusted annually for inflation. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations. Should any problems occur during this post-closure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

B. Health Department – Component Unit.

The following is a summary of the Health Department's long-term debt activity for the year ended June 30, 2012:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated absences	$ 66,052	$ 71,402	$ (64,322)	$ 73,132	$ 20,961

NOTE 9. DEFINED BENEFIT PLAN

Plan Description

The County sponsors the Association of County Commissioners of Georgia Walton County Defined Benefit Plan (The Plan), which is a defined benefit pension plan.

The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The Plan is affiliated with the Association of County Commissioners of Georgia Defined Benefit Plan (The ACCG Plan), an agent multiple-employer pension plan administered by GEBCorp. The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions of The ACCG Plan as provided in Section 19.03 of The ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of The Plan as provided in Section 19.02 of The ACCG Plan document. Complete financial statements for the Association of County Commissioners of Georgia (ACCG) Defined Benefit Pension Plan can be obtained from GEBCorp, 3625 Cumberland Boulevard, Suite 825, Atlanta, Georgia 30339.

As of January 1, 2012, the most recent actuarial valuation date, the plan membership included the following categories of participants:

Retirees and beneficiaries receiving benefits	43
Term vested participants not receiving benefits	223
Active participants	526
	792

Funding Policy

The County is required to contribute an actuarially determined amount annually to The Plan's trust. A contribution amount is determined using actuarial methods and assumptions approved by The ACCG Plan trustees and intended to satisfy the minimum contribution requirements as set forth in controlling State of Georgia statutes. Plan participants are not required to contribute to the plan.

NOTE 9. DEFINED BENEFIT PLAN (CONTINUED)

Annual Pension Cost

The County's annual pension cost and net pension obligation (asset) related to the pension plan for the County's fiscal year 2012 are as follows:

	June 30, 2012	June 30, 2011
Derivation of Annual Pension Cost		
Annual Required Contribution	$ 1,081,567	$ 1,100,287
Interest on Net Pension Obligation	(39,555)	(38,089)
Adjustments to Net Pension Obligation	42,322	40,755
Annual Pension Cost	$ 1,084,334	$ 1,102,953

Derivation of Net Pension Obligation	
Annual Pension Cost for Current Year	$ 1,084,334
Actual Contributions to Plan for Current Year	1,098,110
Increase in Net Pension Obligation	(13,776)
Net Pension Obligation (Asset) as of June 30, 2011	(479,509)
Net Pension Obligation (Asset) as of June 30, 2012	$ (493,285)

Assumptions Used in Valuation	
Current Valuation Date	January 1, 2012
Annual Return on Invested Plan Assets	7.75%
Projected Annual Salary Increases	4.0% - 6.5% based on age
Expected Annual Inflation	3.00%
Actuarial Value of Assets	Market Value
Actuarial Funding Method	Projected Unit Credit
Amortization Method	Level Percent of Pay (closed)
Remaining Amortization Period	10 years

The following is a schedule of funding progress:

Measurement Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b-a) Unfunded Actuarial Accrued Liability (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	[(b-a)/c] UAAL as a Percentage of Covered Payroll
1/1/2012	$ 7,851,668	$ 10,500,476	$ 2,648,808	74.77 %	$ 21,000,508	12.61 %

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan net assets is increasing or decreasing over time relative to the actuarial accrued liability.

NOTE 9. DEFINED BENEFIT PLAN (CONTINUED)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of January 1, 2012.

Trend Information for The Plan

Fiscal Year Ending	Annual Pension Cost (APC)	Actual County Contribution	Percentage of APC Contributed	Net Pension Obligation (Asset)
June 30, 2012	$ 1,084,334	$ 1,098,110	101.3 %	$ (493,285)
June 30, 2011	1,102,953	$ 1,145,591	103.9	(479,509)
June 30, 2010	1,073,455	1,078,548	100.5	(436,871)

NOTE 10. DEFINED CONTRIBUTION PLAN

The County, by resolution, adopted the ACCG 401(a), a defined contribution retirement plan, administered by GEBCorp. The plan provisions and contribution rates may also be amended by resolution. Employees are eligible to join the plan after one year of full time service and are fully vested after five years of service. The County shall make a matching contribution on behalf of each participant to the plan equal to 2% of the participant's compensation for each participant who contributes 2% of their compensation, and an additional 2% if an employee also contributes at least 2% to the 457(b) Deferred Compensation Plan.

For the year ended June 30, 2012, the County's contribution to the plan was $668,860 and employee contributions were $386,295.

NOTE 11. OTHER POST-EMPLOYEMENT BENEFITS

Plan Description

The County administers a single-employer defined benefit post-employment healthcare plan. The plan does not issue a stand-alone report. The plan provides medical coverage, prescription drug benefits and death benefits for eligible retirees and their spouses. In order to be eligible for retiree healthcare coverage, employees must have 20 years of service and be at least 62 years of age. Coverage continues at the election of the retiree until age 65.

The plan was established by resolution of the Board of Commissioners. It may also be amended by resolution of same.

NOTE 11. OTHER POST-EMPLOYEMENT BENEFITS (CONTINUED)

Retirees must pay the required monthly premium for either single, single plus spouse, single plus children, or family coverage as applicable under the chosen plan of coverage.

Funding Policy

Contribution requirements are also approved by resolution of the Board of Commissioners. The County pays 100% of claims on a pay-as-you-go basis for eligible retired plan members.

Annual OPEB Cost

The County's annual other post-employment benefit (OPEB) cost and net OPEB obligation for the OPEB plan for the year ending June 30, 2012, are as follows:

	June 30, 2012	June 30, 2011
Derivation of Annual OPEB Cost		
Annual Required Contribution	$ 72,555	$ 72,555
Interest on Net OPEB Obligation	8,612	5,313
Adjustment to the ARC	(10,070)	(5,660)
Annual OPEB Cost	$ 71,097	$ 72,208

Derivation of Net OPEB Obligation	
Annual OPEB Cost for Current Year	$ 71,097
Actual Contributions to Plan for Current Year	28,275
Increase in Net OPEB Obligation	42,822
Net OPEB Obligation as of June 30, 2011	114,827
Net OPEB Obligation as of June 30, 2012	$ 157,649

Basis of Valuation	
Current Valuation Date	July 1, 2011
Actuarial Cost Method	Projected Unit Credit
Actuarial Value of Assets	Standard balanced portfolio
Inflation Rate	5.0%
Assumed Rate of Return on Investments	7.0%
Healthcare Cost Trend Rate	8.0%
Ultimate Healthcare Trend Rate	5.0%
Year of Ultimate Trend Rate	2014
Amortization Method	Level dollar (open)
Remaining Amortization Period	27 years

NOTE 11. OTHER POST-EMPLOYEMENT BENEFITS (CONTINUED)

The following is a schedule of funding progress:

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b-a) Unfunded Actuarial Accrued Liability (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	[(b-a)/c] UAAL as a Percentage of Covered Payroll
7/1/2012	$ -	$ 448,287	$ 448,287	- %	$ 21,000,508	2.13 %

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of the plan net assets is increasing or decreasing over time relative to the actuarial accrued liability.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of July 1, 2012.

Trend Information for The Plan

Fiscal Year Ending	Annual OPEB Cost (AOPC)	Actual County Contribution	Percentage of AOPC Contributed	Net OPEB Obligation
6/30/12	$ 71,097	$ 28,275	39.8 %	$ 157,649
6/30/11	72,208	28,215	39.1	114,827
6/30/10	67,316	31,915	47.4	70,834

NOTE 12. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; natural disasters; injuries to employees; and losses resulting from providing accident and health benefits to employees and their dependents.

Health Insurance. The County established a self-funded trust for the administration and funding of the County's health insurance and medical expenses. This trust is the source of funding for claims or expense reimbursement of employees for losses due to death, disability, dental or medical expenses and other expenses relating to maintenance of the fund by the appointed trustee.

NOTE 12. RISK MANAGEMENT (CONTINUED)

Health Insurance (Continued). The following describes the activity in the health care plan, including changes to the estimate for claims incurred but not reported, for the past two fiscal years.

Fiscal Year	Beginning of Year Claims Liability	Current Year Claims and Changes in Estimates	Claims Paid	End of Year Claims Liability
2012	$ 1,961,066	$ 4,014,244	$ 5,088,148	$ 887,162
2011	1,091,658	7,526,303	6,656,895	1,961,066

Workers Compensation. The County participates in the Association of County Commissioners of Georgia (ACCG) Group Self Insurance Workers' Compensation Fund (FUND), self-insured pool cooperative arrangement among its members to finance workers compensation coverage. The fund is owned by its members and is managed by insurance professionals and overseen by a seven member Board of Trustees who are representative from participating counties. The ACCG-GSIWCF operates under the authority of O.C.G.A 34-9-150 et Seq. and the Georgia Insurance Commissioner's Office.

The members of the Fund are assessable if the losses that the Fund must pay exceed the assets of the pool. At June 30, 2012, there was no need for such an assessment. Therefore, no liability for this has been included in the amounts below. As part of this risk pool, the County is obligated to pay all contributions and assessments, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by this fund, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents that could require the fund to pay any type of loss. The County is also to allow all the pool's agents and attorneys to represent the County in investigations, settlement discussions, and all levels of litigation arising out of any claims made against the County.

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

The County participates in the large deductible option with a $250,000 deductible. Under this plan, Walton County is responsible for all payments up to $250,000 per occurrence on workers' compensation claims. Once an individual claim exceeds the deductible, the plan will pay all costs in excess of the deductible. As of June 30, 2012, an actuary determined that an estimated $826,045 in reported unpaid claims and incurred but not reported claims were outstanding relating to fiscal year 2012 for which Walton County will be liable.

NOTE 12. RISK MANAGEMENT (CONTINUED)

Workers Compensation (Continued). The following describes the activity in the workers compensation plan for the past two fiscal years.

Fiscal Year	Beginning of Year Claims Liability	Current Year Claims and Changes in Estimates	Claims Paid	End of Year Claims Liability
2012	$ 837,433	$ 376,978	$ 388,366	$ 826,045
2011	790,145	272,547	225,259	837,433

General Liability

The County participates in the Association of County Commissioners of Georgia Interlocal Risk Management Agency (IRMA), a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

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

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

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

NOTE 13. COMMITMENTS AND CONTINGENCIES

Contractual Commitments

In addition to the liabilities enumerated in the balance sheet, at June 30, 2012, the County has contractual commitments on uncompleted contracts of approximately $6,077,594.

Litigation

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

Grant Contingencies

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

NOTE 14. JOINT VENTURE

Under Georgia law, the County, in conjunction with other cities and counties in the area, is a member of the Northeast Georgia Regional Commission and is required to pay annual dues thereto. During the year ended June 30, 2012, the County paid $83,768 in such dues. Membership in the Northeast Georgia Regional Commission is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of regional development commissions in Georgia.

The Northeast Georgia Regional Commission Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a regional development commission. Separate financial statements may be obtained from:

Northeast Georgia Regional Commission
305 Research Drive
Athens, GA 30605

NOTE 14. JOINT VENTURE (CONTINUED)

During 1998, the Four County Industrial Development Authority (the "Joint Authority"), a joint venture, was formed for the purpose of purchasing and developing an industrial site. The land was purchased through the Walton County Development Authority, until such time as the Joint Authority could issue permanent bond financing for the project. The Joint Authority issued $9,000,000 in bonded debt in October 2000 and refinanced in January 2009 for the repayment of the Walton County Development Authority, to pay issuance costs of the bond, and to provide initial development costs. The stated percentages of ownership and debt assumption are as follows: Newton County 37.5%, Walton County 37.5%, Morgan County 15%, and Jasper County 10%. The County has recorded its portion of the debt and the related land investment in the amount of $3,375,000.

In June 2001, the Joint Authority issued a GEFA loan in the amount of $487,760 to finance the extension of water and wastewater service to the above mentioned property. According to the intergovernmental agreement established in conjunction with the issuance of the GEFA loan, the stated percentages of ownership and debt assumed by Walton County is 34.5%. The County has recorded its portion of the debt and related investment in joint venture in the amount of $168,277.

Separate financial statements can be obtained from:

Four County Industrial Development Authority
C/O Madison Chamber of Commerce
115 East Jefferson Street
Madison, Georgia 30650

REQUIRED SUPPLEMENTARY INFORMATION

WALTON COUNTY, GEORGIA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues:				
Property taxes	$ 29,435,327	$ 30,714,626	$ 30,713,713	$ (913)
Sales taxes	5,915,000	6,246,982	6,246,981	(1)
Insurance premium taxes	2,000,000	2,354,505	2,354,505	-
Other taxes	814,586	855,425	854,508	(917)
Licenses and permits	239,750	256,962	249,962	(7,000)
Intergovernmental	402,123	411,322	614,637	203,315
Charges for services	3,966,665	4,450,847	4,329,072	(121,775)
Fines and forfeitures	1,457,200	1,526,329	1,394,418	(131,911)
Interest	62,330	46,393	37,214	(9,179)
Contributions	700	32,596	32,091	(505)
Other revenues	115,961	439,348	203,626	(235,722)
Total revenues	44,409,642	47,335,335	47,030,727	(304,608)
Expenditures:				
Current:				
General government:				
Board of commissioners	152,114	169,119	169,092	27
County clerk	92,398	92,419	92,399	20
Chairman	138,836	138,802	137,880	922
Tax commissioner	757,933	776,536	776,234	302
Tax assessor	927,001	845,671	830,914	14,757
Elections	412,577	312,525	305,716	6,809
Financial administration	268,685	268,685	256,611	12,074
Accounting	337,613	333,503	325,847	7,656
Purchasing	83,846	80,918	76,164	4,754
Law	250,000	378,357	378,357	-
Data processing	559,588	502,023	472,104	29,919
Human resources	319,355	319,049	297,949	21,100
Board of equalization	89,703	54,425	52,748	1,677
Risk management	694,489	694,489	558,531	135,958
General government buildings	2,080,387	2,055,166	1,866,729	188,437
RDC & ACCG fees	105,913	105,913	92,257	13,656
Customer service	26,189	26,504	26,504	-
Total general government	7,296,627	7,154,104	6,716,036	438,068
Judicial:				
Superior court	932,405	932,405	693,750	238,655
Clerk of superior court	1,020,061	993,514	908,217	85,297
District attorney	816,514	846,204	816,107	30,097
Probate court	615,051	620,531	616,368	4,163
Magistrate court	376,522	375,586	363,460	12,126
Juvenile court	748,725	763,703	744,602	19,101
Public defender	527,432	526,331	484,088	42,243
Total judicial	5,036,710	5,058,274	4,626,592	431,682
Public safety:				
Sheriff's office	1,242,504	1,355,455	1,284,776	70,679
Law enforcement administration	894,698	884,848	883,027	1,821
Criminal investigation	1,013,945	1,043,847	1,037,204	6,643
Uniform patrol	2,776,116	2,761,244	2,757,286	3,958
Youth investigation	478,032	438,830	438,826	4
Jail operations	5,951,693	6,330,290	6,303,462	26,828
Court services	1,346,328	1,279,652	1,278,986	666
Fire administration	241,816	296,967	289,784	7,183
Fire fighting	3,699,006	3,778,449	3,776,760	1,689
Fire training	21,861	10,947	10,746	201
Fire stations and buildings	188,500	155,087	142,907	12,180
Coroner	82,176	57,433	52,611	4,822
Comm/ E911	15,000	15,000	1,651	13,349
Animal control	484,084	487,754	465,905	21,849
Emergency management	89,695	88,591	88,477	114
Total public safety	18,525,454	18,984,394	18,812,408	171,986

(Continued)

WALTON COUNTY, GEORGIA

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Expenditures (Continued):				
Current (Continued):				
Public works:				
Highway and streets administration	$ 134,033	$ 134,033	$ 129,580	$ 4,453
Roadways and walkways	4,482,844	4,650,811	4,146,393	504,418
Unpaved streets	270,000	99,567	97,795	1,772
Street lighting	500,000	500,000	488,440	11,560
Traffic engineering	369,193	316,799	252,383	64,416
Maintenance and shop	431,330	438,262	438,260	2
Stormwater	185,898	159,739	149,407	10,332
Total public works	6,373,298	6,299,211	5,702,258	596,953
Health and welfare:				
Health centers and clinics	526,515	526,515	518,063	8,452
Aid to dependent children	101,865	101,865	101,865	-
Pauper burial costs	30,000	30,000	4,300	25,700
Walton County Senior Citizens, Inc.	189,938	189,938	189,938	-
Alcove, Inc. (shelter)	20,000	20,000	20,000	-
Total health and welfare	868,318	868,318	834,166	34,152
Culture and Recreation:				
Recreation programs	1,192,255	1,233,159	1,078,506	154,653
Tournament programs	317,995	327,995	284,884	43,111
Park areas	1,531,705	1,529,756	1,448,276	81,480
Library	250,290	250,290	250,290	-
Total culture and recreation	3,292,245	3,341,200	3,061,956	279,244
Housing and development:				
Conservation administration	14,762	14,762	14,762	-
USDA natural resource conservation service	50,143	50,465	50,454	11
County extension service	114,638	114,638	92,147	22,491
Forest resources	52,425	58,635	58,155	480
Protective inspection administration	379,384	379,384	324,581	54,803
Planning and zoning	474,441	534,115	479,433	54,682
Walton County planning commission	4,200	4,200	-	4,200
Walton County board of appeals	4,200	4,200	2,800	1,400
Code enforcement	121,936	123,812	122,557	1,255
Economic development	200,638	200,638	200,638	-
Action Inc.	8,323	8,323	8,323	-
Total housing and development	1,425,090	1,493,172	1,353,850	139,322
Total expenditures	42,817,742	43,198,673	41,107,266	2,091,407
Excess of revenues over expenditures	1,591,900	4,136,662	5,923,461	1,786,799
Other financing sources (uses):				
Proceeds from sale of assets	-	56,933	56,933	-
Transfers in	225,112	300,265	77,668	(222,597)
Transfers out	(8,050,678)	(8,095,241)	(6,848,301)	1,246,940
Total other financing sources (uses)	(7,825,566)	(7,738,043)	(6,713,700)	1,024,343
Net change in fund balances	(6,233,666)	(3,601,381)	(790,239)	2,811,142
Fund balance, beginning of year	22,351,241	22,351,241	22,351,241	-
Fund balance, end of year	$ 16,117,575	$ 18,749,860	$ 21,561,002	$ 2,811,142

WALTON COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULES OF FUNDING PROGRESS

Defined Benefit Pension Plan

Measurement Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b-a) Unfunded Actuarial Accrued Liability (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	[(b-a)/c] UAAL as a Percentage of Covered Payroll
January 1, 2012	$ 7,851,668	$ 10,500,476	$ 2,648,808	74.8%	$ 21,000,508	12.6%
January 1, 2011	6,718,905	9,825,734	3,106,829	68.4%	20,262,687	15.3%
January 1, 2010	5,677,407	8,909,496	3,232,089	63.7%	20,784,915	15.6%
January 1, 2009	3,920,133	7,223,759	3,303,626	54.3%	19,834,984	16.7%
January 1, 2008	3,114,743	6,070,874	2,956,131	51.3%	15,760,201	18.8%
January 1, 2007	2,457,758	5,272,700	2,814,942	46.6%	15,237,832	18.5%

NOTE: See assumptions used for this schedule in the notes to the financial statements.

Other Post-Employment Benefit Plan

Measurement Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b-a) Unfunded Actuarial Accrued Liability (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	[(b-a)/c] UAAL as a Percentage of Covered Payroll
July 1, 2011	$ -	$ 448,287	$ 448,287	0.0%	$ 20,262,287	2.2%
July 1, 2009	-	456,050	456,050	0.0%	20,784,915	2.2%
July 1, 2008	-	407,300	407,300	0.0%	19,834,984	2.1%

NOTE: See assumptions used for this schedule in the notes to the financial statements.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted or committed to expenditure for particular purposes other than capital projects or debt service.

Law Library Fund - to account for the revenues and related expenditures of operating the County's Law Library.

Forfeited Drug Seizure Fund – to account for funds forfeited to the Sheriff by the courts to be used for law enforcement activities.

Inmate Phone Fund - to account for commission revenues from inmate phone usage to be used for law enforcement activities.

E911 Fund - to account for the monthly 911 charge to help fund the cost of providing emergency 911 services.

Clerk's Authority Fund – to account for the collection and disbursement of court fines, fees, and assessments.

Juvenile Supplemental Services Fund - to account for funds collected to be used for law enforcement activities.

Multiple Grant Fund - to account for governmental grants received and the related expenditures.

Sheriff's Programs Fund - to account for funds received through the traffic safety and H.E.A.T. programs and expenditures in the Sheriff's office.

Drug Abuse Treatment Education Fund - to account for funds collected from fines and forfeitures to be used to maintain a Drug Abuse Treatment and Education program.

DARE Program Fund – to account for funds raised and used to operate the DARE program.

Crime Victim's Assistance Fund – to account for fines and assessments distributed by the courts to be used to provide services to crime victims.

Seized Drug Fund – to account for fines seized by the Sheriff.

Inmate Commissary Fund - to account for the commissions made by the Sheriff's office from canteen sales to the inmates.

DA Forfeiture Fund - to account for funds forfeited to the District Attorney's office by the courts to be used for law enforcement activities.

Forfeited Federal Drug Fund - to account for funds forfeited for federal cases.

Walton County Public Purpose Corporation - to account for lease payments received from the Georgia Department of Family and Children's Services for the use of a County owned building.

NONMAJOR GOVERNMENTAL FUNDS

Capital Projects Funds

2001 SPLOST Fund – to account for the expenditures of the 2001 SPLOST.

Impact Fees Fund - to account for the collection and disbursement of impact fees.

WALTON COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2012

	Special Revenue Funds					
ASSETS	**Law Library**	**Forfeited Drug Seizure**	**Inmate Phone**	**Emergency 911**	**Clerk's Authority**	**Juvenile Supplemental Services**
Cash and cash equivalents	$ 43,333	$ 57,076	$ 287,500	$ -	$ 120,636	$ 345,892
Investments	54,121	-	-	-	-	-
Accounts receivable	-	-	-	225,313	-	43,182
Due from other governments	-	-	-	-	-	-
Prepaids	-	-	-	222,631	-	-
Due from other funds	-	-	-	-	-	-
Total assets	$ 97,454	$ 57,076	$ 287,500	$ 447,944	$ 120,636	$ 389,074
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	$ -	$ -	$ -	$ 21,879	$ -	$ 587
Accrued liabilities	-	-	-	28,765	-	-
Due to other funds	-	-	-	107	-	15,985
Due to component units	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
Total liabilities	-	-	-	50,751	-	16,572
FUND BALANCES						
Nonspendable:						
Prepaids	-	-	-	222,631	-	-
Restricted for:						
Judicial	97,454	-	-	-	120,636	372,502
Public safety	-	57,076	-	174,562	-	-
Health and welfare	-	-	-	-	-	-
Capital projects	-	-	-	-	-	-
Committed to:						
Inmate needs	-	-	287,500	-	-	-
Sheriff's expenditures	-	-	-	-	-	-
Total fund balances	97,454	57,076	287,500	397,193	120,636	372,502
Total liabilities and fund balances	$ 97,454	$ 57,076	$ 287,500	$ 447,944	$ 120,636	$ 389,074

(Continued)

Multiple Grant	Sheriff's Programs	Drug Abuse Treatment Education	DARE Program	Crime Victim's Assistance	Seized Drug	Inmate Commissary
$ -	$ 1,800	$ 137,313	$ 17,116	$ 195,837	$ 47,775	$ 269,993
-	-	-	-	-	-	-
-	-	-	-	-	-	-
53,948	-	663	-	-	-	-
-	-	-	-	-	-	-
12,216	-	-	-	-	-	-
$ 66,164	$ 1,800	$ 137,976	$ 17,116	$ 195,837	$ 47,775	$ 269,993
$ 20,989	$ -	$ -	$ -	$ -	$ 46,094	$ 23,274
7,066	-	-	-	2,622	-	-
23,704	-	8,911	-	3,804	-	-
11,605	-	-	-	-	-	-
2,800	-	-	-	-	-	-
66,164	-	8,911	-	6,426	46,094	23,274
-	-	-	-	-	-	-
-	-	-	-	189,411	-	-
-	-	-	-	-	1,681	17,705
-	-	129,065	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	1,800	-	17,116	-	-	229,014
-	1,800	129,065	17,116	189,411	1,681	246,719
$ 66,164	$ 1,800	$ 137,976	$ 17,116	$ 195,837	$ 47,775	$ 269,993

WALTON COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2012

	Special Revenue Funds			Capital Projects Funds		
ASSETS	**DA Forfeiture**	**Forfeited Federal Drug**	**Walton County Public Purpose Corporation**	**2001 SPLOST**	**Impact Fees**	**Total Nonmajor Governmental Funds**
Cash and cash equivalents	$ 10,321	$ 116,045	$ 2,906,692	$ 1,373,518	$ 647,752	$ 6,578,599
Investments	-	-	-	-	-	54,121
Accounts receivable	-	-	-	-	-	268,495
Due from other governments	-	-	-	-	-	54,611
Prepaids	-	-	-	-	-	222,631
Due from other funds	-	-	-	-	605	12,821
Total assets	$ 10,321	$ 116,045	$ 2,906,692	$ 1,373,518	$ 648,357	$ 7,191,278
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	$ -	$ 11,719	$ 162,825	$ 363,137	$ -	$ 650,504
Accrued liabilities	-	-	-	-	-	38,453
Due to other funds	-	-	-	206,673	-	259,184
Due to component units	-	-	-	-	-	11,605
Deferred revenue	-	-	-	-	-	2,800
Total liabilities	-	11,719	162,825	569,810	-	962,546
FUND BALANCES						
Nonspendable:						
Prepaids	-	-	-	-	-	222,631
Restricted for:						
Judicial	10,321	-	-	-	-	790,324
Public safety	-	104,326	-	-	-	355,350
Health and welfare	-	-	-	-	-	129,065
Capital projects	-	-	2,743,867	803,708	648,357	4,195,932
Committed to:						
Inmate needs	-	-	-	-	-	287,500
Sheriff's expenditures	-	-	-	-	-	247,930
Total fund balances	10,321	104,326	2,743,867	803,708	648,357	6,228,732
Total liabilities and fund balances	$ 10,321	$ 116,045	$ 2,906,692	$ 1,373,518	$ 648,357	$ 7,191,278

WALTON COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Special Revenue Funds					
	Law Library	Forfeited Drug Seizure	Inmate Phone	Emergency 911	Clerk's Authority	Juvenile Supplemental Services
Revenues:						
Intergovernmental	$ -	$ -	$ -	$ -	$ 6,216	$ -
Fines and forfeitures	57,744	71,306	-	-	-	31,162
Charges for services	-	-	91,159	1,400,981	-	-
Interest income	1,358	104	891	-	244	671
Contributions	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-
Total revenues	59,102	71,410	92,050	1,400,981	6,460	31,833
Expenditures:						
Current						
General government	-	-	-	-	-	-
Judicial	52,486	-	-	-	-	20,024
Public safety	-	54,857	-	1,768,905	-	-
Public works	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	52,486	54,857	-	1,768,905	-	20,024
Excess (deficiency) of revenues over (under) expenditures	6,616	16,553	92,050	(367,924)	6,460	11,809
Other financing sources (uses):						
Proceeds from capital lease	-	-	-	-	-	-
Transfers in	-	6,544	-	591,791	-	-
Transfers out	-	(2,182)	(56,269)	-	(5,766)	-
Total other financing sources (uses)	-	4,362	(56,269)	591,791	(5,766)	-
Net change in fund balances	6,616	20,915	35,781	223,867	694	11,809
Fund balances, beginning of year	90,838	36,161	251,719	173,326	119,942	360,693
Fund balances, end of year	$ 97,454	$ 57,076	$ 287,500	$ 397,193	$ 120,636	$ 372,502

(Continued)

Multiple Grant	Sheriff's Programs	Drug Abuse Treatment Education	DARE Program	Crime Victim's Assistance	Seized Drug	Inmate Commissary
$ 198,128	$ -	$ -	$ -	$ 106,630	$ -	$ -
-	-	48,540	-	-	-	-
-	-	-	-	-	-	60,021
-	2	276	-	461	-	-
-	-	-	14,795	-	-	-
37,500	4,137	-	-	1	-	-
235,628	4,139	48,816	14,795	107,092	-	60,021
-	-	-	-	-	-	-
114,796	-	-	-	127,452	-	-
79,236	7,024	-	17,967	-	-	27,003
-	-	-	-	-	-	-
174,653	-	15,500	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
368,685	7,024	15,500	17,967	127,452	-	27,003
(133,057)	(2,885)	33,316	(3,172)	(20,360)	-	33,018
-	-	-	-	-	-	-
143,159	-	-	10,000	-	-	-
(10,102)	-	(45,643)	-	(20,348)	-	(1,499)
133,057	-	(45,643)	10,000	(20,348)	-	(1,499)
-	(2,885)	(12,327)	6,828	(40,708)	-	31,519
-	4,685	141,392	10,288	230,119	1,681	215,200
$ -	$ 1,800	$ 129,065	$ 17,116	$ 189,411	$ 1,681	$ 246,719

WALTON COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Special Revenue Funds			Capital Projects Funds		
	DA Forfeiture	Forfeited Federal Drug	Walton County Public Purpose Corporation	2001 SPLOST	Impact Fees	Total Nonmajor Governmental Funds
Revenues:						
Intergovernmental	$ -	$ 107,729	$ -	$ -	$ -	$ 418,703
Fines and forfeitures	14,889	-	-	-	-	223,641
Charges for services	-	-	-	-	33,803	1,585,964
Interest income	25	90	-	2,094	1,327	7,543
Contributions	-	-	-	-	-	14,795
Other revenues	129	-	-	-	-	41,767
Total revenues	15,043	107,819	-	2,094	35,130	2,292,413
Expenditures:						
Current						
General government	-	-	-	11,536	-	11,536
Judicial	13,207	-	-	-	-	327,965
Public safety	-	18,694	-	-	-	1,973,686
Public works	-	-	-	11,024	-	11,024
Health and welfare	-	-	-	-	-	190,153
Capital outlay	-	-	2,630,961	974,335	42,050	3,647,346
Interest and fiscal charges	-	-	305,241	-	-	305,241
Total expenditures	13,207	18,694	2,936,202	996,895	42,050	6,466,951
Excess (deficiency) of revenues over (under) expenditures	1,836	89,125	(2,936,202)	(994,801)	(6,920)	(4,174,538)
Other financing sources (uses):						
Proceeds from capital lease	-	-	5,680,069	-	-	5,680,069
Transfers in	-	-	-	-	-	751,494
Transfers out	(4,043)	-	-	-	-	(145,852)
Total other financing sources (uses)	(4,043)	-	5,680,069	-	-	6,285,711
Net change in fund balances	(2,207)	89,125	2,743,867	(994,801)	(6,920)	2,111,173
Fund balances, beginning of year	12,528	15,201	-	1,798,509	655,277	4,117,559
Fund balances, end of year	$ 10,321	$ 104,326	$ 2,743,867	$ 803,708	$ 648,357	$ 6,228,732

WALTON COUNTY, GEORGIA

LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	$ 73,900	$ 73,900	$ 57,744	$ (16,156)
Interest income	1,050	1,050	1,358	308
Total revenues	74,950	74,950	59,102	(15,848)
Expenditures:				
Current				
Judicial	74,950	74,950	52,486	22,464
Total expenditures	74,950	74,950	52,486	22,464
Net change in fund balance	-	-	6,616	6,616
Fund balance, beginning of year	90,838	90,838	90,838	-
Fund balance, end of year	$ 90,838	$ 90,838	$ 97,454	$ 6,616

WALTON COUNTY, GEORGIA

FORFEITED DRUG SEIZURE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	$ 29,000	$ 71,306	$ 71,306	$ -
Interest income	50	104	104	-
Total revenues	29,050	71,410	71,410	-
Expenditures:				
Current				
Public safety	29,050	75,772	54,857	20,915
Total expenditures	29,050	75,772	54,857	20,915
Excess (deficiency) of revenues over expenditures	-	(4,362)	16,553	20,915
Other financing sources (uses)				
Transfers in	-	6,544	6,544	-
Transfers out	-	(2,182)	(2,182)	-
Total other financing sources (uses)	-	4,362	4,362	-
Net change in fund balance	-	-	20,915	20,915
Fund balance, beginning of year	36,161	36,161	36,161	-
Fund balance, end of year	$ 36,161	$ 36,161	$ 57,076	$ 20,915

WALTON COUNTY, GEORGIA

INMATE PHONE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Charges for services	$ 209,400	$ 209,400	$ 91,159	$ (118,241)
Interest income	600	600	891	291
Total revenues	210,000	210,000	92,050	(117,950)
Expenditures:				
Current				
Public safety	153,732	153,732	-	153,732
Total expenditures	153,732	153,732	-	153,732
Excess of revenues over expenditures	56,268	56,268	92,050	35,782
Other financing uses				
Transfers out	(56,268)	(56,268)	(56,269)	(1)
Total other financing uses	(56,268)	(56,268)	(56,269)	(1)
Net change in fund balance	-	-	35,781	35,781
Fund balance, beginning of year	251,719	251,719	251,719	-
Fund balance, end of year	$ 251,719	$ 251,719	$ 287,500	$ 35,781

WALTON COUNTY, GEORGIA

EMERGENCY 911 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Charges for services	$ 1,111,200	$ 1,400,981	$ 1,400,981	$ -
Total revenues	1,111,200	1,400,981	1,400,981	-
Expenditures:				
Current				
Public safety	2,142,570	2,432,351	1,768,905	663,446
Total expenditures	2,142,570	2,432,351	1,768,905	663,446
Deficiency of revenues under expenditures	(1,031,370)	(1,031,370)	(367,924)	663,446
Other financing sources				
Transfers in	1,031,370	1,031,370	591,791	(439,579)
Total other financing sources	1,031,370	1,031,370	591,791	(439,579)
Net change in fund balance	-	-	223,867	223,867
Fund balance, beginning of year	173,326	173,326	173,326	-
Fund balance, end of year	$ 173,326	$ 173,326	$ 397,193	$ 223,867

WALTON COUNTY, GEORGIA

CLERK'S AUTHORITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	$ 6,700	$ 6,700	$ 6,216	$ (484)
Interest income	300	300	244	(56)
Total revenues	7,000	7,000	6,460	(540)
Expenditures:				
Current				
Judicial	1,234	1,234	-	1,234
Total expenditures	1,234	1,234	-	1,234
Excess of revenues over expenditures	5,766	5,766	6,460	694
Other financing uses				
Transfers out	(5,766)	(5,766)	(5,766)	-
Total other financing uses	(5,766)	(5,766)	(5,766)	-
Net change in fund balance	-	-	694	694
Fund balance, beginning of year	119,942	119,942	119,942	-
Fund balance, end of year	$ 119,942	$ 119,942	$ 120,636	$ 694

WALTON COUNTY, GEORGIA

JUVENILE SUPPLEMENTAL SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	$ 67,400	$ 67,400	$ 31,162	$ (36,238)
Interest income	750	750	671	(79)
Total revenues	68,150	68,150	31,833	(36,317)
Expenditures:				
Current				
Judicial	68,150	68,150	20,024	48,126
Total expenditures	68,150	68,150	20,024	48,126
Net change in fund balance	-	-	11,809	11,809
Fund balance, beginning of year	360,693	360,693	360,693	-
Fund balance, end of year	$ 360,693	$ 360,693	$ 372,502	$ 11,809

WALTON COUNTY, GEORGIA

MULTIPLE GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	$ 289,617	$ 335,368	$ 198,128	$ (137,240)
Other revenues	-	37,500	37,500	-
Total revenues	289,617	372,868	235,628	(137,240)
Expenditures:				
Current				
Public safety	88,129	112,192	79,236	32,956
Judicial	73,093	120,782	114,796	5,986
Health and welfare	139,006	183,160	174,653	8,507
Total expenditures	300,228	416,134	368,685	47,449
Deficiency of revenues under expenditures	(10,611)	(43,266)	(133,057)	(89,791)
Other financing sources (uses)				
Transfers in	143,729	173,384	143,159	(30,225)
Transfers out	(130,118)	(130,118)	(10,102)	120,016
Total other financing sources (uses)	13,611	43,266	133,057	89,791
Net change in fund balance	3,000	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ 3,000	$ -	$ -	$ -

WALTON COUNTY, GEORGIA

SHERIFF'S PROGRAMS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Interest income	$ -	$ 5	$ 2	$ (3)
Other revenues	-	7,019	4,137	(2,882)
Total revenues	-	7,024	4,139	(2,885)
Expenditures:				
Current				
Public safety	-	7,024	7,024	-
Total expenditures	-	7,024	7,024	-
Net change in fund balance	-	-	(2,885)	(2,885)
Fund balance, beginning of year	4,685	4,685	4,685	-
Fund balance, end of year	$ 4,685	$ 4,685	$ 1,800	$ (2,885)

WALTON COUNTY, GEORGIA

DRUG ABUSE TREATMENT EDUCATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budget			
	Original	Final	Actual	Variance with Final Budget
Revenues:				
Fines and forfeitures	$ 61,900	$ 61,867	$ 48,540	$ (13,327)
Interest income	243	276	276	-
Total revenues	62,143	62,143	48,816	(13,327)
Expenditures:				
Current				
Health and welfare	16,500	16,500	15,500	1,000
Total expenditures	16,500	16,500	15,500	1,000
Excess of revenues over expenditures	45,643	45,643	33,316	(12,327)
Other financing uses				
Transfers out	(45,643)	(45,643)	(45,643)	-
Total other financing uses	(45,643)	(45,643)	(45,643)	-
Net change in fund balance	-	-	(12,327)	(12,327)
Fund balance, beginning of year	141,392	141,392	141,392	-
Fund balance, end of year	$ 141,392	$ 141,392	$ 129,065	$ (12,327)

WALTON COUNTY, GEORGIA

DARE PROGRAM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Contributions	$ 12,500	$ 27,295	$ 14,795	$ (12,500)
Total revenues	12,500	27,295	14,795	(12,500)
Expenditures:				
Current				
Public safety	22,500	37,295	17,967	19,328
Total expenditures	22,500	37,295	17,967	19,328
Deficiency of revenues over expenditures	(10,000)	(10,000)	(3,172)	6,828
Other financing sources				
Transfers in	10,000	10,000	10,000	-
Total other financing sources	10,000	10,000	10,000	-
Net change in fund balance	-	-	6,828	6,828
Fund balance, beginning of year	10,288	10,288	10,288	-
Fund balance, end of year	$ 10,288	$ 10,288	$ 17,116	$ 13,656

WALTON COUNTY, GEORGIA

CRIME VICTIM'S ASSISTANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	$ 245,670	$ 270,170	$ 106,630	$ (163,540)
Interest income	1,000	1,000	461	(539)
Other revenue	-	-	1	1
Total revenues	246,670	271,170	107,092	(164,078)
Expenditures:				
Current				
Judicial	102,953	127,453	127,452	1
Total expenditures	102,953	127,453	127,452	1
Excess (deficiency) of revenues over expenditures	143,717	143,717	(20,360)	(164,077)
Other financing uses				
Transfers out	(143,717)	(143,717)	(20,348)	123,369
Total other financing uses	(143,717)	(143,717)	(20,348)	123,369
Net change in fund balance	-	-	(40,708)	(40,708)
Fund balance, beginning of year	230,119	230,119	230,119	-
Fund balance, end of year	$ 230,119	$ 230,119	$ 189,411	$ (40,708)

WALTON COUNTY, GEORGIA

SEIZED DRUG FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Other income	$ 68,000	$ 68,000	$ -	$ (68,000)
Total revenues	68,000	68,000	-	(68,000)
Expenditures:				
Current				
Public safety	68,000	68,000	-	68,000
Total expenditures	68,000	68,000	-	68,000
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	1,681	1,681	1,681	-
Fund balance, end of year	$ 1,681	$ 1,681	$ 1,681	$ -

WALTON COUNTY, GEORGIA

INMATE COMMISSARY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budget			
	Original	Final	Actual	Variance with Final Budget
Revenues:				
Charges for services	$ 100,000	$ 100,000	$ 60,021	$ (39,979)
Interest income	52	52	-	(52)
Other revenue	10,600	10,600	-	(10,600)
Total revenues	110,652	110,652	60,021	(50,631)
Expenditures:				
Current				
Public safety	109,153	109,153	27,003	82,150
Total expenditures	109,153	109,153	27,003	82,150
Excess of revenues over expenditures	1,499	1,499	33,018	31,519
Other financing uses				
Transfers out	(1,499)	(1,499)	(1,499)	-
Total other financing uses	(1,499)	(1,499)	(1,499)	-
Net change in fund balance	-	-	31,519	31,519
Fund balance, beginning of year	215,200	215,200	215,200	-
Fund balance, end of year	$ 215,200	$ 215,200	$ 246,719	$ 31,519

WALTON COUNTY, GEORGIA

DA FORFEITURE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Fines and forfeitures	$ 20,950	$ 26,753	$ 14,889	$ (11,864)
Interest income	100	100	25	(75)
Other revenue	-	35	129	94
Total revenues	21,050	26,888	15,043	(11,845)
Expenditures:				
Current				
Judicial	21,050	22,845	13,207	9,638
Total expenditures	21,050	22,845	13,207	9,638
Excess of revenues over expenditures	-	4,043	1,836	(2,207)
Other financing sources (uses)				
Transfers in	-	94	-	(94)
Transfers out	-	(4,137)	(4,043)	94
Total other financing sources (uses)	-	(4,043)	(4,043)	-
Net change in fund balance	-	-	(2,207)	(2,207)
Fund balance, beginning of year	12,528	12,528	12,528	-
Fund balance, end of year	$ 12,528	$ 12,528	$ 10,321	$ (2,207)

WALTON COUNTY, GEORGIA

FORFEITED FEDERAL DRUG FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Intergovernmental	$ 20,000	$ 107,819	$ 107,729	$ (90)
Interest income	-	-	90	90
Total revenues	20,000	107,819	107,819	-
Expenditures:				
Current				
Public safety	8,381	98,382	18,694	79,688
Total expenditures	8,381	98,382	18,694	79,688
Excess of revenues over expenditures	11,619	9,437	89,125	(79,688)
Other financing uses				
Transfers out	(11,619)	(9,437)	-	(9,437)
Total other financing uses	(11,619)	(9,437)	-	(9,437)
Net change in fund balance	-	-	89,125	(89,125)
Fund balance, beginning of year	15,201	15,201	15,201	-
Fund balance, end of year	$ 15,201	$ 15,201	$ 104,326	$ (89,125)

WALTON COUNTY, GEORGIA

WALTON COUNTY PUBLIC PURPOSE CORPORATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Interest income	$ 200	$ 200	$ -	$ (200)
Total revenues	200	200	-	(200)
Expenditures:				
Current				
Public works	960	960	-	960
Capital outlay	5,040,520	5,375,008	2,630,961	2,744,047
Interest and fiscal charges	200	305,441	305,241	200
Total expenditures	5,041,680	5,681,409	2,936,202	2,745,207
Deficiency of revenues under expenditures	(5,041,480)	(5,681,209)	(2,936,202)	2,745,007
Other financing sources				
Proceeds from capital lease	5,680,069	5,680,069	5,680,069	-
Transfers in	1,140	1,140	-	(1,140)
Total other financing sources	5,681,209	5,681,209	5,680,069	(1,140)
Net change in fund balance	639,729	-	2,743,867	2,743,867
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ 639,729	$ -	$ 2,743,867	$ 2,743,867

WALTON COUNTY, GEORGIA

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues:				
Sales taxes	$ 9,000,000	$ 9,000,000	$ 9,616,413	$ 616,413
Interest income	12,000	12,000	4,487	(7,513)
Total revenues	9,012,000	9,012,000	9,620,900	608,900
Expenditures:				
Debt service:				
Principal retirement	12,517,881	12,517,880	12,517,879	1
Interest and fiscal charges	1,370,187	1,370,188	1,359,101	11,087
Total expenditures	13,888,068	13,888,068	13,876,980	11,088
Deficiency of revenues under expenditures	(4,876,068)	(4,876,068)	(4,256,080)	619,988
Other financing sources				
Transfers in	4,876,068	4,876,068	4,637,956	(238,112)
Total other financing sources	4,876,068	4,876,068	4,637,956	(238,112)
Net change in fund balance	-	-	381,876	381,876
Fund balance, beginning of year	5,243,887	5,243,887	5,243,887	-
Fund balance, end of year	$ 5,243,887	$ 5,243,887	$ 5,625,763	$ 381,876

WALTON COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2001 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Judicial administration building	$ 17,785,000	$ 17,785,000	$ 15,941,599	$ 19,786	$ 15,961,385
Jail addition	9,938,000	9,938,000	8,994,327	52,317	9,046,644
Recreation facilities	7,660,000	7,660,000	6,925,236	-	6,925,236
Road projects	8,317,000	8,317,000	4,271,316	924,792	5,196,108
Total 2001 SPLOST	$ 43,700,000	$ 43,700,000	$ 36,132,478	$ 996,895	$ 37,129,373

WALTON COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS - 2007 ISSUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Project	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total
Walton County					
E911 towers and radio	$ 11,000,000	$ 11,000,000	$ 9,898,137	$ -	$ 9,898,137
Water and sewer improvements	12,500,000	12,500,000	7,455,247	171,579	7,626,826
Roads and bridges	18,400,000	18,400,000	10,796,050	1,320,985	12,117,035
Parks and recreation facilities	15,400,000	15,400,000	6,705,649	-	6,705,649
Public safety improvements	12,200,000	12,200,000	6,025,383	-	6,025,383
Senior citizens center upgrades	1,000,000	1,000,000	274,588	-	274,588
Animal control	700,000	710,712	633,068	77,644	710,712
Total Walton County	71,200,000	71,210,712	41,788,122	1,570,208	43,358,330
City of Monroe					
Transportation, drainage and sidewalks	9,136,000	9,136,000	5,035,213	1,399,854	6,435,067
Public safety improvements	2,500,000	2,500,000	-	-	-
Solid waste improvements	1,500,000	1,500,000	-	-	-
Water and sewer improvements	4,060,000	4,060,000	-	-	-
Airport improvements	1,500,000	1,500,000	-	-	-
Electric, CATV and fiber improvements	1,500,000	1,500,000	-	-	-
Total City of Monroe	20,196,000	20,196,000	5,035,213	1,399,854	6,435,067
City of Loganville					
Transportation, drainage and sidewalks	4,212,000	4,212,000	1,934,085	717,049	2,651,134
Water and sewer upgrades	2,520,000	2,520,000	-	-	-
Total City of Loganville	6,732,000	6,732,000	1,934,085	717,049	2,651,134
City of Social Circle					
Transportation, drainage and sidewalks	3,536,000	3,599,723	3,256,310	343,413	3,599,723
Public safety improvements	1,500,000	1,500,000	-	-	-
Cemetery and park improvements	200,000	200,000	-	-	-
Total City of Social Circle	5,236,000	5,299,723	3,256,310	343,413	3,599,723
City of Walnut Grove					
Transportation, drainage and sidewalks	2,340,000	2,340,000	1,959,086	-	1,959,086
Public safety facilities	950,000	950,000	-	-	-
Library building project	450,000	450,000	-	-	-
Total City of Walnut Grove	3,740,000	3,740,000	1,959,086	-	1,959,086
City of Good Hope					
Transportation, drainage and sidewalks	468,000	468,000	232,526	20,309	252,835
Administration facility improvements	280,000	280,000	-	-	-
Total City of Good Hope	748,000	748,000	232,526	20,309	252,835
City of Jersey					
Transportation, drainage and sidewalks	234,000	234,000	4,870	-	4,870
Water and sewer improvements	140,000	140,000	-	-	-
Total City of Jersey	374,000	374,000	4,870	-	4,870
City of Between					
Administration facilities	374,000	374,000	-	-	-
Total City of Between	374,000	374,000	-	-	-
Total 2007 SPLOST	$ 108,600,000	$ 108,674,435	$ 54,210,212	$ 4,050,833	$ 58,261,045

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Health Benefits Fund – to account for charges to other funds and for the payment of health insurance and the payment of claims.

Workers Compensation Fund – to account for charges to other funds and for the payment of the workers' compensation insurance and claims.

WALTON COUNTY, GEORGIA

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
JUNE 30, 2012

	Health Benefits	Workers Compensation	Total
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	$ 511,613	$ 748,515	$ 1,260,128
Investments	1,125,183	-	1,125,183
Accounts receivable	445,131	-	445,131
Interest receivable	7	6	13
Due from other funds	-	16,379	16,379
Prepaids	7,697	96,162	103,859
Total assets	2,089,631	861,062	2,950,693
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	-	16,779	16,779
Claims payable - current portion	887,162	496,519	1,383,681
Total current liabilities	887,162	513,298	1,400,460
NONCURRENT LIABILITIES			
Claims payable - long-term portion	-	329,526	329,526
Total long term liabilities	-	329,526	329,526
Total liabilities	887,162	842,824	1,729,986
NET ASSETS			
Unrestricted	1,202,469	18,238	1,220,707
Total net assets	$ 1,202,469	$ 18,238	$ 1,220,707

WALTON COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Health Benefits	Workers Compensation	Total
OPERATING REVENUES			
Charges to other funds	$ 6,385,151	$ 647,572	$ 7,032,723
Total operating revenues	6,385,151	647,572	7,032,723
OPERATING EXPENSES			
Administrative	837,650	-	837,650
Claims	4,014,244	376,978	4,391,222
Fiduciary fees	4,244	4,612	8,856
Insurance	92,695	196,525	289,220
Total operating expenses	4,948,833	578,115	5,526,948
Operating income	1,436,318	69,457	1,505,775
NONOPERATING REVENUES			
Interest income	651	87	738
Total nonoperating revenues	651	87	738
Change in net assets	1,436,969	69,544	1,506,513
NET (DEFICIT), beginning of year	(234,500)	(51,306)	(285,806)
NET ASSETS, end of year	$ 1,202,469	$ 18,238	$ 1,220,707

WALTON COUNTY, GEORGIA

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

	Health Benefits	Workers Compensation	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from interfund activity	$ 6,270,031	$ 652,362	$ 6,922,393
Payments to suppliers	(6,028,480)	(587,811)	(6,616,291)
Net cash provided by operating activities	241,551	64,551	306,102
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of investments	(32,003)	-	(32,003)
Interest received	647	87	734
Net cash provided by (used in) investing activities	(31,356)	87	(31,269)
Net increase in cash and cash equivalents	210,195	64,638	274,833
Cash and cash equivalents:			
Beginning of year	301,418	683,877	985,295
End of year	$ 511,613	$ 748,515	$ 1,260,128
Reconciliation of operating income to net cash provided by operating activities:			
Operating income	$ 1,436,318	$ 69,457	$ 1,505,775
Adjustments to reconcile operating income to net cash provided by operating activities			
(Increase) decrease in accounts receivable	(115,120)	3,138	(111,982)
Decrease in due from other funds	-	1,652	1,652
(Increase) decrease in prepaids	(5,458)	3,333	(2,125)
Decrease in accounts payable	(285)	(1,641)	(1,926)
Decrease in claims payable	(1,073,904)	(11,388)	(1,085,292)
Net cash provided by operating activities	$ 241,551	$ 64,551	$ 306,102

AGENCY FUNDS

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

Tax Commissioner - to account for the collection of all property taxes which are collected and disbursed to the County and other government units.

Sheriff - to account for collection of cash bonds, fines, forfeitures and other fees which are disbursed to other parties.

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

Clerk of Superior Court
Probate Court
Magistrate Court
Juvenile Court

WALTON COUNTY, GEORGIA

COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2012

ASSETS	Tax Commissioner	Clerk of Superior Court	Probate Court	Magistrate Court	Juvenile Court	Sheriff	Total
Cash and cash equivalents	$ 1,072,729	$ 773,794	$ 43,087	$ 39,976	$ 164	$ 10,563	$ 1,940,313
Taxes receivable	1,731,009	-	-	-	-	-	1,731,009
Total assets	$ 2,803,738	$ 773,794	$ 43,087	$ 39,976	$ 164	$ 10,563	$ 3,671,322
LIABILITIES							
Due to others	$ 1,072,729	$ 773,794	$ 43,087	$ 39,976	$ 164	$ 10,563	$ 1,940,313
Uncollected taxes	1,731,009	-	-	-	-	-	1,731,009
Total liabilities	$ 2,803,738	$ 773,794	$ 43,087	$ 39,976	$ 164	$ 10,563	$ 3,671,322

WALTON COUNTY, GEORGIA

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	Balance July 1, 2011	Increases	Decreases	Balance June 30, 2012
Tax Commissioner				
ASSETS				
Cash	$ 1,117,559	$ 84,973,757	$ (85,018,587)	$ 1,072,729
Taxes receivable	2,509,579	33,973,418	(34,751,988)	1,731,009
Total assets	$ 3,627,138	$ 118,947,175	$ (119,770,575)	$ 2,803,738
LIABILITIES				
Due to others	$ 1,117,559	$ 84,973,757	$ (85,018,587)	$ 1,072,729
Uncollected taxes	2,509,579	33,973,418	(34,751,988)	1,731,009
Total liabilities	$ 3,627,138	$ 118,947,175	$ (119,770,575)	$ 2,803,738
Clerk of Superior Court				
ASSETS				
Cash	$ 501,454	$ 3,414,458	$ (3,142,118)	$ 773,794
Total assets	$ 501,454	$ 3,414,458	$ (3,142,118)	$ 773,794
LIABILITIES				
Due to others	$ 501,454	$ 3,414,458	$ (3,142,118)	$ 773,794
Total liabilities	$ 501,454	$ 3,414,458	$ (3,142,118)	$ 773,794
Probate Court				
ASSETS				
Cash	$ 49,337	$ 1,112,694	$ (1,118,944)	$ 43,087
Total assets	$ 49,337	$ 1,112,694	$ (1,118,944)	$ 43,087
LIABILITIES				
Due to others	$ 49,337	$ 1,112,694	$ (1,118,944)	$ 43,087
Total liabilities	$ 49,337	$ 1,112,694	$ (1,118,944)	$ 43,087

(Continued)

WALTON COUNTY, GEORGIA

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2012

	Balance July 1, 2011	Increases	Decreases	Balance June 30, 2012
Magistrate Court				
ASSETS				
Cash	$ 30,760	$ 797,674	$ (788,458)	$ 39,976
Total assets	$ 30,760	$ 797,674	$ (788,458)	$ 39,976
LIABILITIES				
Due to others	$ 30,760	$ 797,674	$ (788,458)	$ 39,976
Total liabilities	$ 30,760	$ 797,674	$ (788,458)	$ 39,976
Juvenile Court				
ASSETS				
Cash	$ 621	$ 9,703	$ (10,160)	$ 164
Total assets	$ 621	$ 9,703	$ (10,160)	$ 164
LIABILITIES				
Due to others	$ 621	$ 9,703	$ (10,160)	$ 164
Total liabilities	$ 621	$ 9,703	$ (10,160)	$ 164
Sheriff				
ASSETS				
Cash	$ 4,714	$ 886,902	$ (881,053)	$ 10,563
Total assets	$ 4,714	$ 886,902	$ (881,053)	$ 10,563
LIABILITIES				
Due to others	$ 4,714	$ 886,902	$ (881,053)	$ 10,563
Total liabilities	$ 4,714	$ 886,902	$ (881,053)	$ 10,563

COMPONENT UNIT – DEVELOPMENT AUTHORITY

WALTON COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
COMPONENT UNIT - DEVELOPMENT AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	$	183,835
Payments to suppliers		(49,013)
Payments to employees		(111,156)
Net cash provided by operating activities		23,666
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received		1,902
Net cash provided by investing activities		1,902
Net increase in cash and cash equivalents		25,568
Cash and cash equivalents:		
Beginning of year		414,469
End of year	$	440,037
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	$	17,277
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation		6,409
Change in assets and liabilities:		
Decrease in accrued liabilities		(20)
Net cash provided by operating activities	$	23,666

COMPONENT UNIT – COMMISSION ON CHILDREN AND YOUTH

WALTON COUNTY, GEORGIA

BALANCE SHEET
COMPONENT UNIT - COMMISSION ON CHILDREN & YOUTH
JUNE 30, 2012

ASSETS		
Cash	$	126,790
Due from primary government		11,605
Total assets	$	138,395
LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	$	482
Total liabilities		482
FUND BALANCE		
Unassigned		137,913
Total liabilities and fund balance	$	138,395

WALTON COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
COMPONENT UNIT - COMMISSION ON CHILDREN & YOUTH
FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Revenues		
Intergovernmental	$	69,762
Charges for services		16,885
Total revenues		86,647
Expenditures		
Health and welfare		115,489
Total expenditures		115,489
Net change in fund balance		(28,842)
Fund balance, beginning of year		166,755
Fund balance, end of year	$	137,913

STATISTICAL SECTION

This part of Walton 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.

Page

Financial Trends 100-105

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

Revenue Capacity 106-111

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

Debt Capacity 112-116

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

Demographic and Economic Information ..... 117 and 118

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

Operating Information 119-121

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.

WALTON COUNTY, GEORGIA

NET ASSETS BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental activities										
Invested in capital assets, net of related debt	$ 47,680,224	$ 33,205,084	$ 79,560,401	$ 80,890,679	$ 89,275,978	$ 90,713,448	$ 89,664,056	$ 85,913,569	$ 90,801,446	$ 94,687,494
Restricted	4,052,880	514,089	541,595	7,468,310	28,816,979	8,903,723	5,348,476	5,343,022	18,694,711	10,701,672
Unrestricted	13,415,904	41,987,773	4,391,120	13,427,017	553,044	22,727,375	24,365,511	25,598,720	11,893,449	22,952,221
Total governmetnal activities net assets	$ 65,149,008	$ 75,706,946	$ 84,493,116	$ 101,786,006	$ 118,646,001	$ 122,344,546	$ 119,378,043	$ 116,855,311	$ 121,389,606	$ 128,341,387
Business-type activities										
Invested in capital assets, net of related debt	$ 838,297	$ 909,781	$ 1,029,104	$ 1,016,106	$ 28,786,737	$ 23,584,893	$ 24,915,940	$ 33,376,233	$ 35,965,437	$ 40,400,413
Restricted	-	-	-	-	3,168,528	8,474,648	7,751,281	7,598,747	6,961,893	5,589,892
Unrestricted	245,641	180,401	233,100	162,561	6,537,085	8,149,911	8,633,228	28,352,560	28,959,419	28,766,415
Total business-type activities net assets	$ 1,083,938	$ 1,090,182	$ 1,262,204	$ 1,178,667	$ 38,492,350	$ 40,209,452	$ 41,300,449	$ 69,327,540	$ 71,886,749	$ 74,756,720
Primary government										
Invested in capital assets, net of related debt	$ 48,518,521	$ 34,114,865	$ 80,589,505	$ 81,906,785	$ 118,062,715	$ 114,298,341	$ 114,579,996	$ 119,289,802	$ 126,766,883	$ 135,087,907
Restricted	4,052,880	514,089	541,595	7,468,310	31,985,507	17,378,371	13,099,757	12,941,769	25,656,604	16,291,564
Unrestricted	13,661,545	42,168,174	4,624,220	13,589,578	7,090,129	30,877,286	32,998,739	53,951,280	40,852,868	51,718,636
Total primary governmetnal activities net assets	$ 66,232,946	$ 76,797,128	$ 85,755,320	$ 102,964,673	$ 157,138,351	$ 162,553,998	$ 160,678,492	$ 186,182,851	$ 193,276,355	$ 203,098,107

Data Source: Audited Financial Statements

WALTON COUNTY, GEORGIA

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

EXPENSES	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Government activities:										
General Government	$ 5,257	$ 7,324	$ 7,785	$ 6,470	$ 7,738	$ 7,736	$ 8,474	$ 7,199	$ 7,442	$ 7,442
Judicial	3,206	3,413	3,708	3,838	4,354	4,541	4,937	4,904	5,148	4,790
Public Safety	14,255	14,817	15,418	15,922	19,065	19,477	20,739	21,439	21,703	21,080
Public Works	5,080	4,527	4,823	6,318	5,891	14,528	13,627	12,065	8,832 (1)	9,446
Health and Welfare	824	493	503	821	2,190	1,127	1,250	1,232	1,030	963
Housing & Development	1,232	1,289	1,411	2,183	2,445	2,294	1,508	1,454	1,438	1,331
Culture & Recreation	1,337	1,786	2,079	2,315	2,763	3,133	3,855	3,942	3,868	3,703
Interest on Long-Term Debt	1,257	1,230	967	697	1,358	2,390	1,989	1,922	1,320	1,201
Total government activities expenses	32,448	34,879	36,694	38,564	45,804	55,226	56,379	54,157	50,781	49,956
Business-type activities										
Water and Sewer	-	-	-	-	7,827	9,938	8,990	7,973	7,492	7,301
EMS	1,638	1,648	2,120	1,952	2,390	2,760	2,719	2,777	2,787	2,686
Solid Waste	877	957	902	930	1,042	1,092	1,103	1,145	1,157	1,157
Total business-type activities	2,515	2,605	3,022	2,882	11,259	13,790	12,812	11,895	11,436	11,144
Total primary government expenses	$ 34,963	$ 37,484	$ 39,716	$ 41,446	$ 57,063	$ 69,016	$ 69,191	$ 66,052	$ 62,217	$ 61,100
PROGRAM REVENUES										
Charges for services:										
General Government	$ 1,251	$ 1,472	$ 1,583	$ 1,751	$ 2,065	$ 2,183	$ 2,547	$ 2,538	$ 2,600	$ 2,539
Judicial	2,021	1,890	1,898	2,323	2,015	2,016	1,497	1,366	1,211	1,099
Public Safety	1,699	1,911	1,974	2,477	1,928	2,222	2,290	2,021	2,163	2,009
Public Works	55	45	54	-	14	4	476	1,031	1,134	1,160
Health and Welfare	-	18	17	146	189	-	-	63	81	57
Housing & Development	798	1,082	1,155	1,378	2,186	542	415	77	64	46
Culture & Recreation	234	304	160	847	340	603	704	872	856	891
Total charges for services:	6,058	6,722	6,841	8,922	8,737	7,570	7,929	7,968	8,109	7,801
Operating grants and contributions	431	398	300	911	1,391	527	774	698	649	961
Capital grants and contibutions	1,831	5,792	2,417	3,497	5,592	1,124	18	1,060	288	122
Total governmental activities program revenues	8,320	12,912	9,558	13,330	15,720	9,221	8,721	9,726	9,046	8,884
Business type activities:										
Charges for services:										
Water					7,946	7,691	7,332	8,382	8,720	9,028
EMS	1,198	1,032	1,633	1,141	1,463	1,130	1,535	1,123	1,555	1,753
Solid Waste	323	348	372	450	505	504	435	606	567	619
Operating grants and contributions	99	34	-	-	-	-	-	-	-	-
Capital grants and contibutions	-	-	-	-	3,735	489	-	899	894	901
Total business-type activities program revenues	1,620	1,414	2,005	1,591	13,649	9,814	9,302	11,010	11,736	12,301
Total primary government program revenues	$ 9,940	$ 14,326	$ 11,563	$ 14,921	$ 29,369	$ 19,035	$ 18,023	$ 20,736	$ 20,782	$ 21,185
Net (expenses)/revenue										
Governmental activities	$ (24,128)	$ (21,967)	$ (27,136)	$ (25,234)	$ (30,084)	$ (46,005)	$ (47,658)	$ (44,431)	$ (41,735)	$ (41,072)
Business-type activities	(895)	(1,191)	(1,017)	(1,291)	2,390	(3,976)	(3,510)	(885)	300	1,157
Total primary government net expense	$ (25,023)	$ (23,158)	$ (28,153)	$ (26,525)	$ (27,694)	$ (49,981)	$ (51,168)	$ (45,316)	$ (41,435)	$ (39,915)
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS										
Governmental Activities:										
Taxes										
Property taxes	$ 16,905	$ 19,410	$ 20,819	$ 22,258	$ 24,818	$ 28,255	$ 28,063	$ 30,445	$ 30,432	$ 30,347
Sales taxes	10,017	12,181	13,470	16,506	17,467	16,376	14,497	15,083	14,761	15,863
Insurance premium taxes	1,421	1,524	1,649	1,762	1,846	1,941	1,988	1,960	1,906	2,355
Other Taxes	1,404	1,669	1,486	1,744	1,755	1,484	1,257	812	833	854
Total taxes	29,747	34,784	37,424	42,270	45,886	48,056	45,805	48,300	47,932	49,419
Unrestricted grants and contributions	-	-	-	1,337	1,391	-	1,540	97	-	-
Intergovernmental revenue	364	605	1,047	-	-	-		-	-	-
Other	226	117	142	-	-	-	-	261	245	245
Unrestricted investment earnings	560	364	446	953	2,797	3,519	1,076	-	68	47
Gain (loss) on sales of capital assets	-	171	-	14	-	-	-	78	-	-
Transfers	(1,113)	(1,187)	(1,082)	(1,205)	(1,461)	(2,598)	(3,730)	(6,828)	(1,976)	(1,688)
Total governmental activities	29,784	34,854	37,977	43,369	48,613	48,977	44,691	41,908	46,269	48,023
Business-type activities:										
Investment earnings	1	1	1	2	382	2,760	872	203	53	25
Other revenues	13	-	-	-	-	-	-	1,043	230	-
Gain on sale of assets	(5)	9	-	-	-	-	-	-	-	-
Transfers	1,113	1,187	1,188	1,205	1,461	2,598	3,730	6,828	1,976	1,688
Special Item - Capital Contributions	-	-	-	-	33,081	-	-	-	-	-
Total business-type activities	1,122	1,197	1,189	1,207	34,924	5,358	4,602	8,074	2,259	1,713
Total primary governement	$ 30,906	$ 36,051	$ 39,166	$ 44,576	$ 83,537	$ 54,335	$ 49,293	$ 49,982	$ 48,528	$ 49,736
CHANGE IN NET ASSETS										
Governmental activities	$ 5,656	$ 12,887	$ 10,841	$ 18,135	$ 18,529	$ 2,972	$ (2,967)	$ (2,523)	$ 4,534	$ 6,951
Business-type activities	227	6	172	(84)	37,314	1,382	1,092	7,189	2,559	2,870
Total primary government	$ 5,883	$ 12,893	$ 11,013	$ 18,051	$ 55,843	$ 4,354	$ (1,875)	$ 4,666	$ 7,093	$ 9,821

Data Source: Audited Financial Statements
(1) Significant decline is related to a decrease in intergovernmental expenses related to the 2007 SPLOST Fund

WALTON COUNTY, GEORGIA

FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
General fund										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,228,606	$ 356,976
Assigned	-	-	-	-	-	-	-	-	6,294,453	6,139,984
Unassigned	-	-	-	-	-	-	-	-	14,828,182	15,064,042
Reserved	37,587	79,540	82,557	-	93,983	203,423	161,057	239,843	-	-
Unreserved	5,885,134	5,753,024	6,769,667	12,993,481	17,599,673	20,126,127	21,305,694	22,824,783	-	-
Total general fund	$ 5,922,721	$ 5,832,564	$ 6,852,224	$ 12,993,481	$ 17,693,656	$ 20,329,550	$ 21,466,751	$ 23,064,626	$ 22,351,241	$ 21,561,002
All other governmental funds										
Nonspendable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 21,932	$ 238,506
Restricted	-	-	-	-	-	-	-	-	18,694,711	16,858,948
Committed	-	-	-	-	-	-	-	-	463,953	535,430
Reserved	-	-	-	5,643,135	70,369,621	58,521,430	36,779,653	22,477,885	-	-
Unreserved, reported in :										
Special revenue funds	1,192,621	753,271	744,090	840,241	1,043,373	1,303,750	1,297,855	1,367,372	-	-
Debt service funds	456,153	509,089	541,495	-	-	-	-	(95,388)	-	-
Capital projects funds	26,770,687	9,859,459	4,531,161	985,934	-	-	-	(56,721)	-	-
Total all other governmental funds	$ 28,419,461	$ 11,121,819	$ 5,816,746	$ 7,469,310	$ 71,412,994	$ 59,825,180	$ 38,077,508	$ 23,693,148	$ 19,180,596	$ 17,632,884
Total reserved	$ 37,587	$ 79,540	$ 82,557	$ 5,643,135	$ 70,463,604	$ 58,724,853	$ 36,940,710	$ 22,717,728	$ -	$ -
Total unreserved	$ 34,304,595	$ 16,874,843	$ 12,586,413	$ 14,819,656	$ 18,643,046	$ 21,429,877	$ 22,603,549	$ 24,040,046	$ -	$ -
Total all funds	$ 34,342,182	$ 16,954,383	$ 12,668,970	$ 20,462,791	$ 89,106,650	$ 80,154,730	$ 59,544,259	$ 46,757,774	$ 41,531,837	$ 39,193,886

Data Source: Audited Financial Statements

Fund balance format changed in 2011 as a result of the provisions of GASB 54

WALTON COUNTY, GEORGIA

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
REVENUES										
Taxes	$ 30,321,241	$ 34,801,221	$ 37,520,783	$ 42,248,003	$ 45,719,807	$ 47,844,287	$ 44,794,165	$ 48,126,321	$ 48,636,167	$ 49,786,120
Licenses & permits	709,131	934,040	954,246	1,793,594	1,736,390	725,568	343,592	227,959	237,616	249,962
Intergovernmental	3,544,619	734,263	1,111,156	2,294,357	2,517,377	635,376	2,037,334	1,638,859	993,859	1,033,340
Charges for services	1,167,459	4,393,611	3,668,940	4,855,293	4,951,533	4,367,440	2,044,463	5,751,231	6,062,943	5,915,036
Fines and forteitures	1,528,805	1,359,292	1,445,025	1,825,741	1,834,655	2,021,821	5,302,864	1,902,633	1,775,018	1,618,059
Interest	542,352	342,223	408,799	924,507	2,796,924	3,519,417	1,075,584	167,846	95,180	59,316
Contributions	108,545	63,211	37,396	123,964	417,588	17,602	181,474	103,423	82,547	46,886
Other	235,518	308,586	1,146,557	208,626	211,609	948,996	227,159	260,961	245,455	245,393
Total Revenues	38,157,670	42,936,447	46,292,902	54,274,085	60,185,883	60,080,507	56,006,635	58,179,233	58,128,785	58,954,112
EXPENDITURES										
General Government	5,218,832	7,418,145	7,366,773	5,670,248	6,624,164	6,809,149	7,396,882	6,613,667	6,833,387	6,727,572
Judicial	2,950,680	3,521,639	3,804,317	3,803,217	4,213,524	4,442,352	4,686,430	4,901,904	5,094,439	4,954,557
Public Safety	13,898,054	14,704,719	14,855,607	14,795,337	16,452,780	18,017,628	18,715,114	20,816,214	20,036,200	20,806,809
Public Works	4,939,256	5,134,456	4,638,879	3,908,656	3,848,879	7,753,064	8,074,423	7,695,131	6,691,128	7,044,565
Health and Welfare	629,476	491,650	490,381	819,547	1,384,163	1,125,504	1,244,884	1,224,269	1,065,791	1,024,319
Culture & Recreation	1,403,495	1,760,775	1,911,023	1,999,165	2,475,434	2,636,610	3,149,723	3,287,364	3,128,025	3,061,956
Housing & Development	1,143,500	1,339,472	1,405,111	1,527,820	1,737,745	2,421,540	1,413,834	1,460,143	1,420,065	1,353,850
Intergovernmental	-	-	-	650,000	1,332,099	4,454,747	3,402,578	3,234,696	1,247,970	2,480,625
Capital outlay	3,600,334	17,950,334	6,844,455	3,842,555	7,826,655	11,743,598	13,563,745	2,937,784	2,454,870	3,704,550
Principal on long term debt	6,154,051	6,695,136	7,170,823	9,070,726	4,623,463	4,463,182	8,441,887	9,944,065	11,513,229	12,517,879
Interest	1,257,307	1,238,188	966,846	720,058	347,194	2,737,582	2,797,766	2,469,790	1,893,967	1,664,342
Issuance Costs	-	-	-	-	582,941	-	-	-	-	-
Total Expenditures	41,194,985	60,254,514	49,454,215	46,807,329	51,449,041	66,604,956	72,887,266	64,585,027	61,379,071	65,341,024
Excess (deficiency) of revenues over (under) expenditures	(3,037,315)	(17,318,067)	(3,161,313)	7,466,756	8,736,842	(6,524,449)	(16,880,631)	(6,405,794)	(3,250,286)	(6,386,912)
OTHER FINANCING SOURCES (USES)										
Bond debt issued	-	-	-	-	58,915,000	-	-	-	-	-
Premium on bond debt	-	-	-	-	2,367,366	-	-	-	-	-
Proceeds from captial lease	874,726	870,680	-	1,265,000	-	-	-	360,412	-	5,680,069
Sale of capital assets	-	184,470	-	137,123	85,887	-	-	87,308	-	56,933
Transfers in	9,855,148	13,544,134	11,333,962	2,950,680	2,424,080	1,599,601	1,250,249	2,951,097	5,021,031	5,467,118
Transfers out	(11,468,560)	(14,731,016)	(12,415,429)	(4,155,265)	(3,885,316)	(4,197,432)	(4,980,089)	(9,779,508)	(6,996,682)	(7,155,159)
Total other financing sources (uses)	(738,686)	(131,732)	(1,081,467)	197,538	59,907,017	(2,597,831)	(3,729,840)	(6,380,691)	(1,975,651)	4,048,961
Net change in fund balance	$ (3,776,001)	$ (17,449,799)	$ (4,242,780)	$ 7,664,294	$ 68,643,859	$ (9,122,280)	$ (20,610,471)	$ (12,786,485)	$ (5,225,937)	$ (2,337,951)
Debt service as a percentage of noncapital expenditures	24.55%	23.08%	23.61%	29.51%	13.06%	15.11%	23.38%	25.21%	23.04%	23.90%

Data Source: Audited Financial Statements

WALTON COUNTY, GEORGIA

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

Fiscal Year	Property Tax	Sales Tax (1)	Franchise Tax	Alcoholic Beverage Tax	Insurance Premium Tax	Real Estate Transfer Tax	Other Tax	Total
2012	$ 30,333	$ 15,863	$ 346	$ 218	$ 2,355	$ 381	$ 290	$ 49,786
2011	30,475	15,098	328	226	1,906	324	279	48,636
2010	29,950	15,034	315	234	1,960	370	263	48,126
2009	27,340	14,209	295	238	1,988	467	257	44,794
2008	28,255	16,376	268	218	1,941	715	71	47,844
2007	24,818	17,467	227	211	1,846	1,034	117	45,720
2006	22,258	16,506	180	209	1,761	1,078	256	42,248
2005	20,827	13,470	130	189	1,649	995	261	37,521
2004	19,338	12,181	116	180	1,524	1,231	231	34,801
2003	17,374	10,017	125	170	1,422	1,025	188	30,321

Source: Tax Commissioner

(1) Includes 1% Special Local Option Sales Tax

WALTON COUNTY, GEORGIA

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	General Government	Judicial	Public Safety	Public Works	Health and Welfare	Culture and Recreation	Housing and Development	Debt Service	Other (1)	Total
2012	$ 6,728	$ 4,955	$ 20,807	$ 7,045	$ 1,024	$ 3,062	$ 1,354	$ 14,182	$ 6,184	$ 65,341
2011	6,833	5,094	20,036	6,691	1,066	3,128	1,420	13,407	3,704	61,379
2010	6,614	4,902	20,816	7,695	1,224	3,287	1,460	12,414	6,173	64,585
2009	7,397	4,686	18,715	8,074	1,245	3,150	1,414	11,240	16,967	72,888
2008	6,809	4,442	18,018	7,753	1,126	2,637	2,422	7,201	16,199	66,607
2007	6,624	4,214	16,453	3,849	1,384	2,475	1,738	5,553	9,159	51,449
2006	5,670	3,803	14,795	3,909	819	1,999	1,528	9,791	4,493	46,807
2005	7,367	3,804	14,856	4,639	490	1,911	1,405	8,138	6,844	49,454
2004	7,418	3,522	14,705	5,134	492	1,761	1,339	7,933	17,950	60,254
2003	5,219	2,951	13,898	4,939	629	1,404	1,144	7,411	3,600	41,195

Source: Finance Department

(1) - Includes intergovernmental expenses and capital outlay

WALTON COUNTY, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(amounts expressed in thousands)

		Real Property				Personal Property				Less Exemptions:					
Fiscal Year	Tax Year	Residential Property	Agricultural Property (1)	Commercial & Industrial	Public Utilities	Inventory & Equipment	Motor Vehicles	Mobile Homes	Other (2)	Real Property	Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2012	2011	$ 1,381,176	$ 157,739	$ 324,373	$ 83,515	$ 232,162	$ 216,600	$ 10,243	$ 4,407	$ 152,985	$ 51,102	$ 2,206,127	12.175	$ 5,515,317	40.00%
2011	2010	1,583,810	261,062	325,583	81,366	223,263	217,337	10,592	3,924	236,455	37,834	2,432,647	11.032	6,081,618	40.00%
2010	2009	1,808,305	303,668	345,840	83,515	210,292	221,024	10,592	3,908	311,502	22,490	2,653,152	10.882	6,632,880	40.00%
2009	2008	1,863,686	303,587	343,052	74,120	218,176	251,611	11,991	4,940	308,471	20,497	2,742,195	10.055	6,855,488	40.00%
2008	2007	2,074,423	336,236	340,304	70,214	233,542	243,221	11,876	4,839	410,139	24,246	2,880,270	10.064	7,200,675	40.00%
2007	2006	1,990,790	333,143	315,531	69,626	184,530	229,630	11,923	4,677	407,648	25,311	2,706,891	10.064	6,767,228	40.00%
2006	2005	1,765,565	305,189	295,482	64,936	180,082	206,398	12,672	4,638	340,191	26,335	2,468,436	10.064	6,171,090	40.00%
2005	2004	1,565,708	281,182	258,390	59,942	172,935	208,583	13,165	4,591	298,615	26,420	2,239,461	10.064	5,598,653	40.00%
2004	2003	1,304,003	241,241	212,216	61,162	157,884	196,538	13,930	4,725	203,911	25,080	1,962,708	10.084	4,906,770	40.00%
2003	2002	1,199,588	243,412	191,307	56,548	139,848	194,533	14,292	3,725	198,200	21,956	1,823,097	10.084	4,557,743	40.00%

Source: Tax Assessor

(1) Includes Conservation Use, Preferential Property and Forest Land.

(2) Includes Timber, Airplanes, Boats, RV's, etc.

WALTON COUNTY, GEORGIA

PROPERTY TAX RATES (DIRECT AND OVERLAPPING GOVERNMENTS)
Last Ten Fiscal Years
(Mills - rate per $1,000 of taxable assessed value)

Fiscal Year	Operating Millage	School District Operating Millage	School District Debt Service Millage	School District Total School Millage	State	Total Direct & Overlapping Rates
2012	12.175	19.600	2.200	21.800	0.250	34.225
2011	11.032	18.600	2.200	20.800	0.250	32.082
2010	10.882	18.250	2.200	20.450	0.250	31.582
2009	10.055	17.490	2.450	19.940	0.250	30.245
2008	10.064	17.240	2.700	19.940	0.250	30.254
2007	10.064	17.240	2.700	19.940	0.250	30.254
2006	10.064	17.240	1.600	18.840	0.250	29.154
2005	10.064	18.020	0.820	18.840	0.250	29.154
2004	10.084	17.020	0.880	17.900	0.250	28.234
2003	10.084	16.940	0.960	17.900	0.250	28.234

Source: Tax Commissioner

Overlapping rates are those of local and county governments that apply to property owners within the County.

Not all potential overlapping rates apply to all County property owners (e.g., the rates for special districts apply only proportion of the government's property owners whose property is located within the geographic boundaries of the special district.)

WALTON COUNTY, GEORGIA

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND EIGHT YEARS AGO
June 30, 2012
(amounts expressed in thousands)

		2012			2004		
Item	Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
1	Walton EMC	$32,493	1	1.47%	$17,802	1	0.91%
2	Walton County Power, LLC	$24,778	2	1.12%			
3	MPC Generating, LLC	$20,767	3	0.94%			
4	Transcontinental Gas	$13,547	4	0.61%	$13,412	3	0.68%
5	Georgia Power Corp.	$9,352	5	0.42%	$5,076	7	0.26%
6	Georgia Transmission	$9,273	6	0.42%			
7	L & P Materials MFG, Inc.	$7,975	7	0.36%	$4,939	8	0.25%
8	Pike Electric, Inc.	$7,271	8	0.33%			
9	Windstream Georgia	$6,924	9	0.31%			
10	Murray E. Kenneth, Sr.	$6,515	10	0.30%	$5,327	6	0.27%
11	Wal-Mart Real Estate				$15,401	2	0.78%
12	Avondale Mills				$7,591	4	0.39%
13	Alltell GA Communications				$7,135	5	0.36%
14	Meridian Homes				$4,768	9	0.24%
15	Bell South Telecomm, Inc.				$4,425	10	0.23%
Totals		$138,895		6.30%	$85,876		4.38%

Source: Tax Commissioner
Usable data was not available prior to 2004.

WALTON COUNTY, GEORGIA

PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	Total Levy	Collected within Fiscal year of the Levy		Collections in Subsequent Years	Total Tax Collections	% of Total Levy Collected	Outstanding Delinquent Taxes
		Amount	Percentage of Original Levy				
2012	$ 26,094	$ 25,392	97.3%	$ -	$ 25,392	97.3%	$ 579
2011	26,279	25,367	96.53	784	26,151	99.5%	128
2010	26,450	25,318	95.72	1,042	26,360	99.7%	90
2009	26,021	24,736	95.06	1,197	25,933	99.7%	88
2008	24,447	23,728	97.06	662	24,390	99.8%	57
2007	22,201	21,921	98.74	242	22,163	99.8%	38
2006	19,895	19,654	98.79	240	19,894	100.0%	1
2005	17,357	17,152	98.82	204	17,356	100.0%	1
2004	16,050	15,802	98.45	247	16,049	100.0%	1
2003	14,167	13,926	98.30	240	14,166	100.0%	1

Source: Tax Commissioner

WALTON COUNTY, GEORGIA

SPECIAL ASSESSMENT BILLINGS AND COLLECTIONS
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	Special Assessment Billings	Special Assessments Collected	Collected as Percentage of Billings
2012	$ 506	$ 491	97.0%
2011	503	539	107.16
2010	498	495	99.40
2009	495	462	93.33
2008	437	438	100.23
2007	415	413	99.52
2006	347	344	99.14
2005	301	298	99.00
2004	271	259	95.57
2003	235	234	99.57

Source: Tax Commissioner

WALTON COUNTY, GEORGIA

TOP 10 WATER CUSTOMERS
CURRENT YEAR AND SIX YEARS AGO

	2012				2006			
Customer	Usage in Kgallons	Annual Revenue	Rank	Percentage of Total Revenue	Usage in Kgallons	Annual Revenue	Rank	Percentage of Total Revenue
City of Loganville	341,485,000	$ 894,691	1	10.72%	298,824,000	$ 500,140	1	11.01%
Walton County BOE	13,880,000	116,133	2	1.39%				
City of Social Circle	6,860,000	17,973	3	0.22%	22,116,000	37,597	2	0.83%
Youth Mobile Home Park	5,600,000	45,815	4	0.55%	7,383,000	40,983	3	0.90%
Jackson Mobile Home Park	3,287,000	27,121	5	0.32%	3,074,000	17,112	5	0.38%
Arocovia Properties, Inc.	2,860,000	22,522	6	0.27%	2,906,000	14,447	7	0.32%
Simmeron Mobile Home Park (1)	2,711,000	22,292	7	0.27%	2,926,000	32,606	6	0.72%
Summers Landing	2,162,000	17,688	8	0.21%	1,687,000	9,569	10	0.21%
Loganville Christian Academy	1,023,000	8,139	9	0.10%				
City of Jersey	987,000	2,586	10	0.03%	4,852,000.00	8,242.60	4	0.18%
Georgia Water & Well Service					2,701,000	15,178	8	0.33%
Herman Carruth					2,006,000	11,561	9	0.25%
Total	380,855,000	1,174,959		14.08%	348,475,000	687,435		15.13%
All Others	939,547,000	7,171,839		85.92%	752,398,000	3,856,693		84.87%
Annual Totals	1,320,402,000	$ 8,346,798		100.00%	1,100,873,000	$ 4,544,128		100.00%

The Water and Sewer Fund came under the County's control in 2006

Source: Water Department

(1) Includes Sewage Fees

WALTON COUNTY, GEORGIA

RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amounts)

	Governmental Activities					Direct Business-Type Activities (2)						
Fiscal Year	General Obligation Bonds	Capital Leases	Certificates of Participation	Installment Sales	Intergovernmental Contracts	Water Revenue Bonds	Water Capital Leases and GEFA Notes	Water Notes Payable	Water Intergovernmental Contracts	Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
2012	$ 13,915	$ 5,896	$ -	$ -	$ 2,456	$ 83,945	$ -	$ -	$ -	$ 106,212	5.68%	$ 1,268
2011	26,165	288	-	-	2,652	80,420	-	-	5,907	115,432	5.64	1,276
2010	37,415	360	-	-	2,843	78,345	403	2,922	6,279	128,567	6.78	1,535
2009	46,915	-	-	253	3,034	78,950	477	3,327	6,639	139,595	5.17	1,599
2008	54,915	-	-	506	3,223	79,530	547	3,695	6,753	149,169	5.61	1,739
2007	58,915	25	-	759	3,239	19,560	614	7,584	6,861	97,557	3.84	1,172
2006	3,750	506	-	1,012	3,379	20,090	678	7,954	6,964	44,333	1.91	559
2005	10,750	972	1,215	1,265	3,517	-	-	-	-	17,719	0.85	235
2004	16,980	1,570	1,420	-	3,655	-	-	-	-	23,625	1.26	329
2003	22,630	-	1,615	-	3,790	-	-	-	-	28,035	1.62	405

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 for personal income and population data.

(2) The amount outstanding does not include unamortized issue premium or unamortized amount deferred on refunding which are included on the statement of net assets as part of debt.

WALTON COUNTY, GEORGIA

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

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value (1) of Property	Per Capita (2)
2012	$ 13,915	$ 5,610	$ 8,305	0.15%	$ 99
2011	26,165	5,225	20,940	0.34	232
2010	37,415	5,343	32,072	0.48	383
2009	46,915	5,348	41,567	0.61	476
2008	54,915	6,462	48,453	0.67	565
2007	58,915	3,600	55,315	0.82	665
2006	3,750	1	3,749	0.06	47
2005	10,750	605	10,145	0.18	134
2004	16,980	598	16,382	0.33	228
2003	22,630	596	22,034	0.48	318

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

(1) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

(2) Population data can be found in the Schedule of Demographic and Economic Statistics.

WALTON COUNTY, GEORGIA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
as of June 30, 2012
(amounts expressed in thousands)

Jurisdiction	Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
Direct:			
General Obligation Bonds of County (1)	$13,915	100%	$13,915
Overlapping:			
Walton County School District:			
General Obligation Bonds (1)	66,820	100%	66,820
Total Direct and Overlapping	$80,735		$80,735

Sources: Assess value data used to estimate applicable percentages provided by the State Department of Revenue. Debt outstanding provided by the Walton County School District.
(1) General obligation bonds are general obligations of the issuer to which its full faith and credit and taxing powers are pledged.

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

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

WALTON COUNTY, GEORGIA

LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years
(amounts expressed in thousands)

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Assessed Valuations: (1)										
Assessed Value	$ 2,021,297	$ 2,166,619	$ 2,538,076	$ 2,808,627	$ 3,114,539	$ 3,290,409	$ 3,050,666	$ 2,964,654	$ 2,669,102	$ 2,359,112
Debt limit (10% of total assessed value)	202,130	216,662	253,808	280,863	311,454	329,041	305,067	296,465	266,910	235,911
Amount of Debt applicable to limit:										
General obligation bonds	22,830	18,400	11,965	3,750	58,915	54,915	46,915	37,415	26,165	13,915
Less: Amount set aside for repayment of general obligation debt	(596)	(598)	(605)	(1)	(3,600)	(6,462)	(5,348)	(5,343)	(5,225)	(5,610)
Total net debt applicable to limit	22,234	17,802	11,360	3,749	55,315	48,453	41,567	32,072	20,940	8,305
Legal debt margin	$ 179,896	$ 198,860	$ 242,448	$ 277,114	$ 256,139	$ 280,588	$ 263,500	$ 264,393	$ 245,970	$ 227,606
Total net debt applicable to the limit as a percentage of debt limit	11.00%	8.22%	4.48%	1.33%	17.76%	14.73%	13.63%	10.82%	7.85%	3.52%

Source: (1) Tax Assesser

WALTON COUNTY, GEORGIA

PLEDGED-REVENUE COVERAGE
Last Six Fiscal Years (1)
(amounts expressed in thousands)

Fiscal Year	Gross Revenues (2)	Less: Operating Expenses (3)	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2012	$ 9,052	$ 4,605	$ 4,448	$ 1,250	$ 3,547	0.93
2011	8,773	4,187	4,586	1,250	3,660	0.93
2010	8,382	4,618	3,764	605	3,798	0.85
2009	7,332	5,042	2,290	580	3,592	0.55
2008	7,691	5,507	2,184	555	927	1.47
2007	7,946	4,705	3,241	653	1,183	1.77

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

(1) Walton County absorbed the Walton County Water Authority through a lease transfer agreement in 2006.

(2) Include operating revenues plus interest income

(3) Total operating expenses exclusive of depreciation.

WALTON COUNTY, GEORGIA

DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (2) (000's omitted)	Per Capita Personal Income (2)	Median Age (1)	School Enrollment (4)	Unemployment Rate (3)
2012	83,768	$ 1,869,199	$ 22,314	37.3	13,210	9.9%
2011	90,444	2,047,381	22,637	35.2	14,966	10.1%
2010	83,758	1,894,941	22,624	37.4	14,836	10.3%
2009	87,311	2,702,014	30,947	36.7	14,642	10.2%
2008	85,782	2,661,129	31,022	34.6	14,530	6.5%
2007	83,241	2,539,017	30,502	34.5	13,891	4.7%
2006	79,295	2,327,150	29,348	34.6	13,446	4.5%
2005	75,494	2,094,883	27,749	34.6	12,811	4.7%
2004	71,741	1,877,605	26,172	34.6	12,196	4.4%
2003	69,204	1,735,844	25,083	34.4	11,816	4.2%

Data Sources
(1) Bureau of the Census
(2) Bureau of Economic Analysis
(3) Federal Reserve Economic Data
(4) State Department of Education
Note: Population, median age, and education level information are based on surveys conducted during the last quarter of the calendar year. Personal income information is a total for the year. Unemployment rate information is an adjusted yearly average. School enrollment is based on the census at the start of the school year.

WALTON COUNTY, GEORGIA

PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

	2012			2003		
Employer	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Walton County Board of Education	1,876	1	5.10%	1,845	1	5.57%
Wal-Mart Supply Chain	900	2	2.45%	580	2	1.75%
Walton County Government	721	3	1.96%	560	3	1.69%
Walton Regional Medical Center	415	4	1.13%			
Wal-Mart Store - Loganville	400	5	1.09%			
Wal-Mart Store - Monroe	352	6	0.96%			
Hitachi Automotive Systems Americas, Inc.	325	7	0.88%			
Standridge Color Corporation	307	8	0.83%	310	4	0.94%
Leggett & Platt, Inc.	275	9	0.75%	300	5	0.91%
Social Circle City Schools	240	10	0.65%			
Crane Plumbing				260	6	0.79%
Avondale Manufacturing				250	7	0.76%
Oxford Slacks				230	8	0.69%
Goodyear Tire and Rubber				215	9	0.65%
Certain Teed Corporation				175	10	0.53%
Total	5,811		15.80%	4,725		14.28%

Source: State Department of Commerce.

WALTON COUNTY, GEORGIA

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

	Full-Time Equivalent Employees as of Fiscal Year End									
Function	**2012**	**2011**	**2010**	**2009**	**2008**	**2007**	**2006**	**2005**	**2004**	**2003**
General Government	148	141	138	139	132	139	138	132	134	126
Public Safety										
Sheriffs Office										
Deputies	155	156	154	155	151	151	137	137	134	131
Civilians	20	20	20	20	19	18	19	19	19	19
Total Sheriffs Office	175	176	174	175	170	169	156	156	153	150
Fire										
Firefighters and Officers	51	52	50	51	50	50	50	45	45	44
Civilians	1	1	1	1	1	1	1	2	1	1
Total Fire	52	53	51	52	51	51	51	47	46	45
EMS, E911 & Animal Control	56	56	57	58	56	58	52	53	50	53
Total Public Safety	283	426	420	424	409	417	397	388	383	374
Public Works										
Supervision and Administration	15	15	17	16	16	16	17	15	15	15
Maintenance	33	35	37	36	33	37	38	36	35	35
Total Public Works	48	50	54	52	49	53	55	51	50	50
Recycling	9	9	10	10	10	10	9	11	9	9
Culture and Recreation	24	25	26	25	24	26	25	21	25	22
Water	23	25	28	26	29	28	-	-	-	-
Total	535	535	538	537	521	534	486	471	467	455

Source: Finance Department

WALTON COUNTY, GEORGIA

OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

	Fiscal Year									
Function	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Sheriff										
Physical Arrests (1)	3,515	4,111	5,964	5,628	5,415	5,412	4,969	4,941	4,922	4,720
Traffic Violations (1)	9,763	9,369	14,382	14,468	7,428	6,524	6,650	6,167	9,389	10,751
Fire										
Number of Calls Answered	4,000	3,100	3,112	3,067	2,935	2,993	3,075	3,317	3,255	2,858
Pre- Fire Plans	103	103	103	103	103	103	103	99	97	96
Highways and Streets										
Street Resurfacing (miles)	29.70	40.84	52.00	27.60	59.81	37.50	26.47	23.08	N/A	N/A
Potholes Repaired	50	37	115	45	43	131	93	N/A	N/A	N/A
Sanitation										
Refuse Collected (tons/year)	3,598	3,588	3,262	3,234	3,369	3,037	2,809	2,661	2,529	2,534
Recyclables Collected (tons/year)	730	830	1,136	649	1,020	1,045	1,235	1,446	1,400	1,139
Culture and Recreation										
Athletic Facility Permits Issued	42	71	43	41	28	26	7	9	11	8
Park Facility Permits Issued	193	151	151	125	94	71	61	48	81	29
Community Center Memberships	3,257	3,000	1,500	1,000	500	N/A	N/A	N/A	N/A	N/A
Water										
New Connections	42	41	47	110	258	660	746	911	792	713
Water Mains Breaks	20	11	7	12	5	7	12	5	17	2

Source: County Departments

(1) Information is Calender Year as reported to the Governor's Office of Highway Safety. 2011 and 2012 are year-to-date through September.

WALTON COUNTY, GEORGIA

CAPITAL ASSET STATISTICS BY FUNCTION
Last Ten Fiscal Years

Function		Fiscal Year 2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Public Safety											
Sheriffs Office											
	Stations	2	2	2	2	2	2	2	1	1	1
	Vehicles	129	126	129	120	131	115	125	110	103	N/A
Fire											
	Stations	11	11	11	11	11	11	11	11	11	11
	Vehicles	36	36	37	36	36	36	32	32	31	33
Highways and Streets											
Streets (miles)		709	744	744	744	744	744	744	700	691	691
Streetlights (1)		3,234	3,312	3,334	3,330	3,058	2,803	N/A	N/A	N/A	N/A
Equipment		46	50	51	51	51	51	47	42	42	40
Vehicles		43	44	48	48	48	48	44	40	43	38
Recycling											
Vehicles		3	3	3	3	3	3	4	4	4	4
Equipment		68	63	63	63	63	63	63	61	56	56
Solid Waste											
Vehicles		4	5	4	4	4	4	5	5	5	6
Equipment		15	15	15	15	13	12	12	11	11	11
Culture and Recreation											
Parks Acreage - County Owned		276.70	273.70	273.70	273.70	236.70	221.70	185.70	124.20	124.20	124.20
Parks - County Owned		11	11	11	11	10	8	4	3	3	3
Parks Acreage - County Maintaine		380.40	87.70	87.70	87.70	87.70	87.70	87.37	83.70	83.70	83.70
Parks - County Maintained		17	6	6	6	6	6	6	5	5	5
Community Centers		3	3	3	3	3	1	1	1	1	1
Water & Sewer											
Water Mains (miles)		526	526	512	500	475	450	425	400	400	400
Fire Hydrants		2,776	2,776	2,703	2,640	2,508	2,376	2,244	2,112	2,112	2,112
Maximum Daily Capacity		10,750	10,750	10,750	9,000	8,750	8,750	8,750	8,750	8,750	8,750
	(thousands of gallons)										

Source: County Departments

(1) Walton EMC

N/A - Information not available